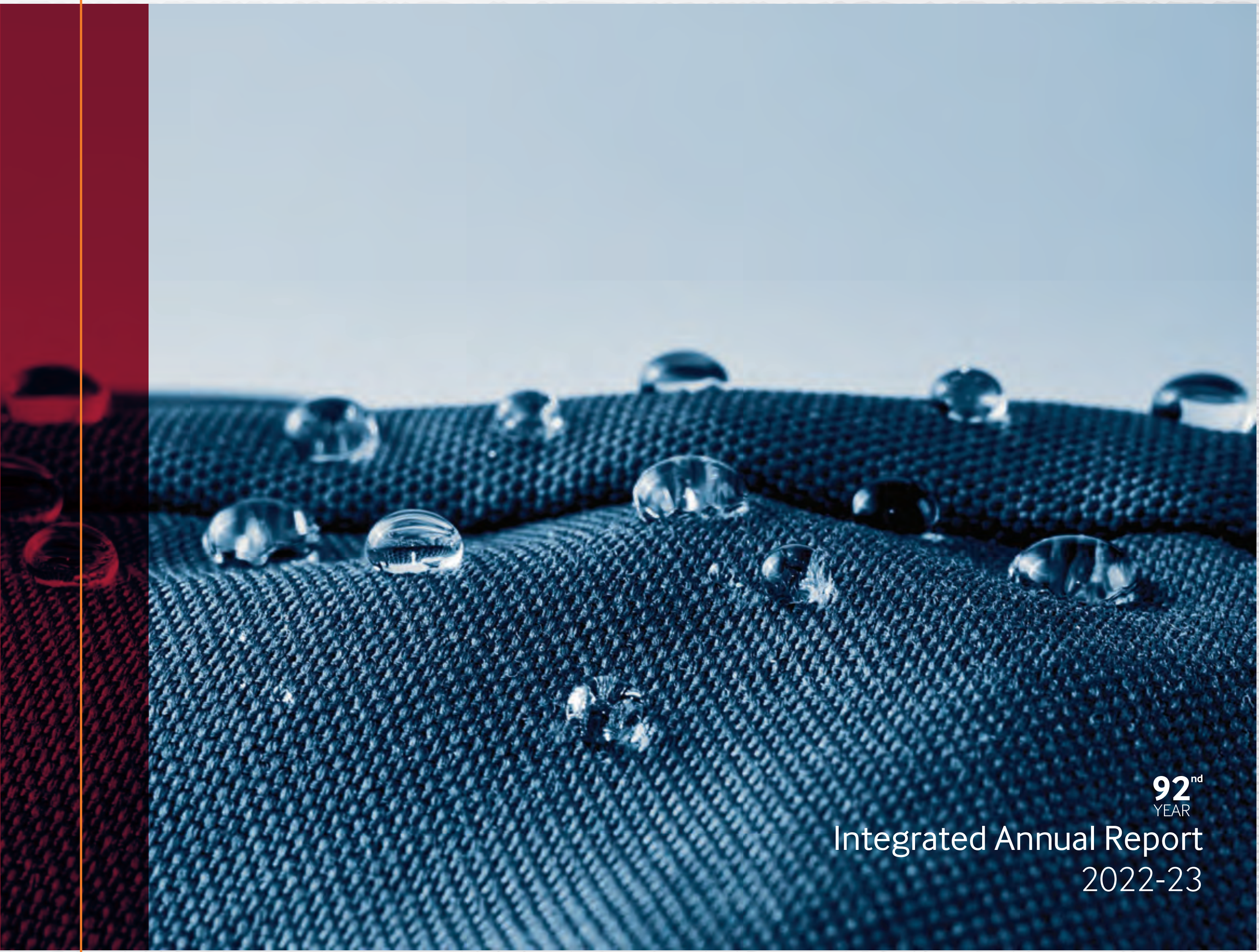
Arvind
FASHIONING POSSIBILITIES

Innovations that inspire



ARVIND LIMITED
CIN: L17119GJ1931PLC000093

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Innovations that Inspire

Ideas shape the vision of the future, and innovations inspire its creation. At Arvind, we have embraced innovation as the key to fashioning a more vibrant, dynamic and engaging future. Innovation is, for us, the driver of our inspirational journey towards enhanced growth and increased value creation.

From pioneering new varieties of fabrics, to breaking new grounds in advanced materials, we have charted an exemplary path of innovation that stands out as a beacon guiding the industry. Our breakthrough innovations in areas of wovens, knits and garmenting etc. have added new layers of comfort, fashion and sustainability to our offerings.

From leveraging technology to harnessing ideas, we continually dig into the core of our strengths, experience and expertise to weave distinctiveness into our products.

Our innovative capabilities allow us to create products that meet the evolving needs of the aspirational customers, not just for today but for the future as well.

The patents we continue to receive year after year do not just validate our innovation edge but inspire us to chart new vistas of excellence, growth and value creation.

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Chairman's Message

The Advanced Material Division (AMD) grew 22% during the year. Notwithstanding the hit suffered by the Denim and Garment volumes, we also succeeded in maintaining good overall volumes in the Woven business.

Dear Shareholders,

FY23 has witnessed a healthy performance by Arvind despite the persistent uncertainty in the global market. The Company's deep-rooted strengths and cautious approach to the macro changes enabled it to stay on course of its growth trajectory. This mood of caution was not limited to Arvind but underlined the general sentiment in the textile industry, both within and outside India. The latter part of the year started seeing some postponement in purchases amid the possibility of softening of consumer demand as a result of the interest rate hikes initiated to combat the inflation spikes. On the bright side, however, this means sharper inventory management, which will augur well for the industry going forward.

I am happy to share that despite these headwinds, your Company has had a good FY23, marked by a healthy set of numbers and progress along the key operational metrics of our business. The Advanced Material Division (AMD) grew 22% during the year. Notwithstanding the hit suffered by the Denim and Garment volumes, we also succeeded in maintaining good volumes in the Woven business. Softer commodity and energy prices helped maintain margins, despite volume loss in certain parts of our portfolio. Our positive financial performance also enabled us to fulfil our objective of reducing our long-term debt by ₹300+ Cr. during the year.

Given this scenario, we believe we are at the right time and place to make strategic investments that will position both our businesses to take advantage of the opportunities that we see emerging ahead. The launch of Productivity Linked Incentive (PLI) scheme 2.0, state-wise allocation of seven parks, and focus on concluding the Free Trade Agreements with key geographies promises an exciting mix of opportunities for the growth of the Indian textiles industry. These developments are expected to lead to the creation of new capacities with scale-up in production, with the Government's focus on promoting competitive manufacturing and volume production.

In recent quarters, we have substantially expanded our sustainability initiatives, and we are excited to announce that our new 46.9 MW Hybrid Solar-Wind facility will be operational by June 2023. With the implementation of this facility, we will fulfill 47% of our electricity requirements through renewable sources, marking a significant milestone in our sustainability journey.

Internationally, sustainability has become a growing priority, and global brands are now more committed than ever to establishing environmentally friendly supply chains. At Arvind, we have long been making deliberate investments in this realm, positioning our Company uniquely to meet and exceed these growing requirements. Over the years, we have achieved key milestones like removing our dependence on freshwater and using 100% recycled water for Textile production. We also work with 75,000 farmers in Gujarat & Maharashtra to help transition to Sustainable farming methods and source Sustainable cotton.

Our factories are equipped with Zero Liquid Discharge solutions, ensuring that no liquid waste is discharged. The recycled water, known as grey water, is effectively utilised to meet our process requirements, promoting efficient water management throughout our facilities. We are also committed to transitioning from Coal and moving to agriculture waste as a source of renewable heat energy for our operations. This also helps to avoid the open burning of crop residues which often leads to local air pollution in India.

An essential element of our sustainability principles is our unwavering commitment to realising a genuinely circular fashion industry. To achieve this, we maintain a steadfast focus on pioneering initiatives and substantial investments in research and development. Currently, we are actively exploring an innovative technology that has the potential to extract fibres with virgin-like quality from used or discarded garments. This revolutionary process of recycling old clothing represents a significant milestone in our sustainability journey and contributes to the overall circularity of our business.

Even as we continue to raise the bar of our sustainability-led initiatives, we are concurrently also focussing proactively on verticality to drive long-term business growth for Arvind. More than ever before, key global buyers are now favouring the concept of a one-stop shop to buy merchandise. Unfortunately, the Indian textiles industry has been lagging when it comes to large-scale world-class garmenting operations, especially compared to competing nations like Bangladesh. In our endeavour to plug this gap, we have embarked on expansion plans to take our full garment capacity from 45 million pieces to 61 million pieces. We also plan to increase our essentials capacity from 49 million pieces to 60 million pieces.

As you are all aware, our Advanced Materials businesses have demonstrated their strength to grow consistently at 20%+ year after year. Our current capacity utilisation stands at around 90%, and we are expanding the same by adding an additional 25-30% capacity across our key business. This, we believe, will help us power our near-term growth aspirations.

We are confident that cumulatively, the capital investments we are making will enable us to continue delivering on our promise of steady, sustainable, and profitable growth.

While geopolitical and environmental concerns weigh in on the global outlook, technology, and innovation continue to create breakthrough solutions and opportunities. For example, 2022 saw the launch of ChatGPT which has taken the world by storm. The technology, which had been in the works for a long time, has brought artificial intelligence into mainstream commercial applications.

On this positive note, let me thank you all for your sustained trust and cooperation. I am sure that with your continued support, we shall scale new vistas of growth to deliver sustainable, long-term growth and value creation.

With warm regards,

Sanjay Lalbhai

Sanjay Lalbhai

Key Highlights FY23

FINANCIAL

Revenue

₹ 8,382 Cr.

5% YoY

2% Textiles revenue grew

Advanced Materials revenue went up by **22%**

PAT

₹ 413 Cr.

EBITDA (excluding other income)

₹ 800 Cr.

9.5% margin

Net Debt

₹ 1,327 Cr.

Debt reduction of **₹ 356** Cr. compared to March 2022

CSR Spend

₹ 5.06 Cr.

Ratings (CARE)

AA-

NON-FINANCIAL

- Embarked on a 2-year ₹ 600 Cr. investment programme to grow AMD and Garments businesses; first set of projects underway and progressing well
- Divesture of full stake in Arvind Internet (OMUNI), sold to e-commerce enablement platform Shiprocket, managed by Bigfoot Retail Solutions, for ₹ 200 Cr.
- Launched our largest showrooms – in the South Indian market in Bengaluru, and in the East Indian market in Patna
- Partnered with PurFi Global LLC, a sustainable technology company specialising in rejuvenating textile waste into virgin quality products, to reduce the amount of textile waste going to landfills

Bought 31.2% stake in Renew Green (GJ Eight) Pvt. Ltd. for approx. ₹ 27.32 Cr. for setting up a wind-solar hybrid power project in Bhavnagar, Gujarat.

About the Report

Since inception, we are focussed on enhancing the stakeholder value. We are doing so by investing not only in the financial capital but all the other capitals, namely natural, social & relationship, intellectual, manufactured and human.

Since FY22, we have started publishing an Integrated Annual Report to make our stakeholders aware of how these six capitals come together at Arvind to create a strong stakeholder value. The key focus areas which are of priority for our stakeholders, and therefore the organisation have been dealt with under each of these capitals.

This is the second integrated annual report of the Company. It describes our performance, strategy, and endeavours to attain sustainability in a comprehensive manner.

The IAR provides an overview of the operations and activities of Arvind Limited during the period April 1, 2022 to March 31, 2023. We have adopted the International Integrated Reporting Council's Framework for this report to present our value-creation story, incorporating key financial and non-financial aspects.

This report is also aligned with the GRI Standards guidelines, nine principles of Ministry of the Corporate Affairs' NGRBC (National Guidelines on Responsible Business Conduct) on social, environmental and economic responsibilities of business, and framework on BRSR (Business Responsibility & Sustainability Reporting) by the Securities and Exchange Board of India (SEBI).

REPORT BOUNDARY

The financial reporting in the IAR pertains to Arvind's consolidated operations, whereas the non-financial reporting accounts for 95% of the consolidated turnover.

Find this report online at
www.arvind.com

Designed to Inspire the Future

Arvind strongly believes in design, innovation, and sustainability as its core ideologies. The impressive statistics mentioned, such as the fabric being able to go around the Earth six times over and two pieces of apparel being sold every second in India, showcase the scale of operations.

The commitment to quality is evident in the craftsmanship and attention to detail that goes into every piece of textile or apparel that is produced. By emphasising design and innovation, we strive to create products that not only meet but exceed customer expectations.

We are also one of the largest fire protection fabric producers in the country. This highlights the Company's focus on safety and its ability to cater to specialised markets and industries.

Our dedication to design, innovation, sustainability, and quality is reflected in our impressive achievements and the positive impact we have made on the textile and apparel industry.

Arvind Limited is a leading Indian textile and apparel conglomerate, providing customer-centric lifestyle solutions to domestic and global customers since 1931. Leveraging 100 years of textile experience and sustainable business practices, it is powering some of the biggest fashion and apparel brands across the world.

An end-to-end supply chain partner to leading global fashion brands, Arvind has been inspiring future transformations to drive long-term and sustainable growth and value creation for all its stakeholders.

25,188

Total employees as on March 31, 2023

POWERHOUSE OF INNOVATION

With its history of many firsts, Arvind has been fashioning new possibilities to transform the world of fashion and apparel.

- **1st denim manufacturer and a trail-blazer in advanced materials**
- **Pioneers in the areas of wovens and knits, voiles, and garmenting, amongst others**

Headquartered in Ahmedabad, Arvind Limited is equipped with state-of-the-art infrastructure, backed by strong innovation and technological capabilities that enable us to produce high-quality denim and knit fabric material. We are a prominent player in denim, and also one of the largest and fast-growing knit fabric manufacturers in India, with world-class manufacturing units driving our capabilities and quality excellence.

STRATEGIC GROWTH VISION

To be the largest integrated textile and apparel player in India with a leadership position in several global markets.

BRAND PHILOSOPHY

We believe that the possibilities are endless, it just depends on how you fashion them. Since 1931, this guiding philosophy has consistently enabled us to touch people's lives through groundbreaking solutions. It motivates us to strive for a better future - for our people, customers, partners, investors and the world at large.

We also believe in the infinite potential of each of our employees. Our people development initiatives, as well as our reward and recognition programmes, are focussed on motivating, nurturing and empowering our employees, and grooming them into leaders of tomorrow.

External Operating Environment

The macro environment in which we operated during FY23 was a mixed bag. Caution was the operating mantra for the industry, which saw both opportunities and challenges in the scenario that prevailed through the year. The uncertain external environment continued to impact industry and business performance as the global headwinds discouraged people from spending money on discretionary items.

DEMAND VOLATILITY

The demand situation in the key export markets, especially in the US, continued to be both encouraging and challenging at the same time. Global brands and retailers remained cautious in the backdrop of the persistent geopolitical tensions, inflation spikes and energy crisis, along with cost pressures and a tightening monetary policy to fight the same. Consumers continued to defer their non-essential purchases, leading to significant demand contraction. Higher than target inflation in the US, continuing war in Europe, and reopening of China were the key factors contributing to the cautious approach. The first two quarters also saw a major inventory build-up in the supply chain, especially since key US customers preponed their buying to pre-empt the potential shipping delays.

In India, too, the demand fluctuated between strong and sluggish in an uncertain environment. The value segment in the domestic segment saw some moderation in demand during the year, but demand for winter products was lower due to delayed winters (pick-up started from January 2023). As a result, the distributor was stuck with high-cost inventory.

Both in domestic and export markets, customers continued to postpone their buying and to keep a tight control over their inventory. The focus was on buying in small lots and buying as close to the secondary demand as possible. However, some green shoots were visible towards the end of the fiscal, with export markets seeing lower than expected slowdown. Macro environment in US/EU markets also started to show some improvement in the outlook, though the overall prognosis remained cautious. Some improvement in demand is expected in the coming quarters, but it is likely to be only marginal.

BANGLADESH FACTOR

The fact that, unlike Bangladesh, India does not give a GST duty free status to Europe, puts the industry at a disadvantage compared with the neighbour. Further, the collapse of currency in Pakistan is also giving Bangladesh an advantage, especially in the linen segment.

PRICING PRESSURE

The high cost of raw materials, including cotton, dyes, chemicals and packaging material, continued to put pressure on the industry during FY23. Cotton prices, which had peaked to ₹ 1 lakh per candy, came down to ₹ 60,000-70,000 per candy by Q3 but were still in the higher-than-normal bracket. Prices of other raw materials also started stabilising due to reduced shipping costs but were still on the higher side. The input costs are expected to remain volatile in the near term. Cotton and other input costs are expected to stay range-bound around the current level, while oil prices may firm up in the near term.

GOVERNMENT SUPPORT

Amid the persistent challenges, the government continued to extend support to the industry. Its initiatives included increase in the rates of incentives for the exports of readymade garments and dress materials from 2% to 4%. Another favourable development was the 100% FDI allowed in the textile sector under the automatic route in December 2022. The PLI scheme for textiles is also designed to provide a stimulus to the industry. The scheme's second tranche is expected to be unveiled soon.

In summary, the mood in the industry continues to be one of cautious optimism about the demand revival in both export and domestic segments. Global uncertainty continues to prevail, and cotton prices and currency exchange rates are also seeing wide fluctuations. However, this is expected to be a short-term concern, with improvement expected in the mid-term. With more and more people seeking to de-risk China, Vietnam and Bangladesh, India is likely to be the beneficiary as a sourcing destination for many of our key brand partners.

Innovatively Managing Risks & Opportunities

Every business becomes risky unless it invests in risk management and efforts to maximise the opportunities. At Arvind, we see in every challenge a new opportunity to innovate, and drive growth and value. We are continuously scanning and monitoring the various risks faced by our business, and seeking out the opportunities that we can harness for sustained growth despite the risks.

We have a robust Enterprise Risk Management (ERM) framework, which enables us to take certain risks to remain competitive and achieve better growth. As per the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), we have integrated Climate-related risk management into our existing ERM framework. The key principles that we have followed in this process are -

- → Interconnections
- → Temporal Orientation
- → Proportionality
- → Consistency

CLIMATE-RELATED RISK

Climate-related risk is one of the most important and universal risks impacting businesses across industries and geographies. It covers the potential negative impact of climate change on lives, livelihoods, health status, economic, social and cultural assets, services (including environmental), and infrastructure.

IDENTIFYING CLIMATE RISK & OPPORTUNITIES

Climate-related risks have the ability to amplify traditional risks or create new risks. The time horizon for these risks can be short, medium or long-term. In alignment with the TCFD recommendations, we have identified the potential climate risks as follows:

Physical Risks

- **Acute** - Increased frequency of extreme weather events like drought, flood, heat wave, heavy precipitation etc.
- **Chronic** - Changing precipitation patterns and types (rain, hail, snow / ice)

Transitional Risks

- **Current and Emerging Regulations** - Enhanced emission reporting obligation, Carbon tax, Phasing out of coal, Regulation of existing products and services leading to higher compliance cost
- **Legal** - Exposure to litigation for sustainability claims
- **Technology** - Unsuccessful investment in new technologies, Cost of transitioning to lower emissions technology and early retirement of existing assets
- **Market** - Increased cost of sustainable raw materials, Changing customer behaviour, Shift in demand and supply of sustainable raw materials
- **Reputation** - Stigmatisation of sector, Increased stakeholder concern

As we keep evolving to be a more sustainable organisation, some of our potential opportunities include:

- **Resource Efficiency** - Use of more efficient production and distribution processes, Use of recycling, Reduced water usage and consumption
- **Energy Source** - Use of lower emission sources of energy, Use of new technologies, Participation in carbon market, Shift towards decentralised energy generation
- **Products and Services** - Development of new products and services through R&D and innovation, Development and/or expansion of goods and services with lower emission, Better competitive position to reflect shifting consumer preferences
- **Markets** - Access to new markets
- **Resilience** - Resource substitution / diversification, Participation in renewable energy programmes and adoption of energy efficiency measures

OUR APPROACH

Based on the climate risks & opportunities, and their associated factors such as time horizon, impact etc., we have adopted the approach of being 'Fundamentally Right'. We continue to push our boundaries to adopt mitigation and adaptation solutions across our six key inputs – Fibre, Water, Energy, Chemicals, People and Money, to be proactive in managing climate change.

RESILIENCE OF OUR APPROACH

At Arvind, we have consistently focussed on, and invested in strengthening our resilience to future risks. Our investments in sustainable technologies go back a long way; in 1997, we recognised the importance of water and installed our first Zero Liquid Discharge plant which was then the largest in Asia. Understanding the potential physical and transition changes provides us a way to safeguard and strengthen our business from future risks and is important to us.

To summarise, the uncertainties in the future climate states are related to water scarcity, increase in ecological droughts, changes in precipitation pattern, increase in frequency of extreme weather events, phasing out of fossil fuels, etc.

We have also defined climate-related metrics and have set a target for each metric. These metrics are tracked continually to ensure that we are on the right path to climate change management. Thus, we believe that our approach is resilient to various future climate states.

The initiatives we are taking as part of our approach of being 'Fundamentally Right' are aligned with the uncertainties faced in future climate states. For example, to tackle water scarcity we are reducing our dependence on freshwater and recycling our water. To reduce our dependence on coal and decrease emissions, we are increasing the use of biomass. To reduce the agricultural GHG emissions, we are promoting sustainable farming practices.

STRONG GOVERNANCE

We have a Board-level Environmental, Social and Governance (ESG) Committee. This committee considers ESG risks and opportunities while setting up ESG visions and ambitions, and also while reviewing and guiding the strategy of the Company.

OUR STRATEGY

Climate-related risks are sensitive to time horizon. Some risks are long-term in nature and some can be experienced in a very short period of time. We have already started seeing many of the physical risks, such as increased intensity and frequency of extreme weather events like storms, floods etc.. Thus, it is imperative that we define our timeframes according to the climate-related risks we face, and the sectors and geographies we operate in. At Arvind, we have defined the time horizon of short-term risks to be 1 to 2 years, for medium-term it is 3 to 5 years, and for long-term it is 5 to 15 years.

POTENTIAL IMPACT OF CLIMATE RISKS & OPPORTUNITIES

At Arvind, we are cognisant of the impact we have on climate change. Concurrently, we are also aware of climate change's impact on us. The impact of climate change is seen in the way it is reshaping the operating environment of businesses. Its potential impact on our business is listed below:

Risks

- Reduced revenue from decreased production capacity, e.g. supply chain disruptions
- Reduced revenue and higher costs from impacts on operations and supply chain
- Increased capital expenditures and costs to adopt and deploy new practices/ processes
- Increased direct costs due to changing input prices e.g. energy, water, sustainable raw material, etc., and output requirements e.g. wastewater, waste etc.
- Increased operating cost, e.g. caused by higher compliance cost

Opportunities

- Reduced operating costs (through efficiency gains and cost reductions)
- Reduced exposure to future fossil fuel price increases
- Reduced exposure to GHG emissions, and therefore less sensitivity to changes in cost of carbon
- Increased capital availability (as more investors are favouring lower emission producers or ESG compliant companies)
- Increased revenue through demand for lower emission products and services
- Better competitive position to reflect shifting consumer preferences, resulting in increased revenues through access to new and emerging market
- Increased reliability of supply chain and ability to operate under various conditions

Value Creation Model

Inspired to Invest in our Capitals

A well-articulated strategy, backed by proper resource allocation, is vital to a company's growth and value creation focus. It helps in maximising the opportunities and minimising the risks associated with a business. It aids in driving holistic, value-accretive growth for all stakeholders.

For us, at Arvind, stakeholder value creation is a key priority of our strategic roadmap, which we continue to reorient in tandem with the transforming market and consumer needs. The positivity that we saw emerging towards the end of year, both within and outside India, encouraged us to resume our investment programme, while continuing with our cautious and calibrated approach in tandem with the unfolding market situation and demand pattern.

In line with our vision to deliver inspiring lifestyle solutions to the people, we shall make targeted investments, over FY24 and FY25, in the areas offering the bigger growth opportunities.

Pillars of our value creation strategy

Continue to scale-up and solidify our core textiles business on 4 large engines of growth: verticalisation, innovation, branding and advanced materials

Continue to grow our asset-light business model

Continue to work on new product lines so they gain market traction and volumes during the year

Continue to expand product portfolio through investment in advanced materials, to generate robust double-digit growth in top-line while maintaining the margin model

We are steering this strategy through proper, need-based resource allocation and investments in innovative infrastructure, such as R&D, digitisation, etc. We believe this will enable us to expand our portfolio of products and services in line with the evolving demand scenario, and give us a stronger competitive edge.

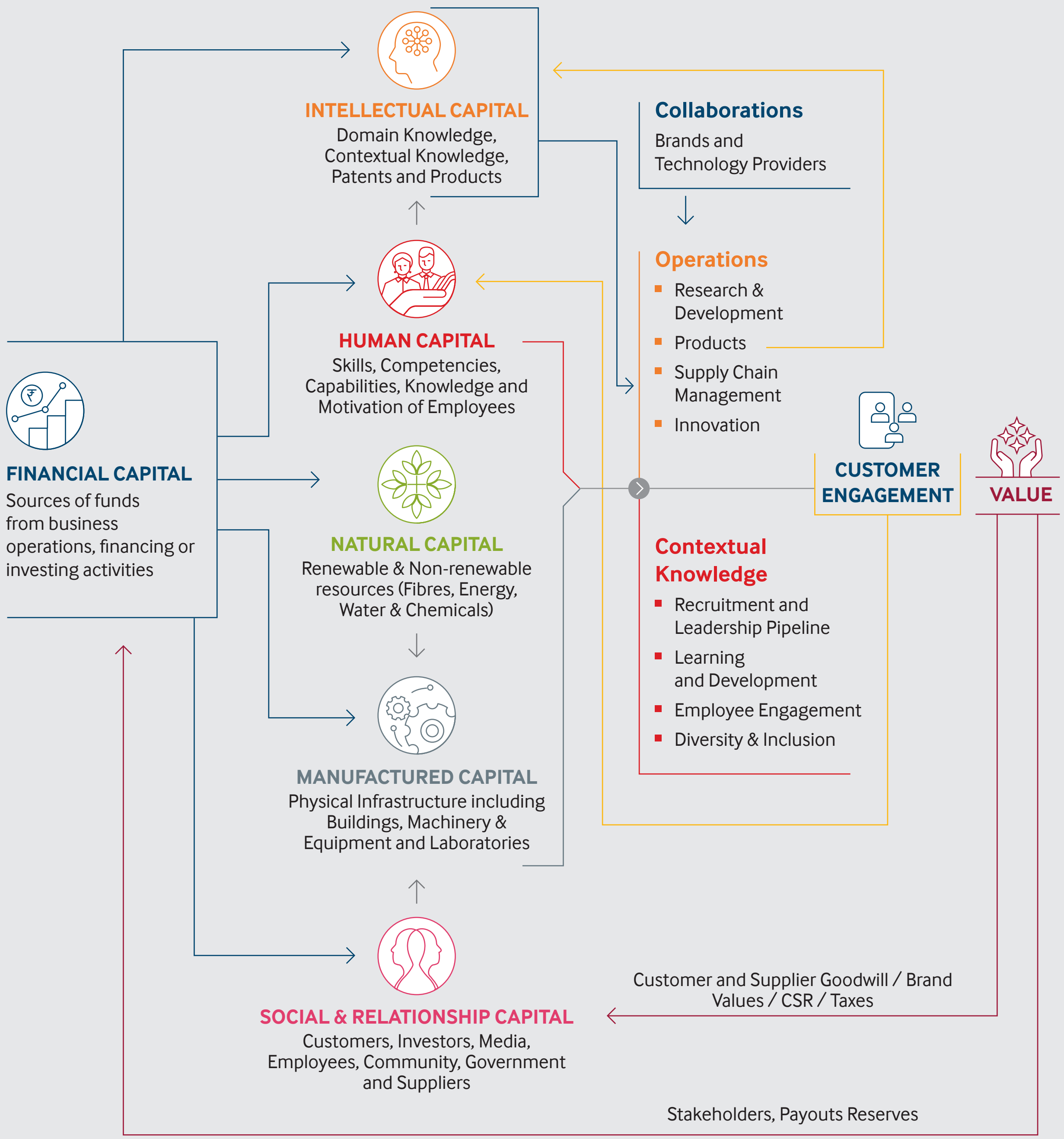
For FY24, we have planned resource allocation in the following key areas:

- Augment capacities as part of our 2-year investment plan of about ₹ 600 Cr.
- Allocate large chunk of the capex cycle to the emerging businesses of human protection, industrials and composites
- Optimise cost in Fabrics business
- Focus aggressively on changing our source of energy and decarbonising, increasing RE (renewable energy) proportion in our portfolio
- Invest in cutting-edge technology to bring more circularity to our business
- Continue to reduce our long-term debt – plan to pay back another ₹ 250 Cr. of long-term debt and bring the debt level to ₹ 400 Cr. by March 2024
- Focus actively on digitisation

Safe Harbour Statement

Certain statements with regard to our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements.

Integrated Business Model



INPUT	OUTPUT	OUTCOME
FINANCIAL CAPITAL	Equity share capital – ₹ **261.50 Cr.** Debt position - Net debt – ₹ **1,327 Cr.** Net revenue – ₹ **8,382 Cr.** EBIDTA – ₹ **800 Cr.** PAT – ₹ **413 Cr.**	→ Robust balance sheet with a AA- CARE Rating → Prudence and consolidation to reduce debt and working capital requirement → Distribution of financial wealth to expanding stakeholder network → Final dividend of ₹ 3.75/- per equity share and one-time special dividend of ₹ 2/- per equity share, totalling to a dividend of ₹ 5.75/- per equity share of face value of ₹ 10/- each, for the financial year ended March 31, 2023
MANUFACTURED CAPITAL	Manufacturing facilities – **15** R&D facilities – **5** Material cost (₹ Cr.) – **4,010.74**	→ 55 million metres denim, 127 million metres wovens and 32 million pieces garments manufactured → Modifications of energy-intensive machines to more energy-efficient operational modes
INTELLECTUAL CAPITAL	No. of patents granted – **5** No. of patents under review – **19** Quantum of R&D Spend (Last 5 years) – ₹ **128.96 Cr.**	→ Industry 4.0 adoption by integrating IoT and blockchain technologies → Preferred partner by customers for innovation and project execution
HUMAN CAPITAL	Skilled human resource (nos.) – **25,188** Employee benefit expense – ₹ **867.57 Cr.** Training hours – **5,26,172** Average amount spent per FTE on training and development – **2,446** Average hours per FTE of training and development – **17.83** Percentage of open positions filled by internal candidates (internal hires) – **0%** Complaints on child / Involuntary labour (nos.) – **0** Complaints on discriminatory employment – **0** Complaints on sexual harassment at workplace – **3**	→ Strong team with diverse set of skills and domain experts in finance, R&D, design, product development, sales & marketing, patents & trademarks, sustainability, waste water and solid waste, technical textiles, CSR and IT → Safe workplace with minimal work-related mishaps → Delivering on our ambition of a safe and prosperous women-friendly organisation
NATURAL CAPITAL	Contribution of sustainable cotton (%) – **61** Total energy consumption – **6,348.72 TJ** Total water withdrawal – **2,769** Megalitre Freshwater withdrawal reduced – **27%**	→ Significant progress in environmental stewardship journey → Increasing adoption of renewable energy sources like bio-mass and solar and wind electricity → Reduced dependence on virgin materials by using recycled materials → Capacity building services/engagement with farmers to help them have better yields from their farmlands → In the process to set targets in alignment with the SBTi Commitment signed by us.
SOCIAL & RELATIONSHIP CAPITAL	CSR spend during reporting period (₹) – **5.06 Cr.** Total no. of direct beneficiaries – **37,532** Total no. of indirect beneficiaries – **77,082** Taxes paid (₹) – **100.09 Cr.** Premium paid to farmers for organic and regenerative cotton over market price (%) – **10**	→ Increased transparency and customer satisfaction → Long-term relationships and repeat business with customers and suppliers → Strong trust-based community relationship → Respectable position in business community and associations → Presence on national and international forums for sustainable business practices

Financial Capital

Ensuring Sustained and Sustainable Growth

One of the most inspiring drivers of sustainable, long-term growth is the triple bottom line (Profit, People, Planet) philosophy. It motivates the right kind of investment in the right areas to drive sustained and sustainable growth, and enable inclusive value creation.

At Arvind, we have centred our business strategy on the triple bottom line proposition. We remain committed to enhancing value not only for our investors and shareholders but also for other stakeholder groups, including customers, employees, supply chain partners, government and the communities around which we operate. The various JVs and investments by our partners and stakeholders endorse the success of this approach.

To achieve this objective, we continue to make significant investments in augmenting our financial capital, represented by the Company's equity and debt structure, along with the profits generated. A part of the profits is reinvested in the business for steering future growth.

Our value creation focus is evident from our dividend policy. For FY23, the Board of Directors recommended a final dividend of ₹ 3.75/- per equity share and one-time special dividend of ₹ 2/- per equity share, totalling to a dividend of ₹ 5.75/- per equity share of face value of ₹ 10/- each, subject to approval of shareholders in the ensuing Annual General Meeting.

OUR STRATEGIC AND FINANCIAL STRENGTHS

We are committed to boosting stakeholder prosperity and ensuring equitable distribution of profits/value through:

- Pursuit of profit with integrity, inclusivity and innovation
- Ability and flexibility to deploy financial capital for upgrading equipment, expanding capacities, setting up R&D centres, procuring and hiring locally, nurturing talent and fuelling growth

This capability and flexibility is steered by our strategic and financial strengths, which encompass:

Strong Balance Sheet with AA- Rating

A healthy AA- (CARE) rating and a robust balance sheet, with an EBITDA of ₹ 800 Cr. in FY23, are a strong propeller of our growth journey.

Visionary and Professional Management

Our visionary, professional and experience management team leads the Company's sustainable and long-term growth. It helps us in early identification of opportunities, quicker mitigation of challenges, and more effective harnessing of resources.

Optimal Capital Structure

We maintain an optimal mix of equity and debt financing, which helps in maximising our market value while minimising the cost of capital. We monitor capital using a gearing ratio.

Strong and Cherished Relationships

We have, over the years, worked on nurturing our relationships with our suppliers and dealers, enabling collective growth. This has helped us develop a mature product portfolio that generates ~10% EBITDA with a good degree of predictability.

Prudent Cash Flow Management

We follow a prudent and judicious approach to cash flow management. We strive to reduce our borrowing through tighter financial and operating discipline, fixed cost reduction, and limiting the capital expenditure to necessary minimum. We further reduced our overall borrowing in FY23.

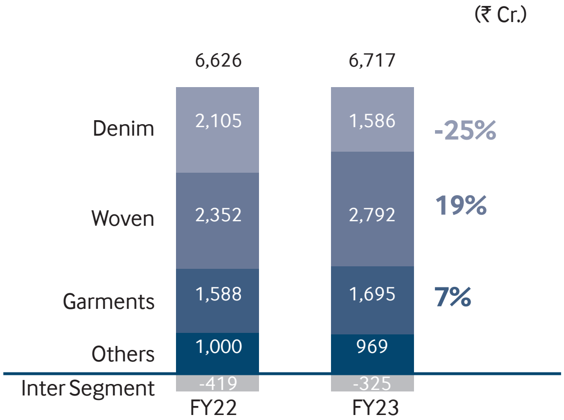
As on March 31, 2023, our total borrowings stood at ₹ 1,404 Cr. 20% lower than at the end of FY22. This was the third consecutive year where our total borrowings saw a reduction.

Financial Performance

FY23 witnessed a stable performance by Arvind Limited amid a volatile market. We reported an overall healthy performance in the key segments of our business.

The Company's net debt came down by ₹ 356 Cr. over the previous fiscal and stood at ₹ 1,327 Cr. as of March 31, 2023. Long-term debt reduced by ₹ 304 Cr. over this period. This was the result of our continued prudent management of operational and capital expenditures.

Segment-wise textile revenue (comparative graph for FY22 & FY23)



GARMENT MANUFACTURING

Garment volumes declined as customers continued to defer their buying in an uncertain demand scenario, though price realisations increased. The continuing buyer caution remains a matter of concern.

TEXTILES

The Textiles volume was robust, especially in the export market, during the first quarter. The volumes continued to show growth, despite decline in Denims, enabling marginally higher revenue in the segment over the previous years. Though cotton costs have come down since Q3, they still remain higher than normal, putting pressure on Denims in particular.

ADVANCED MATERIALS DIVISION (AMD)

The business again posted double-digit growth at 22%. It started the year on a robust note, and continued with its upward movement through the quarters, as the input costs eased.

OTHER BUSINESSES

Our Effluent treatment business did well during the year, and continued to generate operating surplus, underscoring the strong fundamentals of the Company.

Overall, revenues showed modest growth in FY23, largely powered by AMD which grew 22%. Textile revenues remained nearly flat as higher realisations offset reduced volumes. In the Wovens, quarterly volumes remained steady through the years, while in Denims, the realisation, though higher than FY23, started trending down in tandem with cotton prices.

Economic Value Generated and Distributed

During FY23, our economic value generated (income) grew by 5% at the back of our financial strength and performance, and we were able to distribute ₹ 7,303 Cr. in value to our various stakeholders.

(All figures in ₹ Cr.)

Economic Value Generated (A)	8382.48
Operating Costs	4,010.74
Other Expenses	2,155.13
Employee Benefits & Wages	867.57
Payment to Providers of Capital	164.24
Payments to Government (India)	100.09
Community Investments	5.06
Economic Value Distributed (B)	7,302.83
Economic Value Retained (A-B)	1,079.65

Debt Position (All figures in ₹ Cr.)

BORROWINGS	March 31, 2022	March 31, 2023
Long-Term Borrowings	758	378
Short-Term Borrowings	803	751
Long-Term Liability maturing in one year	199	274
	1,760	**1,403**

Ratings (CARE):

AA-

FINANCIAL HIGHLIGHTS

PAT

₹ 413 Cr.

Revenue

₹ 8,382 Cr.

EBITDA

₹ 800 Cr.

Manufactured Capital

Building on Capacities to Scale Business

Striking the right balance between sustainability and profitable growth requires a high level of innovation. Such innovation is driven by robust organisational capacities and capabilities.

At Arvind, we have structured our manufactured capital around sustainable initiatives designed to keep our carbon footprint in check even as we scale business growth. These initiatives encompass all our manufactured capital related decisions, spanning the various material goods and infrastructure owned, leased or controlled by the Company, along with the equipment and technologies that are part of such infrastructure.

Adoption of Zero Liquid Discharge (ZLD) systems has led to a 93% reduction in our wastewater discharge. Our major manufacturing facilities are now equipped with ZLD.

AUGMENTING OUR MANUFACTURING STRENGTHS

We have progressively built on our manufacturing strengths over the year to promote efficiencies. We leverage advanced technologies and automation to boost our operational efficiencies, and enable efficient resource utilisation. We are also continuously strengthening our supply chain to further improve our processes and enhance our product quality. Our investments in our manufacturing prowess also enable us to ensure speed-to-market and deliver efficiently and on-time to our customers.

Our key manufacturing strengths include:

People & Process Efficiencies

Our people-centric initiatives have helped nurture a culture of passion, commitment, dedication and hard work among our employees, while enabling efficient process management.

Process Efficiencies

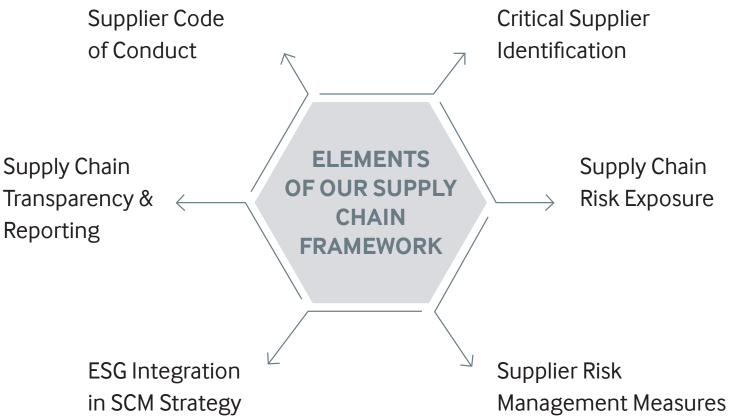
- Efficient vertical integration - from yarn to finished goods
- Process implementation of a large variety of patented products
- High-end machines with flexibility to handle both multiple and complex products
- Ability to handle complex order mix, with shorter production cycle time
- Stringent regular compliance management of all processes
- Effective processes in place to keep a check on key material inputs - Fibre, Water, Energy, Chemicals, People and Money

People Efficiencies

- Implementation of 5S (lean principles) for maintaining an efficient, safe and clean working environment
- Workforce training and skill enhancement on problem-solving tools, such as Root Cause Analysis
- End-to-end ownership, from design to delivery of products
- Cross-functional team to enhance operational and cost efficiencies
- Centralised teams for seamless planning, quality assurance & control, and finance, and quick implementation of decisions
- Trained workforce to handle intricate products while maintaining their performance characteristics

Robust Supply Chain

Our resilient and sustainable supply chain framework is designed to ensure efficient management of our supply chain partners. This enables responsible procurement, in line with our ESG focus.



To responsibly procure chemicals and ensure compliance with MRSL and RSL requirements, we leverage precision technologies like FTIR spectrometers and HPLC systems. These advanced tools enable us to vigilantly monitor and control our operations, effectively mitigating risks associated with restricted substances in our value chain.

Technology Prowess

We have adopted Industry 4.0 practices in our manufacturing and distribution processes. We are integrating new technologies into our business operations. These include:

- Advanced Analytics – We use dashboards for planning, decision-making and business reporting.
- Connectivity, Data, Computation Power – We have implemented Blockchain to ensure transparency and traceability.
- Human-Machine Interface (HMI) – Automation of processes is helping enhance efficiencies, especially in the areas of chemical dosing, sewing line, operations, monitoring, and control of washing machine and dryer.
- Internet of Things (IoT) – We have deployed IoT in textile processing operations like finishing, dyeing, sizing and warping. This has helped in precise assessment of the downtime and reason, enabling corrective measures to improve productivity.
- Enterprise Resource Planning – Through SAP implementation, we have successfully centralised and unified data from different business departments. This has helped accelerate the flow of information, and the real-time information enables quicker decision-making to enhance productivity and efficiency.

Key developments in FY23

We have initiated the process of debottlenecking and upgradation at our facilities, particularly in the Textiles business, in order to remain relevant and ensure sustained cash flow generation.

We are investing in capacity enhancement at our Ahmedabad plant to scale production capacity from 42-45 million to around 60 million in the upcoming years.

We plan to expand our capacities in the AMD business, which has headroom to grow 10-15% from the FY23 levels.

Intellectual Capital

Inspired by the Power of Knowledge

Innovation is not a destination but a continuing journey in the drive for sustainability. It is about imagining the future, and finding ways of realising it. Every innovation is powered by the ability to think ahead, and beyond – into the realm of tomorrow's possibilities.

At Arvind, the science of innovation is embedded in our organisational psyche. Seeing new opportunities, and then innovating and improvising to harness them, is, for us, a way of doing business. With our strong innovation ability, we continue to create products that are ahead of time, and stand out amidst the clutter of me-too fabrics and textiles. We continue to invest strategically in our intellectual capital to harness the deep core of knowledge we have developed over the years through our pioneering strengths.

Our innovative products are crafted to the unique needs of our customers, giving us a strong competitive edge in the market. They help us become future-ready by being early adaptors to change, thus creating sustained value for our stakeholders.

We have several products that are globally patented and some of these have won awards in international shows as well.

TYPES OF INNOVATIONS

Technology-driven

These include Indigo denim, advanced materials used in various industries, as well as clothing and process innovations such as waterless dyeing and Cationic treatment.

Non-technology driven

These are disruptive innovations designed to transform our service delivery, marketing, business model or organisational structure.

OUR INNOVATION PROCESS

Our investments in innovation encompass every stage of the process – from idea generation and collation to evaluation, implementation and the final scale-up.

1 Idea Collection Stage

It all begins with an idea, which can come from just anywhere – something we've read, heard or even a brainstorming exercise. We welcome all ideas and provide a platform to take them forward for evaluation.

2 Ideation Stage

The next stage involves sifting through the ideas and classifying them on the basis of various metrics. They are categorised as Incremental, Disruptive, Extension or Radical. This is followed by assessment of their potential for expansion in the existing market or creation of a new one. An evaluation is also carried out to check if the implementation of the idea would require any technical upgradation or adoption of a new technology.

3 Prototyping Stage

Then comes the stage of giving shape to the idea through R&D initiatives. To test whether the idea achieves its full potential, product prototyping and trials are carried out. Based on the trial feedback, necessary modifications and refinements are undertaken.

4 Pilot Stage

The idea then moves into production trial to evaluate the production capability and cost ramifications. Feedback is taken from concerned stakeholders such as customers and suppliers. Any valuable feedback is incorporated into the innovation.

5 Business Feasibility Stage

This is the final stage, during which all the tangible and intangible benefits and costs associated with the project are assessed and considered.

We also have in place an oversight mechanism, entailing internal reviews as well as reviews by the leadership team and the respective business teams. The oversight process is flexible and can be adapted to the specific needs of the relevant business.

OUR INNOVATION INFRASTRUCTURE

We have a robust infrastructure, which blends intellectual capital with human and manufactured capitals, to power our innovation journey and prepare us to meet the needs of the future.

Our infrastructure network consists of:

- **4 state-of-the-art R&D facilities**
- **Advanced technological labs and equipment**
- **Refined systems and processes**
- **Skilled human resources**
- **Strong collaborations**

Our well-equipped Research & Development (R&D) facilities are located at Naroda, Santej, Khatraj and Pune. They are all recognised and approved by the Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India. Our laboratories are equipped with the latest equipment, such as Washing Lab of Denim, Micro Spinning Plant for faster development, among others.

25,188

Skilled manpower

We have partnered with Gap Inc. to establish a one-of-its-kind centre, designed to promote and upscale water management practices across the textile and apparel value chain. It also acts as an 'innovation hub' for water management related innovations for the textile and apparel sector in India and around the world.

INNOVATING TO HARNESS OPPORTUNITIES

Seeing change as an opportunity comes naturally to us, at Arvind. We see new possibilities in the changing industry landscape, and move proactively towards translating them into reality. We continue to invest in breakthrough ideas and technologies to drive product enhancements and ensure customer delight through sustained improvement in manufacturing as well as management practices and processes.

Key innovations

Management processes in FY23

- Improved Working Capital Turn: Net working capital turn increased from 5.6 to 6.3, showcasing our strong focus on financial efficiency
- Enhanced Operational Efficiency: Structural changes and efficiency measures have boosted productivity, driving overall performance improvement
- Streamlined Textile Business Management: Consolidation under one management has optimised operating parameters, resulting in improved customer deliveries
- Capacity Augmentation in High-Demand Areas: Strategic expansion in key segments ensures efficient meeting of customer demands and market differentiation

Manufacturing operations in FY23

- The use of natural indigo in foam dyeing technology is a sustainable innovation that further reduces the environmental impact of dyeing
- The development of a pad-dry-cure reactive dyeing process that eliminates the washing operation is a sustainable and technological innovation leading to elimination of a water intensive step
- The development of capsule collection that features new yarns, dyeing styles, and finishes that create a modern and authentic look, is a commercial innovation
- The improvement of the pultrusion process is a technological innovation that will help Arvind to improve productivity and efficiency
- The implementation of a continuous improvement process across all our manufacturing operations is a strategic innovation that will help us to remain competitive in the global marketplace

FOCUS ON OPTIMISING THE DYEING PROCESS

At Arvind, we remain focussed on continuous optimisation of the dyeing process in our operations. We took a significant innovation leap in this journey during FY23 with the development of a single-bath yarn dyeing process for cotton/PET blends.

This process uses novel dyes that can be applied to both cotton and polyester fibres in a single step. This eliminates the need for two separate dyeing baths, which reduces water consumption, energy usage, and wastewater production. This is a highly sustainability-centric innovation which will enable Arvind to take a major step forward in its sustainable development journey.

We have also developed a new approach to denim finishing that uses bio-based materials. This approach replaces synthetic indigo dye stuff, pre-wetting chemicals, and auxiliaries used in sizing, and finishing with bio-based materials. This has reduced the environmental impact of Arvind's denim products and made them more sustainable.

OUR UNIQUE MARKETING ASSETS

Among our innovation USPs is a set of unique products and experiences that make us distinctive. These assets include:

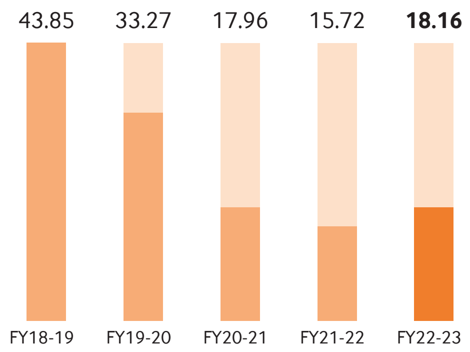
Difficult-to-replicate fabric finishes, ensuring exclusivity on account of the technology deployed	Eclectic mix of patented products to cater effectively to a large and diverse customer base	Strong brand equity, that gives us dominance in niche market segments (such as blouse materials)

We remain committed to building on our distinctive assets to enhance our intellectual capital.

The Arvind digital library is crafted to enhance the brand experience of its customers and partners. It is structured to create process efficiencies for the Company.

Spend on R&D

Amounts in ₹ Cr.



Natural Capital

Embracing Tomorrow's Needs Today

The realisation of tomorrow's goals begins with today's vision. It is driven by an acknowledgement of the future needs, backed by targeted initiatives in the present to fulfil the same.

At Arvind, we believe that only a strong focus on sustainability can help us create a better tomorrow in an eco-system of inclusive development and collective progress. We believe in nurturing the present in a way that it makes us ready to meet the requirements of the future. Our concerted investments in the Environment, Social and Governance (ESG) aspects of our business are aligned to this belief. We are continually augmenting our natural capital to steer our ESG journey more effectively and expeditiously.

- We are working with around 75,000 farmers to grow sustainable cotton – the main raw material for our business
- We recycle all the water at our major manufacturing facilities, thus conserving the precious freshwater resource
- We are actively pursuing decarbonisation across our business operations, making strategic investments in expanding our Renewable Energy (RE) capacity
- We are deploying cutting-edge technologies to enhance our business circularity, taking raw material from used clothing and reincorporating it into the manufacturing supply chain

In line with our Sustainability focus, we have aligned our strategic approach to the following targeted commitments.

CIRCULAR FASHION COMMITMENT

We are committed to implementing design strategies for cyclability, increasing the volume of used items collected, and enhancing the share of items made from recycled post-consumer textile fibres.

BIODIVERSITY COMMITMENT

We are committed to avoiding operational activities near sites containing globally or nationally important biodiversity, and application of mitigation hierarchy (avoid, minimise, restore & offset) when operating in areas in close proximity to critical biodiversity. The scope of our commitment is limited to our own operations, and tier 1 and non-tier 1 supply chain.

NO DEFORESTATION COMMITMENT

We recognise the importance of ending commodity driven deforestation to tackle climate change. We are committed to end all deforestation (no gross deforestation) by 2030 for our critical commodities, i.e. cotton and viscose. For the functional monitoring and verification of this commitment, a traceability mechanism link to suppliers is important. To ensure the same, we engage with cotton and viscose suppliers for ensuring traceability of the product to manage and mitigate deforestation risks.

Our '5T' Approach

Our sustainability-led business strategy is led by a 5T approach, which is centred around input management in contrast to tailpipe management.

Tenacity

We are continually working, with tenacity, on embedding sustainability at source and cascading it through our operations and value chain.

Technology

We pursue innovation to conserve our natural capital and continue to invest in new technologies to become energy efficient or reduce freshwater consumption.

Transparency

We continue to enhance our business transparency through improvements in our disclosure standards, linked to the natural capital, across reporting frameworks.

Totality

Taking a holistic and total approach, we have incorporated sustainability into every aspect of our business and also integrated our business goals with environmental responsibility. It is our continuous endeavour to source inputs sustainably, constantly monitor and improve processes, recycle waste, and create sustainable products.

Targets

We are working on a well-defined roadmap to ensure sustainable and future-proof growth. It includes setting of net-zero targets, including long-term Science-Based Targets (SBTs).

We attained a remarkable score of 91 percentile at the overall level in the S&P Global ESG Indices CSA (Corporate Sustainability Assessment) 2022, for the Textiles, Apparel & Luxury Goods category.

Our percentile for the Governance & Economic dimension was also an impressive 94. The score stood at 91 percentile each for the Environmental and Social dimensions.

MITIGATING THE IMPACT ON BIODIVERSITY

Apart from its impact on climate change, the textile industry's cost to biodiversity is also a concern. The destruction of soil, the alteration of the natural ecosystems, and the contamination of waterways are all intimately related to the textile supply chain.

At Arvind, we are cognizant of the importance of protecting the biodiversity from these adverse effects. We are driving effective governance mechanism, monitoring nature-related risks & opportunities, and integrating biodiversity in our businesses strategy.

Our strategy is steered by the following guiding principles:

- Identification of business-biodiversity nexus for Arvind
- Understanding the impact & dependencies
- Assessing the risks & opportunities
- Responding to the risk & opportunities

Initiatives

Based on the biodiversity related risks and opportunities, we have devised several actions, as per the AR3T framework. These include:

- Move to deforestation-free supply chains, i.e. raw materials sourced from existing managed landscapes for agriculture or forestry activities
- Restore the productivity of agricultural land using regenerative agriculture practices, thus reducing the need to expand to newer areas
- Work with certification standards to include biodiversity related criteria as part of the standards

Compliance, Monitoring and Targets

Natural systems are dynamic and there is often a delay between taking action and seeing a measurable change. Without measurement of actions it is difficult to understand the effectiveness of our strategies for biodiversity management. We have, thus, developed a framework of actions for compliance and monitoring, which include:

- Engagement with suppliers and/or partners to manage and mitigate deforestation risks
- Group-wide compliance with forest regulations and/ or mandatory standards
- Measuring our performance as per the indicators set forth in the biodiversity strategy

POWERING AHEAD IN TEXTILE CIRCULARITY

Textile circularity is fast taking the centre stage among the sustainability-conscious fashion-savvy younger generation. The focus of textile circularity is on creating a system where clothes and textiles are reused and recycled, instead of being thrown into landfills. Amid the growing environmental concerns catalysed by 'fast fashion', leading global textile and fashion brands are committing themselves to sourcing 100% recycled or sustainable materials within the next decade. They are looking for alternative materials and efficient processes to achieve this goal.

As a responsible, values-led organisation, Arvind Limited is also pursuing sustainable sourcing and textile circularity through concerted and impactful actions. In FY23, we took a giant leap forward in this direction by collaborating with PurFi Global LLC to combat the problem of textile waste. PurFi offers a proprietary technology that creates a traceable 360-degree circular solution for rejuvenating textile waste into virgin quality fibres. The process uses 96% less water and 90% less energy than virgin textiles.

As part of the Joint Venture (JV) agreement, PurFi and Arvind will locate the first in a series of planned fibre rejuvenation facilities near one of our manufacturing facilities in India. This facility will process textile wastes – white cotton, coloured cotton, denim and synthetics – into virgin-like fibres for reuse. An investment of US$25 to US$30 million will be made in creating two production lines, each having a 5,500-tonne capacity per year, with plans to expand over the next five years.

Full production is expected to commence in the last quarter of 2023.

Promoting Circular Fashion

In addition to climate change, the fashion business has a big impact on landfill trash, water pollution, and soil erosion. While the majority of discussions and circular fashion strategies concentrate on the issue of worn clothing (post-consumer waste), less consideration is given to textile waste and residues from the clothing production process (pre-consumer waste).

As a producer of textiles, Arvind is ideally situated to handle pre-consumer waste.

Our initiatives for circular fashion include:

- Allocation of R&D resources towards circular fashion, and collaboration with cross industry platforms like Fashion for Good, Cradle to Cradle, and Jeans Redesign
- Programmes like establishing a garneting unit, and signing a partnerships with PurFi to reduce, recycle or reuse unsold goods in order to avoid their destruction
- Continuous engagement with brands, i.e. our customers, on how to produce textiles more sustainably and make them last longer

INVESTING IN CORE MATERIAL INPUTS

Of the six material inputs we have identified as core to us, four - Fibres, Energy, Water, Chemicals - are related to our natural capital.

Fibres

In line with our sustainable sourcing strategy, we invest in sustainable agricultural initiatives and source alternate natural fibres and recycled fibres to replace cotton. Cotton is the key raw material for Arvind and accounts for 80% of our products. We undertake continuous innovation to make each fibre suitable for use.

Some of the initiatives undertaken by the Company include:

- Regenerative - Practices that promote soil health and supports in restoring organic carbon in the soil.
- Organic and In-Conversion Organic - Organic cotton is farmed using non-GM seeds and zero chemical pesticides as well as fertilisers, resulting in a huge positive impact in the environment. In-conversion organic is a way to become organic, as the land needs time to leech itself of previously used substances. We expanded the ambit of our support in this area to more farmers during the year.
- Better Cotton - This promotes efficient use of water, approved fertilisers and pesticides. We reached to a larger base of farmers with this initiative in FY23.
- Cotton Recycling - We are running a cotton recycling machine, for recycling both post-industrial waste (sourced primarily from our units) as well as post-consumer waste. Our PurFi partnership, which we sealed during the year, was another important initiative in this regard.

We work closely with farmers to promote sustainable cotton and have been continually bringing more and more farmers into the ambit of the programme. We also have in place a responsible supply chain mechanism to source sustainable cotton from the farms. More than 60% of the cotton we source is sustainable.

Growth Highlights

Type of Cotton	Farmers Engaged (In Nos.)			Area Under Cultivation (Ha)		
	FY21	FY22	FY23	FY21	FY22	FY23
Better Cotton	72,031	58,803	59,913	1,11,229	97,925	1,00,375
Organic	5,196	10,475	10,475	3,085	16,171	16,171
Regenerative	201	3,000	4,000	302	3,976	4,351
Total	**77,428**	**72,278**	**74,38**	**1,14,616**	**1,18,072**	**1,20,897**

Energy

We are progressively reducing our dependence on fossil fuels and increasing the proportion of renewable energy in our energy mix to steer our decarbonisation journey.

Some of the energy saving initiatives undertaken by the Company include:

- Retrofitted the existing machinery and equipment with energy efficient IE3 motors
- Thermal energy saving of 7,464 kcal per day through condensate recovery
- Modified passage of Sewage Treatment Plant, which led to saving of approximately 3,000 kWh per day
- Installed 36 new digital energy meters and CT / PT to monitor section-wise power consumption, to enable us to identify hotspots of energy consumption
- Optimised the run time of machinery based on weather conditions, to save on electricity and steam consumption

Renewable energy related initiatives undertaken by the Company include:

- Acquired 31.20% stake in Renew Green (GJ Eight) Pvt Ltd for setting up a 24-megawatt wind-solar hybrid power project at Bhavnagar, Gujarat
- Switch from coal by creating a backward supply chain of biomass briquettes

Benefits of backward supply chain integration of biomass briquettes

With the creation of a backward supply chain of biomass briquettes, we have not only achieved significant coal savings but also ensured a secured and consistent supply of briquettes throughout the year. This is also beneficial for the farmers as it helps them minimise the risk of unwanted prevalence of pink bollworm. It further enables the farmers to avoid health risks due to burning of cotton stalks. In FY23, we scaled up the backward supply chain of sourcing agro waste (cotton stalks) and were able to collect more than 28,000 MT of agro waste.

4X

Increase in agro waste collection over FY22

Emissions

We are committed to reducing our GHG emissions through deployment of low-carbon emission technologies and enhancing the energy efficiency of our processes.

Our 2022 CDP (formerly the Carbon Disclosure Project) score of 'B' in climate change is higher than the regional and global average of 'C', underlining our strong commitment to climate action. Our 'B' score in water security is in line with the regional and global average.

Energy Performance

	FY21	FY22	FY23
Direct			
Energy (TJ)	3,434	4,885	**4,952**
GHG (TCO_2e)	287,658	363,942	**358,302**
Indirect			
Energy (MWh)	241,185	353,836	**340,548**
GHG (TCO_2e)	193,347	283,654	**277,550**
Fabric			
Electricity (kWh/mtr)	1.15	1.16	**1.38**
GHG ($KgCO_2e$/ mtr)	2.50	2.28	**2.75**
Garment			
Electricity (kWh/piece)	0.53	0.54	**0.30**
GHG ($KgCO_2e$/ piece)	0.47	0.48	**0.29**

Note: Our specific electricity consumption and GHG emission went up as the units were not running continuously due to bottomed out demand for the denim business.

Water

We remain focussed on reducing our water consumption with investments in advanced technologies and enhancement of process efficiency. We continue to work towards better water management through efficient treatment and recycling mechanisms.

We have adopted a two-pronged approach towards water management for our operations:

Harness technology and management practices to reduce, recover and reuse water in our manufacturing operations, especially in wet processing	Focus on eliminating freshwater use by shifting to recycled water sources, either internally by setting up ZLD plants or externally through other water sources like community sewage

Based on this approach, some of the water-related initiatives undertaken by the Company include:

- Using only recycled water at all our major manufacturing facilities
- Water recovery from Hydro-extraction operation, leading to a water saving of 100m^3 per day
- Continued working on the collaborative project between Arvind and Gap Inc. to set up an innovation centre focussed on driving water stewardship

Water Performance

	FY21	FY22	FY23
Water (in 000 m³)			
Total Freshwater Consumption	2,176	1,655	1,161
Total Water Treated & Reused in Process	5,341	5,634	6,597
Total Water Treated & Discharged	2,016	876	153
Specific Water Consumption			
Fabric (litre/metre)*	40.53	26.21	33
Garment (litre/piece)	12.27	12.88	10.9

*Our specific water consumption for fabric went up as the units were not running continuously due to bottomed out demand for denim business.

Chemicals

Chemicals are an important element in textile manufacturing. They also serve as an inflection point, where a lot of innovation and technology can be embedded to make the final outcome more palatable to modern sensibilities.

We have adopted a lifecycle approach to chemical management, covering the following aspects:

Reducing Consumption	Continuous Improvement	Substitution	Discharge Management and Salt Recovery

In line with this approach, we take focussed measures to limit the discharge of hazardous chemicals and recover salts from the wastewater. We are adopting various means to cut the ETP load and the corresponding ETP chemical dosage, to ensure better efficiency of the process and reduced energy consumption in treating water.

Reduction, as a practice, is more effective when it is imbibed at the very first stage in the value chain. We encourage the farmers to cut down or eliminate harmful chemical fertilisers and pesticides in cotton cultivation by promoting Better Cotton, Organic Cotton, Regenerative Organic Certified (ROC) Cotton and Regen-agri Cotton.

At the same time, we are consistently focussed on continuous improvement of our production process to reduce consumption of chemicals. Our robust chemical management principles and comprehensive policies play an important role in this journey of continued incremental improvements.

We update our Chemical Management Policy (CMP) annually in line with product Restricted Substances List (RSL) and Manufacturing Restricted Substances List (MRSL) requirements.

We also substitute the hazardous chemicals from the chemical recipe with safe chemicals, and ensure minimal discrepancy in the final output. During the reporting period, our focus was on substituting the hazardous dyes with eco-friendlier options wherever possible and available. We also worked towards continuation and expansion of the projects implemented earlier, such as bio-softeners and recycled silicones.

An average 99% of the used chemicals in our manufacturing facilities were compliant to ZDHC MRSL.

Human Capital

Empowering People to Power Growth

A thriving organisation needs a dynamic workforce. It requires dedicated and committed people to drive its vision and goals. The employee-first culture at Arvind is aligned to this belief. We are committed to fostering an environment that nurtures employee growth, empowerment and welfare. Our investments in our human capital are integral to our strategic approach and plans.

Employee satisfaction, safety, development and overall well-being are integral to our decision-making. From talent acquisition to carving a rewarding growth path, we empower our people to leverage their strengths and realise their dreams, both at work and in personal space.

25,188
Workforce

494
New hires

7.18
Average training hours

₹ 867.57 Cr.
Employee benefit expenses

39%
Women representation in workforce

(As on March 31, 2023)

SHARPENING THE PEOPLE EDGE

We share a reciprocal relationship with our people, based on mutual trust and collective responsibility. We believe that consistent focus on empowering our employees' powers, stronger commitment, better performance and enhanced stakeholder value. We remain invested in building the people strengths that we have identified as the key enablers of our progressive journey.

P

Proficient

Arvind has a team of excellent domain experts in finance, R&D, design, product development, sales & marketing, patents & trademarks, sustainability, wastewater and solid waste, technical textiles, CSR and IT.

E

Empowered

Our employees have the autonomy of decision-making, and a larger sense of purpose. We refer to our workers as Front Line Managers (FLMs).

O

Open to Possibilities

We encourage our people to be open to exploring opportunities for innovation, experimenting, and even empowering and touching the lives of people.

P

Promoters

We look at our employees as promoters of new ideas, and support them in their ideation process, even allowing them to fail.

L

Limitless

We do not hold our employees back by limits, but fuel their creativity and nurture an environment where people breathe a start-up culture, challenging convention and living up to it every day.

E

Encompassing

We celebrate diversity in every form – cultural, racial, religious, age, gender, ability, and even sectoral diversity (e.g. people from the travel industry working in the textiles industry)

PURSUING FAIR LABOUR PRACTICES

We engage in fair labour practices as part of our HR strategy. These include prohibition of employment of children and forced labour, freedom of association and right to collective bargaining, grievance redressal mechanism, fair working hours, remuneration, health & safety, non-discrimination, engagement & welfare initiatives, disciplinary proceedings, etc.

As part of our commitment to fair labour practices, we employ national and international policies and standards for better and safe work practices, which include the Whistle Blower Policy, SA 8000, WRAP (Worldwide Responsible Apparel Production), and the Prevention of Sexual Harassment (POSH) Act, etc.

PROTECTING HUMAN RIGHTS

We recognise our responsibility to respect human rights in all aspects of doing business. We are committed to upholding and respecting human rights across all our operations and businesses. In this respect, we are guided by the fundamental principles of human rights, such as those enumerated in the United Nations Universal Declaration of Human Rights and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work ("ILO Declaration").

We follow a human rights due diligence framework, which aligns with the OECD Due Diligence Guidance for Responsible Supply Chains. The ambit of the framework extends to vulnerable groups, such as our own employees, workers, women, children, migrant workers, indigenous people and local communities. The issues covered are forced labour, child labour, discrimination, health & safety, working condition, freedom of association, right to collective bargaining and equal remuneration.

FOSTERING A COLLABORATIVE CULTURE

Our Human Resource (HR) philosophy is crafted to nurture a collaborative culture, where people from different backgrounds work together and thrive together. Our focus is on creating a positive and enabling workplace that attracts, motivates, engages, nurtures and rewards people from diverse cultures, giving them the freedom to explore and cultivate their talent so that they can grow and contribute to the organisational growth.

This strategy is centred around four key focus areas:

RECRUITMENT AND LEADERSHIP PIPELINE

A future-fit organisation is built on right-fitted talent. Identifying, acquiring and mapping the right talent to the right role, and taking adequate measures for developing a strong leadership pipeline is an integral component of our HR strategy. This is achieved by tapping into multiple recruitment avenues, adopting strategic mechanisms for succession planning, and offering a range of opportunities for our people to choose from.

65

Fresh graduates hired from diverse specialisations during FY23

Recruitment methods

- **Internal Job Postings (IJPs)** - Provides internal talent the first opportunity to fill a vacancy
- **Referrals** - Employee references of people known to them is strong proof of their credentials
- **Focussed Internships** - Gives a fair idea of the knowledge and skills
- **Campus Connect Programmes** - Fresh talent infuses much-needed new ideas into the organisation
- **Social Media** - Ensures a captive target audience of young professionals

Leadership pipeline creation mechanisms

- Identifying next-generation leaders
- Succession planning for critical positions based on the 9-Box Grid*
- Developing leaders centred on the 70:20:10 model of 3Es** - Experience, Exposure and Education
- Creating leaders by identifying learning areas based on function, role and career stage
- Providing relevant coaching to unlock potential and maximise performance

PROVIDING SKILL-BASED OPPORTUNITIES TO EMPLOYEES

Opportunities are best utilised when offered to those having the required skill-set and the inclination to make the best use of it. Being a leader in the textile industry, with a strong presence across the entire value chain, we offer our people a range of opportunities that match their aspirations and strengths. They have the choice to select an opportunity:

- Based on a subject expertise or general management path
- Depending upon their preference for vertical or horizontal growth
- To move into a leadership role depending on their skill-set

LEARNING AND DEVELOPMENT

Nurturing employee capabilities and harnessing their untapped potential is crucial for organisational growth.

At Arvind, we value people and their unique talent. We strongly believe that it is important to hone skills and acquire new ones from time to time to keep stay on top of the game. To aid this journey, we have launched GURUKUL – a learning and development platform for our employees. Through this programme, our workforce can craft their own learning and development journey based on their individual needs, and also in line with where they want to reach and how they want to learn.

*** The 9-Box Grid**

It is a tool to evaluate an employee's current performance and future potential to –

- Ensure performance-based reward & recognition
- Spot high-performers and strategise, engage and develop them into future leaders

****The 3E Model of Development**

It focusses on Experience, Exposure and Education as the three elements of people development with –

- 70% development taking place from on-the-job EXPERIENCES
- 20% development occurring through EXPOSURE based learning
- 10% development facilitated through formal EDUCATION & training

L&D initiatives as part of Gurukul

Eklavya

This is aimed at higher professional education, leading to enhancement of individual and organisational capability. It seeks to enhance management and technical bandwidth of employees, create & build a talent pool for managing organisational growth, and develop a succession pipeline internally. It is designed to provide an opportunity for high performers and high potential employees to pursue relevant higher professional studies in order to help them strengthen their capability and contribution. It gives employees learning opportunities, and fulfils their need to complete higher professional qualification and grow professionally. Improving employability and talent retention, and creating a learning organisation are other objectives of the programme.

The programme courses largely cover the domains of Strategy Management, Legal, Human Resources and MBA etc. The employee and employer contribute to the programme in ratios depending on the grade.

Udaan

This is focussed on creating awareness amongst participants about the role of Supervisors in an organisation. It teaches supervisory behaviours that positively affect employees' attitudes and performance. It involves: Identifying and learning about the primary components of effective and critical communication, and understanding the impact of recognition and motivation for employees. The course includes topics like: Role & Responsibility of Supervisors, Planning & Resource Management, Employee Management, Developing the Workers, Communication Skills, Interpersonal, Relations & Team Work, Being an Example, Role Model and Mentor for the Workers, and Self-development.

Shikhar

This Leadership Development Programme focusses more on the adaptive space than the technical space (Leading Self, Leading Teams, Leading Business & Leading Change). It aims to develop the top team leadership who will support in realising organisation's vision.

The Shikhar curriculum includes

Growth Mindset

Leadership Challenges, Being of a Leader – OAR, Adaptive Leadership Muscles, Being Responsible, Checking own beliefs & how aligned they are with change?, Emotional Intelligence, Leadership Embodiment, Radiating Possibilities, Taking a Stand

Creating Synergy

5 Dysfunctions of Team (Lack of TRUST, Fear of Conflicts, Absence of Commitment, Avoidance of Accountability, Inattention to Results), Own team survey on understanding where self-team stands, High Performing Team (HPT), Creating Action Plan for HPT

Building Agile Team

TRUST – Essential ingredient of Leadership, Developmental Conversations (Possibility Listening, Empowering Questioning, Generative Language), Managing Conflicts, Difficult Conversations, Influencing Others, Giving Effective Feedback, Power of Appreciation

Lead Change

Understanding CONTEXT of Organisational Change (Why to Change?), Role of a Leader in making Change Happen, 8 Dimensions of Change (What to Change?), Developing Change Process (How to Change?), Understanding and Dealing with resistance to Change, How ready are YOU / Your team for the change?, Creating Change Charter (Action Plan) for own unit

Through our supervisory developmental initiative 'Udaan', we were able to build capacity of 259 shop floor supervisors in the garmenting business during the year

Enabling work environment

We provide our employees an enabling work environment that makes them feel safe, cared for, and encouraged to experiment, innovate and unleash their potential. We create an open and positive work environment for our people through:

- Communication channels promoting openness across levels
- Employee-friendly policies and practices designed to show care
- Fostering team-work to create a synergy of efforts
- On-the-job mentors for guidance through every situation
- Cross-functional teams to present diverse ideas

Training Snapshot	FY22	FY23
Total participants	73,674	**73,272**
Total hours	5,36,876	**5,26,172**
Hours per employee	23.36	**17.83**

Employee Engagement

High-performing companies strive to create a great place for great people to do great work. Our employee engagement strategies are aimed at ensuring a sense of belonging, purpose, energy and enthusiasm among our people. They facilitate employee engagement and motivation.

Our HR policies, or the 'Principles of Engagement' as they are called, play a crucial role in encouraging our employees to perform better, in alignment with our vision. These policies also aid in maximising employee retention and minimising employee turnover costs. This results in greater credibility and improved financial outcomes.

Employee engagement programmes

Our employee engagement programmes are designed to enable their fulfilment and well-being.

Abhivyakti - This involves understanding employee pulse continuously to help build a more engaged, strong and conducive work environment. This initiative will help us stay connected with the ground reality, get real-time feedback continuously, build trust with employees, give employees a VOICE, help us understand employees as each of them is different and has different aspirations, experiences & challenges, address concerns across life cycles & scenarios, enable decisions, and create impact through timely action planning.

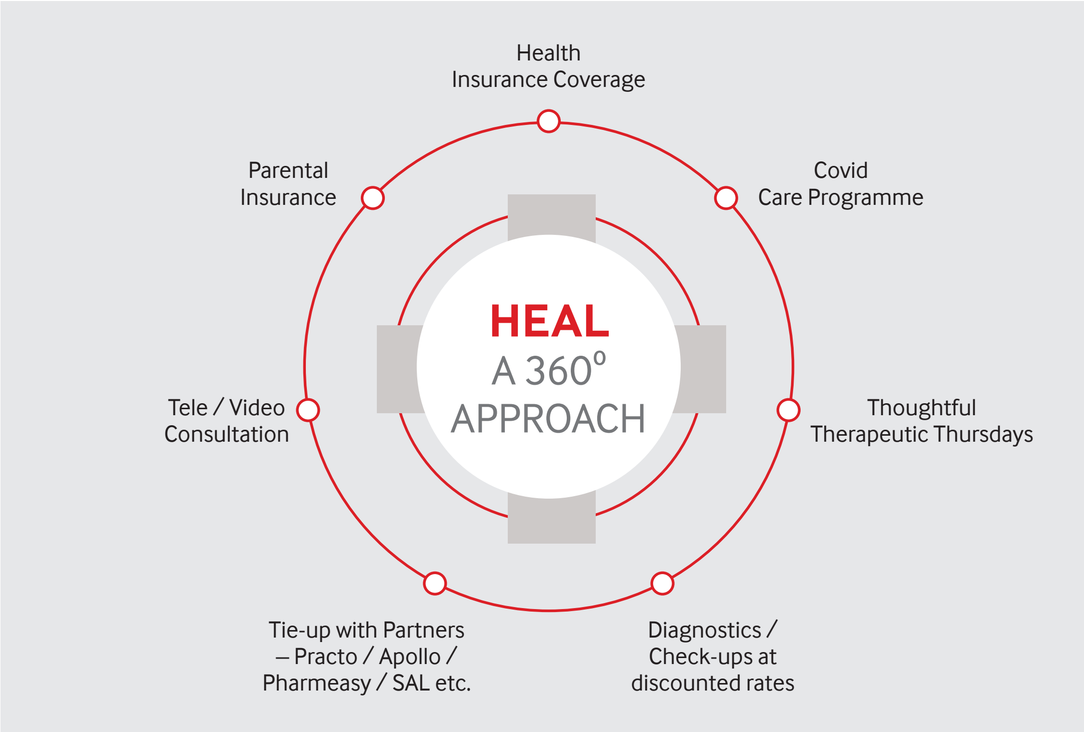
Heal - Our wellness focus is not limited to only physical wellness but is a wholesome experience, ranging from emotional to social.

Benefits of Heal for employees include:

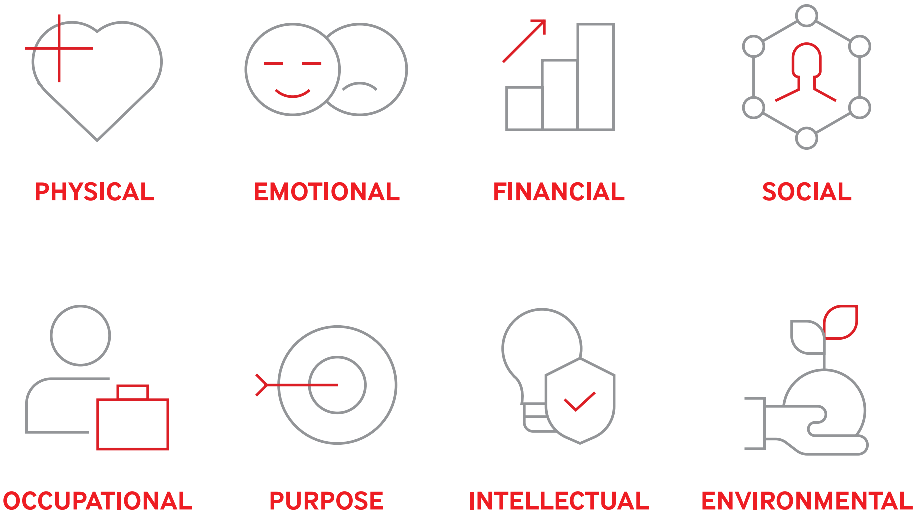
- Improved focus at work
- Reduced stress
- Increased job satisfaction and positive outlook
- Physically healthier and improved general well-being
- Better relationships with colleagues and managers

Benefits of Heal for the organisation include:

- Higher levels of performance and increased productivity
- Reduced absenteeism
- Attracting and retaining top talent
- Be seen as a great place to work



Dimensions of well-being covered under Heal



Rewards & recognition

We have mapped a clear growth path for our employees by providing them with a distinct organisation chart, transparent structures, and clear KPIs to assess their performance and make continuous improvements. With the objective to nurture employee loyalty and attract the best talent, we also have in place a clearly-defined retention scheme covering various levels.

As a step to motivate our employees and develop an ongoing performance-based reward mechanism, we moved from an annual variable pay structure to a quarterly variable pay structure last year. The shift has enhanced the motivational level of employees, as it helps them get a more immediate and tangible reward for their hard work. It has also helped the organisation through better alignment of employee compensation with business goals.

Our compensation benchmarking exercise has helped us remain competitive in the talent market. By analysing industry and regional compensation data, we were able to adjust our compensation practices to attract, retain, and motivate top talent. The next round of revalidation of compensation benchmark will be carried out in FY24.

Grievance redressal

Our Whistle-blower Policy and Ethics Helpline are some of our mechanisms to address employee grievances and take remedial actions within stipulated timelines.

7
Cases of grievance reported and resolved

0
Complaints of child/ involuntary labour

3
Complaints related to sexual harassment reported and resolved

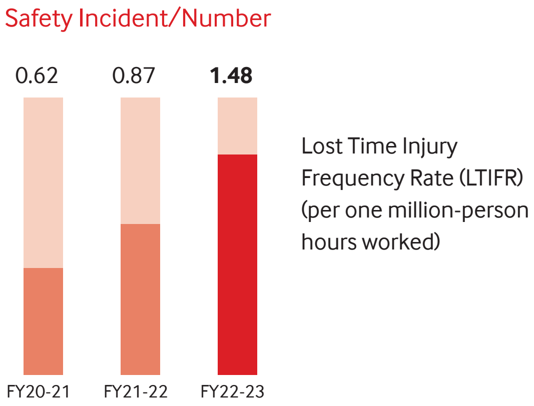
(During FY23)

Keeping our employees safe

Safety of our employees is non-negotiable. Being a part of the textile industry, which is susceptible to fire hazards, our primary focus is to safeguard our employees against any fire incidents. Our comprehensive safety measures include:

- Fire-protection systems across our facilities for early detection and mitigation of fire incidents
- Safety awareness training in chemical handling and management, machine operations, and material movement
- Implementation of work permit systems and use of industry-grade and relevant Personal Protection Equipment while performing hazardous tasks
- Other safety trainings to establish the importance of safety amongst all employees

Safety Performance (LTIFR)



Diversity and Inclusion

A successful organisation is a vibrant blend of people from diverse cultures and different genders having unique capabilities and nurturing different ideas. At Arvind, we strive to build a diverse and inclusive workplace where each of our employees, regardless of their identity, role or responsibility, feels equally involved and supported in all areas of the workplace. Our Code of Conduct creates a positive environment for every individual and encourages young women to move into leadership roles.

Our diversity and inclusion initiatives include:

- Identifying diversity positions
- Rewarding referral for diverse candidates
- Launching women-centric policies
- Introducing women leadership programmes to nurture women leaders, etc.

Women representation in workforce
(as on March 31, 2023)

39%
Women representation in workforce

11%
Percentage of women directors on the Board

Our Workforce Mix
(as on March 31, 2023)

21,341 nos.
Permanent Workforce

8,170 nos.
Temporary / Casual / Contractual Workforce

11,269 nos.
Permanent Women Workforce

17%
Unionised Permanent Workforce

Social & Relationship Capital

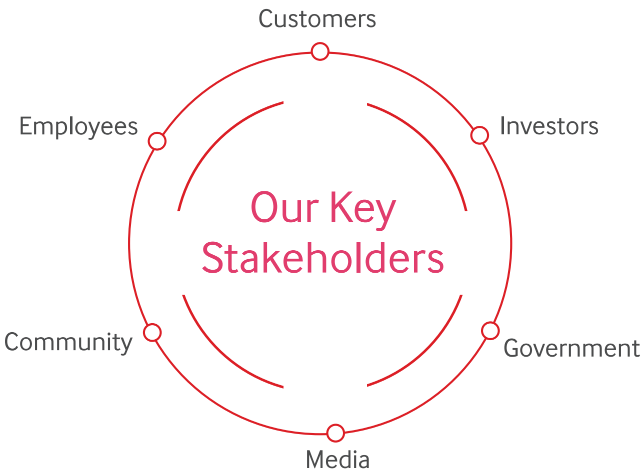
Touching Lives, Enabling Progress

Holistic growth is driven by positive change. It means making a difference to every life we touch in the course of a company's business operations. It involves nurturing stakeholder relations in a way that every individual and group impacted by the business is benefited positively.

At Arvind, we are continually strengthening our relationship with each of our stakeholders. This leads to enhancement of our social and relationship capital, and augmentation of our brand equity and trust.

₹5.06 Cr.
CSR investment in FY23

₹56 Cr.
Total CSR investment between FY15 and FY23



STAYING ENGAGED WITH OUR STAKEHOLDERS

Stakeholder Community	Key Objectives	Engagement Mechanisms
Customers	Nurturing & sustaining relationships Foreseeing their short-term and long-term expectations Fulfilling their need for sustainable products Understanding their sustainability goals	Periodic one-to-one interactions with key customers Customer satisfaction surveys Personal meetings by our design and technology teams with customer groups at regular intervals through the year B2B customer portal to facilitate continuous dialogue Feedback collation through customer visits and audits at the manufacturing locations
Investors	Understanding concerns and expectations to boost shared value Recognising their sustainability risk perception	Regular dissemination of financial performance through newspapers and published accounts In-depth interactions during analyst meets and investor presentations Addressing specific investor queries on sustainability
Media	Communicating key developments, milestone events, growth plans, etc. Expanding outreach and improving the narrative on major initiatives	Media interactions, events, press conferences, media announcements of quarterly reports, and major tie-ups Media visits to facilities to showcase business growth and new technologies
Employees	Understanding their career ambitions, job satisfaction parameters Supporting their career growth, training and development Sharing the organisation's vision, short-term and long-term goals, workplace needs and expectations	Structured interactive appraisals, career path guidance, training programmes, employee rewards and recognition, development programmes Feedback mechanism for Front Line Managers (FLMs) using various channels
Community	Positively impacting the quality of life of the people in the community Maintaining cordial relations with local communities	Activities by institutions promoted or partnered by us e.g. NLRDF, SHARDA Trust, etc. Interactions by the Industrial Relations department
Government	Understanding compliances and applicable regulations Briefing them on steps taken and discussing opportunities to collaborate on pressing issues	Personal meetings Submission of relevant compliance documents Presence in industry forums, etc.
Suppliers	Sharing mutual expectations and needs, especially about quality, cost and timely delivery, growth plans and best practices	Periodic interactions between our buying and sourcing teams Training programmes, quality workshops

Customers

We consider our customers as our partners and collaborate with them on a continuing basis. We make active efforts to understand their needs, and regularly take ideas, suggestions and feedback from them.

Our customer collaborations

We have collaborated with our customers on various multi-year programmes, which we continue to drive actively, year-on-year. Among our joint programmes with our customers are:

- Sustainable agriculture projects with Patagonia, Pangaia, Next, GAP, Levis, J.Crew, and Timberland, to increase the area under organic and regenerative agriculture in India
- D(R)YE Factory of the future project with Fashion for Good, Adidas, Kering, PVH Corp., and Welspun India, to optimise resources during the production process with special focus on foam dyeing using liquid natural indigo
- 'Sorting for Circularity India Project': To build an infrastructure towards greater circularity with Adidas, Levi Strauss & Co., PVH Corp., Birla Cellulose and Welspun India
- The Full Circle Textiles Project: For driving and scaling disruptive innovations in collaboration with Laudes Foundation, Adidas, BESTSELLER, C&A, PVH Corp., Target and Zalando, Fabrics Division of W. L. Gore & Associates, and Teijin Frontier

At the Annual Warehouse & Supply Chain Leadership Awards 2023, Arvind Limited was awarded for 'Best Network Optimisation in Apparel Manufacturing'.

Investors

We strive to build strong investor relations based on trust, transparency and accountability. We work towards ensuring attractive return on investment (RoI), financial and non-financial, for our investors.

20
Investor meets held in FY23

13
Investor grievances reported in FY23; all were resolved

We have reported at CDP - a global environmental disclosure system, for eight years in a row.

Our strong investor relations are reflected in our share price trend.

Share price trend

FY21	FY22	FY23
65.85	117.45	127.85

Employees

Our employee relations are steered by our people-friendly practices and initiatives. We remain focussed on empowering our employees by creating an environment favourable to their growth.

(Details of our employee programmes and initiatives are carried in the Human Capital chapter of this Report)

Investments made in human capital over the last 3 years

Employee Cost	FY21	FY22	FY23
Amount	697	809	**868**
% of Sales	14%	10%	**10%**

Media

Our media engagement is powered by our strong social media presence, in line with the exponential digital media growth in recent years. We have an extensive presence on various social media platforms, such as LinkedIn, Facebook, Twitter and Instagram. We leverage these platforms to stay connected and engaged with all our stakeholders. We also use these platforms to attract and retain quality talent.

Our thought leadership is manifest in our media communications. We regularly share interviews, articles, industry perspectives, policy related communication through the media. We also participate in panel discussions organised by industry bodies to reach out larger audience.

Community

We value our relationship with the community, and have in place a well-structured Corporate Social Responsibility (CSR) framework to propel our community outreach efforts.

CSR Vision

To impact positively, the quality of life of people, through initiatives of social, economic, educational, infrastructural, environmental, health and cultural advancement.

We work in partnership with various institutions and agencies to effectively implement our CSR programmes. These are:

- Strategic Help Alliance for Relief to Distressed Areas (SHARDA) Trust
- Narottam Lalbhai Rural Development Fund (NLRDF)
- Arvind Foundation (AF)
- Other Civil Society Organisations

SHARDA Trust and NLRDF are public charitable trusts with decades-long track record of working in urban and rural centres, respectively. The Arvind Foundation is our umbrella organisation for ensuring continuity of ongoing programmes, implementation of new programmes and expansion of our CSR outreach.

MAKING AN IMPACT IN FY23

During FY23, Arvind supported the various ongoing programmes in the key focus areas of its community outreach, including Rural Advancement, Educational Advancement, Digital Literacy, Environmental Advancement and Inner Well-being. We also extended support for a project for setting up the Indigo Art Museum, and a Promotion of Indology Project

Indigo Art Museum - The museum is being set up by Arvind Indigo Foundation with the aim of capturing the story of indigo and associated materials, to create and capture broader narratives around the story of the colour, clothe, trade, revolutionary struggles, design thinking and artistic collaborations. This living museum seeks to become a laboratory of ideas and practices. The overarching objective is to ensure that the heritage of indigo is not presented as an inaccessible past, but as a living legacy and a story of continuing innovation.

Promotion of Indology Project - The Company has supported a programme of Promotion of Indology for Promotion of National Heritage, Art and Culture. The programme is being carried out through our partner organisation Lalbhai Dalpatbhai Bhartiya Sanskriti Vidya Mandir (LDBSVM). It is aimed at supporting the preservation of manuscript, digitisation of manuscripts, automating the library that has rare books, purchase of books and upgrading the Manuscript Data Archival Software System for tracking the digitised and archived manuscripts. It also involves upgradation of infrastructure.

Other Initiatives as part of Ongoing Programmes

Rural Advancement – We continued to work in various districts of Gujarat, including the aspirational district of Narmada during FY23. Targeted programmes are being implemented in 39 villages, with initiatives planned in two other states – Karnataka and Jharkhand. We are offering a digital literacy programme in partnership with HP Foundation. Three HP CLAP Vans, with 120 Laptops each, move in village schools and villages to impart computer literacy programme to students and women. Around 5,700 students have benefited. In addition, under the ongoing initiative of HP Wow Bus, a vehicle equipped with a classroom was stationed at villages near Statue of Unity, Narmada, benefiting 500 students. We also created 37 homes as part of a Homestay Project launched in the same area, generating income for the families. We have identified 11 new homes and started work on four more, with the aim to create a Homestay Cluster supported by Arvind Foundation. To support and increase the earning of farmers in villages where we operate, a Credit Support Programme for Animal Loan was launched in partnership with Shree Mahila SEWA Bank. Around 80 new loans for buffaloes were given and dairy linkages strengthened, leading to increase in family income. Health check-ups and medical camps were also conducted in the villages during the year.

Project Gyanda – In an important Educational Advancement initiative, more than 1,200 students have shown interest in joining the Supplementary Education programme 'Gyanda' for rural students. The programme will start in a blend of online and offline mode during FY24. Project Gyanda for urban students is already supporting digital education of students in the urban areas. In FY23, we also started a pre-primary section in our new Gyanda centre, with the aim of supporting children in literacy and numeracy by the end of grade 3.

Environment Advancement – As part of the plantation drive under this programme, nearly 30,000 plants were planted during the year in three modes – plantation at individual homes, plantation in schools & crematorium and plantation at block and taluka level at large plots. Over 4,000 students participated in planting the trees in their school campuses under our school greening programme. Environment clubs have also been set up in schools where we are active.

Inner Well-being Programme – The Inner Well-being Programme has been supporting people through heartfulness meditation programmes in rural Gujarat and Rajasthan since the last five years. After a break in physical sessions due to COVID-19, we have resumed the programme in villages, schools and rural institutions. Altogether, eight teams reached out to about 80 villages during the year. Awareness sessions were conducted in more than 160 schools and 50 rural institutions.

Local Community

We share a close relationship with the local communities, particularly those living in the areas around our manufacturing units. We stay engaged with them through our business activities as well as our CSR initiatives. This is essential for promoting ownerships among the community while making our business more sustainable in the long run.

Zero

Public hearings for expansion project in FY23

Percentage of people employed from within <5-15 km radius of the facility

	0-5 KM	6-10 KM	11-15 KM	>15 KM
Staff	5%	11%	13%	71%
FLM	25%	7%	11%	57%

Government

The Government is an important stakeholder for any business. It shapes the policies that promote a healthy and stable environment for a business to thrive, and to create and distribute value to the society. We believe that it is important for the private sector to participate in the policy-making process to ensure a robust legal and regulatory framework. Our top leadership serves on various committees set up by the Government and industry bodies to formulate robust policies.

Mr. Kulin Lalbhai
Chairman, CII National Committee on Textiles
Vice Chairman, CII Gujarat Council

Mr. Ankur D. Trivedi
Member, State Advisory Committee for Textile Sector, Government of Madhya Pradesh
Member, FICCI National Committee on Textiles

Mr. Abhishek Bansal
Vice President, Corporate Sustainability is on the board of ZDHC and SLCP

Mr. D. J. Yadav
Past Chairman, CII Gujarat Council
Chairman, Academia - Industry and Research & Development Coordination Committee, CII Gujarat Council

Ms. Rachna Mehra
Member - CII Gujarat HR Panel

Mr. Niraj Lal
Member, CII Gujarat CSR Panel

No non-compliance was reported during FY23, according to SEBI and ROC.

Tax paid to the Govt. (in ₹ Cr.)

FY21	FY22	FY23
11	26	100

Suppliers

We partner our suppliers in enhancing their capacities and capabilities through continuous engagement. Our suppliers range from farmers to Micro, Small & Medium Enterprises (MSMEs) to multinational corporations. Some of our engagement initiatives include:

- Familiarising them with Arvind's Sourcing Policy and Code of Conduct
- Solving grievances - We have an Ethics Helpline Portal where any supplier can post complaints or grievances they have - https://www.arvind.ethicshelpline.in/portal/en/home
- Sharing sustainability practices and building capacity through trainings, exposure visits, etc.
- Paying a premium for sustainable produce to the farmers

Governance

Leading with Integrity. Aiming for Innovation.

Arvind Limited is deeply committed towards safeguarding the interests of its stakeholders, and fostering a responsible and sustainable future led by innovation. We achieve this through a robust corporate governance framework, formulated to maintain the highest level of integrity, accountability and transparency in intent and action. Helmed by a strong leadership team, the Company exhibits a healthy, fair and compliant corporate culture, indicative of good corporate governance.

The framework is formed under the able guidance of our experienced and visionary Board of Directors, who define the rules, practices, and processes to manage Arvind Limited and serve the long-term interests of all its stakeholders. It encompasses the critical areas of environmental awareness, ethical behaviour, corporate strategy, compensation, and risk management amongst others.

Taking into consideration the ESG impact of business, the policy minimises our environmental footprints while maximising benefits for our business, people and communities.

CORPORATE GOVERNANCE PHILOSOPHY: KEY TENETS

With the objective to enhance stakeholders' value and foster our long-term success, the key tenets of corporate government policy have been defined in alignment with the Company's vision and values.

- Satisfy the spirit and not just the letter of the law
- Corporate governance standards should go beyond the law
- Be transparent and maintain a high degree of disclosure
- Make a clear distinction between personal conveniences and corporate resources
- Communicate externally, in a truthful manner, about how the Company is run internally
- Have a simple and transparent corporate structure driven solely by business needs
- The Management is the trustee, not the owner of shareholder's capital

SHARED OWNERSHIP REQUIREMENTS

At Arvind, there is no management ownership requirement for the CEO or other members of the executive committee.

ANTI-CORRUPTION AND BRIBERY

Our Ethics Helpline Portal ((https://www.arvind.ethicshelpline.in/portal/en/home) is a platform for posting any grievances related to human rights impacts or issues. During the year, 13 grievances were received on this portal and 13 were resolved.

A contribution was made to political campaigns/ political organisation, the details of which are provided in Note 27 of Consolidated Finance Statement. Apart from this no other contribution is made to lobbyists or lobbying organisations, trade associations, and other tax exempt groups whose primary role is to create or influence public policy in the reporting period.

Our Board of Directors

Name	Designation	Committee(s)
Mr. Sanjay S. Lalbhai	Chairman & Managing Director	S C
Mr. Punit S. Lalbhai	Vice Chairman & Executive Director	E C R
Mr. Kulin S. Lalbhai	Executive Director	
Mr. Jayesh K. Shah	Whole Time Director & Group Chief Financial Officer	A S C R E
Dr. Bakul Dholakia	Independent Director	S N C A R
Mr. Dileep C. Choksi	Independent Director	A N R
Mr. Nilesh Shah	Independent Director	A N R
Mr. Arpit Patel	Independent Director	A R E
Ms. Ismet Khambatta	Independent Director	N

Board Committees

A → Audit Committee

S → Stakeholder's Relationship Committee

N → Nomination & Remuneration Committee

C → Corporate Social Responsibility Committee

R → Risk Management Committee

E → ESG Committee

■ Chairperson ■ Member

Corporate Information

Company Secretary

Mr. R. V. Bhimani

Auditors

Deloitte Haskins & Sells LLP

Chartered Accountants
19th Floor, Shapath V, SG Highway,
Ahmedabad - 380 015

Bankers

State Bank of India

Bank of Baroda

HDFC Bank Ltd.

ICICI Bank Ltd.

Yes Bank Ltd.

Axis Bank Ltd.

IDBI Bank Ltd.

Standard Chartered Bank

Canara Bank

HDFC Limited

Kotak Mahindra Bank Ltd.

IndusInd Bank Ltd.

IDFC Bank Ltd.

RBL Bank Ltd.

Shinhan Bank

Registered Office

Naroda Road, Ahmedabad - 380 025,
Gujarat, India
www.arvind.com

Registrar & Transfer Agents

Link Intime India Private Limited

5th Floor, 506-508,
Amarnath Business Centre-1 (ABC-1),
Beside Gala Business Centre (GBC),
Near St. Xavier's College Corner,
Off CG Road, Ellisbridge,
Ahmedabad - 380 006
Phone Nos: 079 - 26465179/86/87
Fax No: 079 - 26465179
E-Mail: ahmedabad@linkintime.co.in
Website: www.linkintime.co.in

Notice

NOTICE is hereby given that the Annual General Meeting of the members of the Company will be held on Saturday, August 5, 2023 at 11:00 a.m. through Video Conference ("VC")/ Other Audio Visual Means ("OAVM") ("hereinafter referred to as "electronic mode") to transact the following Business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements [including consolidated financial statements] of the Company for the financial year ended March 31, 2023 and the reports of the Directors and Auditors thereon.
2. To declare dividend on equity shares for the financial year ended March 31, 2023.
3. To appoint a Director in place of Mr. Punit Lalbhai (holding DIN 05125502), who retires by rotation in terms of Article 168 of the Articles of Association of the Company and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

   RESOLVED THAT pursuant to the provisions of Section 148 and any other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of ₹ 4.15 lakhs (Rupees four lakhs fifteen thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses in connection with the audit, payable to M/s. Kiran J. Mehta & Co., Cost Accountants, Ahmedabad having Firm Registration No. 000025, appointed by the Board to conduct the audit of the cost records of the Company for the financial year ending March 31, 2024, be and is hereby ratified and confirmed.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts and take all such steps as maybe necessary, proper or expedient to give effect to this Resolution.

Registered Office:	**By Order of the Board**
Naroda Road	
Ahmedabad - 380025	**R.V. Bhimani**
Date: May 18, 2023	Company Secretary
	Membership No. A 6738

NOTES

1. Pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April, 13, 2020, 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 02/2022 dated May 05, 2022 and Circular No.10/2022 dated December 28, 2022 issued by the Ministry of Corporate Affairs and all other relevant circulars issued from time to time, general meeting can be held through video conferencing (VC) or other audio visual means (OAVM) without physical attendance of the Members at the AGM venue. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. The Notice of the Annual General Meeting along with the Annual Report for the financial year 2022-23 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/ Depositories in accordance with the aforesaid MCA Circulars and circulars issued by SEBI. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2022-23 will also be available on the Company's website https://www.arvind.com; websites of the Stock Exchanges i.e. National Stock Exchange of India Ltd and BSE Limited at www.nseindia.com and www.bseindia.com respectively.
3. Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Annual General Meeting and hence the Proxy Form, Attendance Slip and Route Map of AGM are not annexed to the Notice.
4. Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
6. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more

shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

7. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts concerning the business under Item No. 4 of the Notice, is annexed hereto. The relevant details, as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2 on General Meetings issued by the Institute of Company Secretaries of India, of the person seeking appointment/ re-appointment as a Director under Item No. 3 of the Notice is also annexed to the notice.

8. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, July 22, 2023 till Saturday, August 5, 2023 (both days inclusive) for the purpose of dividend and AGM.

9. The dividend on equity shares for the year ended 31st March, 2023, if declared at the meeting, will be paid / dispatched on due date to those members whose names appear on the Company's Register of Members on July 21, 2023 or on records of National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on July 21, 2023.

10. TDS ON DIVIDEND: Pursuant to the changes introduced by the Finance Act 2020, w.e.f. 1st April 2020, the Company would be required to deduct tax at source (TDS) at the prescribed rates on the dividend paid to its shareholders. The TDS rate would vary depending on the residential status of the shareholder and the documents submitted by them and accepted by the Company. Accordingly, the above referred Final Dividend and Special Dividend will be paid after deducting the TDS. The Company will be sending out individual communication to the shareholders who have registered their email IDs with us. For the detailed process, the information is available on the Company's website at https://www.arvind.com/investor-updates.

11. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, PAN, mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to the Company's Registrars and Transfer Agents, Link Intime India Pvt. Ltd. in case the shares are held by them in physical form.

12. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or Link Intime India Pvt. Ltd., for assistance in this regard.

13. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Link Intime India Pvt. Ltd., the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.

14. As per the provisions of Section 72 of the Companies Act, 2013, the facility for making nomination is available to the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt-out or cancel the earlier nomination and record a fresh nomination, the Member may submit the same in Form ISR-3 or Form SH-14, as the case may be. The said forms can be downloaded from the Company's website at https://www.arvind.com/investor-updates. Members are requested to submit the said form to their DPs in case the shares are held in electronic form and to the RTA at ahmedabad@linkintime.co.in in case the shares are held in physical form, quoting their folio no(s).

15. Members intending to require information about Accounts in the Meeting are requested to inform the Company at least 7 days in advance of the AGM.

16. Members are requested to note that, dividends if not encashed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, all the shares in respect of which dividend has remained unclaimed for 7 consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in. For details, please refer to Corporate Governance Report which is a part of this report.

17. All documents referred to in the accompanying Notice of the AGM and explanatory statement shall be open for inspection without any fee at the registered office of the Company during normal business hours on any working day upto and including the date of the AGM of the Company.

18. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

19. Instructions for e-Voting and joining the AGM are as follows:

I. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, and MCA Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has appointed National Securities Depository Limited ("NSDL") as the authorized agency, for facilitating voting through electronic means i.e. remote e-Voting and e-Voting during the AGM.

II. Mr. Hitesh Buch, Practicing Company Secretary (Membership No. FCS 3145, COP 8195) has been appointed as the Scrutinizer to scrutinize the e-Voting during the AGM and remote e-Voting in a fair and transparent manner.

III. The Results of voting will be declared within 2 working days from the conclusion of the AGM. The declared Results, along with the Scrutinizer's Report will be submitted to the Stock Exchanges where the Company's equity shares are listed (BSE Limited & National Stock Exchange of India Limited) and shall also be displayed on the Company's website https://www.arvind.com and NSDL's website www.evoting.nsdl.com.

IV. Voting rights of the Members for voting through remote e-Voting and voting during the AGM shall be in proportion to shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Saturday, July 29, 2023. A person, whose name is recorded in the Register of Members or in the Register of Beneficial owners (as at the end of the business hours) maintained by the depositories as on the cut-off date shall only be entitled to avail the facility of remote e-Voting and voting during the AGM.

V. The remote e-Voting facility will be available during the following period:

a. Commencement of remote e-Voting: 09:00 A.M. (IST) on Wednesday,August 2, 2023.

b. End of remote e-Voting: 5:00 P.M. (IST) on Friday, August 4, 2023.

c. The remote e-Voting will not be allowed beyond the aforesaid date and time and the remote e-Voting module shall be disabled by NSDL upon expiry of aforesaid period.

VI. Those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system during the AGM.

VII. The Members who have cast their vote by remote e-Voting prior to the AGM may also attend/ participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.

VIII. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holds shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in mentioning their demat account number/ folio number, PAN, name and registered address. However, if he/ she is already registered with NSDL for remote e-Voting then he/ she can use his/ her existing User ID and password for casting the vote.

IX. Process and manner for Remote e-Voting:

How do I vote electronically using NSDL e-voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

STEP 1: ACCESS TO NSDL E-VOTING SYSTEM

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will

	be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "**Register Online for IDeAS Portal**" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play

Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/ Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers. 5. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.

Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022-4886 7000 and 022- 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk. evoting@cdslindia.com or contact at 022- 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
   a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com
   b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to pcs.buchassociates@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 022-488607000 and 022-2499 7000 or send a request at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e -mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investor@arvind.in
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investor@arvind.in If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholders/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting

facility provided by Listed Companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/ AGM THROUGH VC/OAVM ARE AS UNDER:

I. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

II. Members are encouraged to join the Meeting through Laptops for better experience.

III. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

IV. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

V. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investor@arvind.in. The same will be replied by the company suitably.

VI. Those Members who have registered themselves as a speaker will only be allowed to express their views /ask questions during the AGM. The Company reserves the rights to restrict the number of speakers depending on availability of time for the AGM.

Registered Office:
Naroda Road
Ahmedabad - 380025
Date: May 18, 2023

By Order of the Board

R.V. Bhimani
Company Secretary
Membership No. A 6738

EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No.4

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Kiran J. Mehta & Co., Cost Accountants, Ahmedabad as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2024 at a remuneration of ₹ 4.15 lakhs (Rupees four lakhs fifteen thousand only) plus applicable taxes and out of pocket expenses.

In accordance with the provisions of Section 148(3) of the Act read with The Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2024.

The Board of Directors recommends the above resolution for your approval.

None of the Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested (financially or otherwise) in the above resolution.

ANNEXURE -1
ITEM NO. 2 OF THE NOTICE

Details of Director seeking appointment/re-appointment at the Annual General Meeting to be held on August 5, 2023

(Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India)

Name of the Director	Mr. Punit Lalbhai
Director Identification Number (DIN)	05125502
Date of Birth	12th March, 1982
Age	41 years
Nationality	Indian
Date of Appointment or Re-appointment on the Board	Date of appointment – 26th July, 2012 Date of Re-appointment - 1st August, 2022
Qualifications	• B.Sc.(Conservative Biology), University of California, USA • MES (Environmental Science), Yale University, USA • MBA (Strategy & General Management), INSEAD, France
Brief Resume/Expertise in specific functional area	Mr. Punit Lalbhai is the Vice Chairman & Executive Director of Arvind Limited. He looks after the group's interests in manufacturing businesses which include textiles, advanced materials and environmental solutions. He is an expert in new materials and sustainable technologies. He drives the group's agenda on product innovation and environmental sustainability. He also spearheads corporate social responsibility programmes at Arvind.
Relationships between Directors inter-se	Mr. Punit Lalbhai is a son of Mr. Sanjay Lalbhai, Chairman and Managing Director and a brother of Mr. Kulin Lalbhai, Executive Director of the Company
Shareholding in the Company as on 31.3.2023	3714
Number of Board Meetings attended during the year	5 out of 5
Last drawn remuneration	Please refer to Corporate Governance Report
Directorships held in other companies as on 31.3.2023	1. Arvind Engineered Composite Panels Private Limited 2. Arvind Smart Textiles Limited 3. Aic-Lmcp Foundation 4. The Anup Engineering Limited 5. Arvind Fashions Limited 6. Arvind OG Nonwovens Private Limited 7. Arvind PD Composites Private Limited 8. Deepak Nitrite Limited 9. Confederation of Indian Textile Industry 10. Arvind Envisol Limited

<table>
<tr>
<td>Chairmanships/Memberships of Committees of other companies as on 31.3.2023</td>
<td>
<table>
<tr><th>Name of the Company</th><th>Name of the Committee</th><th>Chairman / Member</th></tr>
<tr><td rowspan="4">The Anup Engineering Limited</td><td>Nomination and Remuneration Committee</td><td>Member</td></tr>
<tr><td>Stakeholders’ Relationship Committee</td><td>Chairman</td></tr>
<tr><td>Corporate Social Responsibility Committee</td><td>Chairman</td></tr>
<tr><td>Risk Management Committee</td><td>Chairman</td></tr>
<tr><td>Arvind Fashions Limited</td><td>Corporate Social Responsibility Committee</td><td>Member</td></tr>
<tr><td>Deepak Nitrite Limited</td><td>Corporate Social Responsibility Committee</td><td>Member</td></tr>
</table>
</td>
</tr>
<tr>
<td>Listed entities from which Mr. Punit Lalbhai has resigned in the past three years</td>
<td>Nil</td>
</tr>
</table>

Directors' Report

Dear Members,

Your Directors are pleased to present the 92nd Annual Report along with the Audited Financial Statements of the Company for the financial year ended 31st March 2023.

1. FINANCIAL RESULTS

Highlights of Financial Results for the year are as under:

(₹ in Crores)

Particulars	Standalone		Consolidated	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Turnover & Operating Income	**7774.10**	7499.41	**8427.00**	8059.61
Profit before Finance Costs, Depreciation and Amortisation Expenses, Extraordinary Items & Tax Expenses	**748.72**	834.27	**844.52**	857.47
Less : Finance costs	**154.56**	166.70	**164.24**	176.43
Profit before Depreciation and Amortisation Expenses, Extraordinary Items & Tax Expenses	**594.16**	667.57	**680.28**	681.04
Less : Depreciation and Amortisation Expenses	**208.49**	203.24	**253.01**	253.95
Profit before Share of Profit of a Joint Venture, Exceptional Items and Tax Expenses	**385.67**	**464.33**	**427.27**	427.09
Less : Exceptional Items	**(28.51)**	241.37	**(58.76)**	9.29
Add : Share of profit/(loss) of Joint Ventures	**NIL**	NIL	**1.22**	1.11
Profit Before Tax from Continuing Operation	**414.18**	222.96	**487.25**	418.91
Current Tax	**90.88**	20.00	**100.09**	26.06
(Excess)/Short Provision of Earlier Years	**9.13**	13.82	**9.27**	13.86
Deferred Tax	**(37.78)**	111.99	**(38.81)**	111.06
Profit/(Loss) for the year from Continuing Operation (A)	**351.95**	77.15	**416.70**	267.93
Profit/(Loss) Before Tax for the year from Discontinuing Operation	**(7.54)**	(28.15)	**(5.03)**	(36.65)
Tax Expense of Discontinued Business	**1.50**	10.30	**1.50**	10.30
Profit/(Loss) for the year from Discontinuing Operation (B)	**(6.04)**	(17.85)	**(3.53)**	(26.35)
Profit for the Year (A+B)	**345.91**	59.30	**413.17**	241.58

2. COMPANY'S PERFORMANCE

As expected at the outset, FY2023 saw an uncertain business environment almost through all the four quarters, and it continues well into the new financial year.

For Arvind Limited, Q1 started off as the best ever first quarter since the demerger of Anup Engineering and Arvind Fashions. Commodity prices that had seemed to be on an ever-increasing trajectory finally started to come down towards the quarter end. This trend of falling prices of input Raw Materials and freight costs continued through the year. On the demand front, expectation has been of a sharp reduction following the interest rate hikes being administered to fight inflation. In reality, the actual retail sales in key markets have turned out to be better than expected quarter after quarter. As we wrap-up FY23 and start FY24, the outlook is much less grim in the

US and reasonably upbeat in the domestic markets. Europe continues to look challenged, at least in the near term.

Textile businesses delivered a mixed bag of performance. Volumes in Woven segment stayed strong and steady throughout, Denim and Garment volumes saw a steady reduction through the quarters as our key customers deferred their buying and also reduced the lot/ drop sizes to manage their inventory more sharply. Price realization peaked in Q2 and then started trending down to reflect the softening raw material prices.

Advanced Materials businesses – Human Protection, Industrials and Composites, continued to deliver the promised growth through the quarters, and closed the full year numbers at an aggregate of 22% higher revenues. These businesses also saw a margin expansion in Q4 as the benefits of lower input costs started to be realized. During the year, capacity expansion programs got initiated as current ones became fully utilised. Expanded fabric processing set-up, new line for non-wovens, additional capacities in garment manufacturing and investments in composites mold/ dies started to get implemented in the second half of FY2023, and are expected to enable continued growth through FY24 and beyond.

During the year, the Company also sold off its subsidiary company viz. Arvind Internet Limited to Bigfoot Retail Solutions. Among other smaller businesses, Arvind-Envisol – our effluent treatment business – had an improved year as it executed a large project, and also expanded its components business.

Also during FY23, the Company continued making investments in expanding its renewable energy capacity, and a 24MW hybrid solar-wind installation is expected to get commissioned in Q1 of FY2024. This will help the Company strengthen its industry leading sustainability credentials, and also reduce the energy costs.

A more detailed analysis and commentary is available in the Management Discussion and Analysis section of this report.

3. DIVIDEND

The Board of Directors have recommended a dividend of Rs.3.75/- per equity share and one-time special dividend of Rs.2/- per equity share, totalling Rs.5.75/- per equity share of Rs. 10/- each (i.e. 57.5%), for the financial year ended on 31st March, 2023. Dividend is subject to approval of members at the ensuing Annual General Meeting and shall be subject to deduction of income tax at source. The dividend, if approved by the members, would involve a cash outflow of about Rs. 150 crores.

In terms of the provisions of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a Dividend Distribution Policy and the same is available on the Company's Website at https://www.arvind.com/sites/default/files/field_policy_file/DividendDistributionPolicy.pdf

4. TRANSFER TO RESERVES

During the year under review, the Company has not transferred any amount to reserves.

5. DETAILS OF MATERIAL CHANGES FROM THE END OF THE FINANCIAL YEAR TILL THE DATE OF THIS REPORT

No Material Changes have taken place from the end of the financial year till the date of this report.

6. SHARE CAPITAL

The authorised share capital of the Company as on 31st March 2023 was Rs.674.50 crores divided into 57.45 crores equity shares of Rs.10 each and 1 crore preference shares of Rs.100 each.

During the year under review the Company has allotted 9,11,655 Equity Shares of Rs.10 each to the eligible employees pursuant to the exercise of stock options granted in terms of the Employees Stock Option Scheme 2008 (ESOS) of the Company. Consequently, the paid up Equity Share Capital of the Company stood at 261.50 crores consisting of 26,14,97,474 equity shares of Rs.10 each.

During the year under review, the Company has not issued shares with differential voting rights and sweat equity shares.

7. EMPLOYEE STOCK OPTION SCHEME (ESOS)

The Company has instituted the Employees Stock Option Scheme (ESOS) to grant equity based incentives to certain eligible employees and directors of the Company and its subsidiary companies. There is no material change in ESOS during the year under review and the scheme is in compliance with Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. The certificate of the Secretarial Auditor regarding implementation of scheme shall be made available for inspection of members in electronic mode at Annual General Meeting.

Disclosures in compliance with Section 62 of the Companies Act, 2013 and Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 and the Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2021 are set out in "Annexure - A" to this report.

8. FINANCE

The Company has repaid the instalments of Term Loans amounting to Rs.287.26 crores during the current year. The Company has not made any fresh long term borrowings. Long Term Debt of the Company stands to Rs. 621.73 crores as on 31st March, 2023.

9. DEPOSITS

During the year under review, the Company has not accepted or renewed any Deposit within the meaning of Section 73 of the Companies Act, 2013 and the rules made there under.

10. NON-CONVERTIBLE DEBENTURES

As on 31st March 2023, 8.5% - 750 Rated, Listed, Secured, Redeemable, Non-Convertible Debentures (NCDs) of the face value of Rs.10,00,000/- each, for cash at par, aggregating Rs.75 crores were outstanding, issued on private placement basis and listed on the Wholesale Debt Market Segment of BSE Limited.

During the year under review, the Company has not issued/ allotted any Non-Convertible Debentures.

11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

12. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company are prepared in accordance with relevant Indian Accounting Standards issued by the Institute of Chartered Accountants of India and form part of this Annual Report.

13. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Arvind Limited, through its CSR policy aims to work for social, economic, educational, infrastructural, environmental, health, inner wellbeing and cultural advancement of the people and thereby positively impact their quality of life. Our CSR programs are in the realm of education, rural transformation, livelihood promotion, art and heritage, women empowerment and inner wellbeing. The projects and programs are in accordance to the thematic areas as defined in Schedule VII of the Companies Act, 2013. The development initiatives are being carried out by company promoted organizations – Strategic Help Alliance for Relief to Distressed Areas (SHARDA) Trust, Narottam Lalbhai Rural Development Fund (NLRDF) and Arvind Foundation (AF) and other partner Civil Society Organizations. The organizations have formed synergistic partnerships to enhance the quality of deliverables and increase the reach of the programs.

The Company has defined five broader themes to bring larger focus in our CSR initiatives. However, the Company has supported initiatives under five broader themes to bring larger focus in our CSR initiatives. The broad thematic areas are Educational Advancement, Rural Advancement, Environmental Advancement, Health Advancement and Cultural Advancement. All our initiatives broadly fall under the given themes without limiting the purpose, scope and flexibility of CSR initiatives.

Initiative brief:

During 2022-23, the Company supported the ongoing programmes of Rural Initiative brief - Rural Advancement, Educational Advancement, Digital Literacy, Environmental Advancement, Inner Wellbeing and a Project for Setting up Indigo Art Museum.

The specific programs undertaken during the year and a brief is given in following paragraphs:

Rural Development

Under the broad theme of Rural Advancement, the Arvind Rural Transformation Initiative (ARTI) is a combination of long term integrated programs focused in defined geographies. In Gujarat, geographically, the different projects are being implemented at Kalol in Gandhinagar, Sanand & Dholka in Ahmedabad, Dhasa in Botad, Saurastra, Garudeshwar in Aspirational district of Narmada and planned initiatives at Kheda district. Altogether, Rural Development programmes are being implemented in 39 Villages. In addition, the Rural Development initiatives are also planned at Karnataka and Jharkhand.

The broad focus of the rural development initiatives are on Education, Earning, Environment and Inner Wellbeing. Initiatives of Health & Nutrition are also undertaken as per the need and demand from the community.

A digital literacy programme as part of our education program in rural areas is being offered in partnership with HP Foundation. 3 HP CLAP Vans with 120 Laptops each move in village schools and villages to impart computer literacy programme to students and women. About 5700 students have taken advantage of the programme. Our old partnership with HP had also has a HP WOW Bus that has a classroom. This has been stationed at villages near Statue of Unity, Narmada. Over 500 students have taken advantage of this. The combined strength of students have shown their willingness to join the Supplementary Education Programme Gyanda which we will start during 2023-24 for the rural students. Over 1200 of these students were also taken to a visit of science city

The Environment project has major plantation drive. Close to 30,000 plants were planted in broadly three mode – plantation at individual homes, plantation in schools & crematorium and plantation at block and taluka level at large plots. Over 4000 students participated in planting the trees in their school campuses under our school greening programme. Environment clubs are also set up in schools where we are active.

To support and increase earning of farmers in villages we operate, a Credit support program for Animal loan was launched last year with partnership with Shree Mahila SEWA Bank. Around 80 new loans for buffalo were given and dairy linkages strengthened. This has given immediate rise in family income.

Our interaction with the communities lead to the realisation that attending to health issues many a time get neglected or postponed as it doesn't seem to be posing any immediate challenge. To attend to this, we have launched health camps in villages we operate. A total of 23 Community Eye Check-up Camps, Community Health Camps and School Dental Health Camps were organised in partnerships with Government Hospitals and Specialised Trust run Hospitals. These were attended by close to 3500 people. The eye camp received the highest attendance and over 2000 specs were distributed and 66 cataract surgeries were performed.

We had reported earlier that as part of our rural advancement programme, the Homestay Project near famous Statue of Unity in Kevadia in Aspirational district Narmada was undertaken. A total of 37 rooms were created and income to the families had started. We conducted a rapid assessment of the project that suggested certain changes and showed us the potential. We have identified 11 new homes and started the work in 4 more homes. The idea is to create a Homestay Cluster supported by Arvind Foundation.

Educational Advancement: Project Gyanda

In addition to the digital education programme, our Supplementary Education Programme Gyanda in the urban areas with municipal school students is slowly but surely back to its core after badly getting affected due to Covid. We have around 850 students now and have started a new centre which will add to the numbers. In addition, few more centres are planned to open in urban areas. There is a demand from our students of digital education programme in rural areas to be part of Supplementary education programme which we will start during 2023-24 in a blended online and offline mode.

To support this expansion, we are integrating technology. During the year, in addition to our partnership with HP Foundation, we had two technology partnerships with Open Link Foundation and Tag Hive Foundation.

Open Links Foundation (OLF) was started by an alumni of IIT Delhi and IIM Ahmedabad in 2017. OLF considers Teachers as the most important link to implement any change program and it provides IT enabled program, tools and community for teacher support and teacher recognition by reducing their burden and motivating them to deliver quality education.

The tool also has a Wikipedia kind of open source platform for teachers to find right teaching resources and instruction methods like lesson plans, activities, worksheets and videos etc. The material that SHARDA Trust has developed has been uploaded on this platform which can now be accessed from anywhere by our teachers. This will help us a great deal as we plan our rural journey.

Tag Hive Inc. is a Samsung funded education Technology Company started by an IIT & Harvard alumni. TagHive has a solution called Class Saathi, which is a clicker based smart classroom solution that makes formative assessments seamless and data-driven. Teachers can use the Class Saathi app to evaluate student's proficiency in various concepts taught in class. After the session, the students are given multiple choice questions to assess their understanding of what was taught in the class. The students click their answers on a clicker device and their answers immediately give the teacher an idea about students' understanding with data. The data is recorded and can be used for individual counselling. We see this adding lot of value to our students in future.

We have also started a pre-primary section this year in our new Gyanda centre. We are developing a curriculum after a baseline study. The program looks at providing a strong Foundational literacy and numeracy, crucial for a child to attain basic numeracy and literacy skills by the end of grade 3.

For Institutions and Individual having emergency medical need, the company has supported Sheth Kasturbhai Lalbhai Hospital with an Ambulance. It has also supported few patients financially in meeting their critical medical situation.

Inner Wellbeing Programme:

The Company is carrying out an Ongoing Inner Wellbeing Program in rural Gujarat and Rajasthan since last five years. This is result of our conviction that the physical and social developments are meaningful only if people are also well from within. Heartfulness Meditation programs are being conducted in a planned and structured manner. This program is based on the Sahaj Marg system of Raja Yoga meditation. We had reported that in 2021-22, due to COVID, this programme suffered badly and most of the sessions were conducted online. We have, however, started this again going into villages, schools and rural institutions. Altogether, 8 people team reached to about 80 villages where regular sessions are getting conducted. About 162 schools and 50 rural institutions had awareness sessions conducted.

Promotion of Indology Project:

The Company has supported a programme of Promotion of Indology for Promotion of National Heritage, Art and Culture. The programme is being carried out through our partner organisation Lalbhai Dalpatbhai Bhartiya Sanskriti Vidya Mandir (LDBSVM). The programme is to support preservation of manuscript, digitisation of manuscripts, automating the Library that has rare books, purchase of books and upgrading the Manuscript Data Archival Software System for tracking the digitised and archived manuscripts. The project also involves upgradation of infrastructure. This is being done to expand the Institution's engagement with the public. It is being done both through online and offline methods.

Indigo Art Museum Project: The Company has supported Arvind Indigo Foundation for setting up the Indigo Art Museum. The Purpose of setting up the Indigo Museum is to capture the story of indigo and associated materials to create and capture broader narratives around the story and future of the colour and how it can play a crucial role in design thinking, artistic collaborations and sustainability. This living museum seeks to become a laboratory of ideas and practices so that the heritage of indigo is not presented as an inaccessible past but as a living colour with a story of continuing innovations in variety of materials.

For the Indigo Art Museum project, the land has been identified, the design and the foundation work is under progress and the structural clearing up of the site is done to start further construction activities. In addition, the Arvind Indigo Foundation has also started acquiring the artefacts, artwork and collaboration with artists, sculptors and designers on further work.

14. HUMAN RESOURCES

A company grows when its people grow. At Arvind we believe that talent truly shapes organizational success and destiny. At Arvind, there is highest commitment to investing in hiring the right talent, sustainably engaging and developing them, retaining and rewarding them to deliver organizational results and growth.

An important focus area for the organization has been to respond to trends shaping the future of work, that make the company agile, productive and help improve HR systems, processes and enhance employee experience.

The Company has invested efforts in bringing effectiveness in hiring and creating an employer brand, creating internal mobility, reorganizing structures in line with business plans and performance and establishing the right rewards and recognition.

To ensure that our employees continue to challenge themselves and grow, the company has brought a significant focus to internal mobility and to rotating employees across different functional roles in order to grow into higher roles.

On learning our focus shall continue to be towards digitalization of learning and introduction of various e-learning courses on managerial & functional competencies. Adoption of digital tools, incorporation of hybrid work culture, in our new way of working has ensured that our employees are equipped to work with these through the right skills.

While doing so, we have been cognizant of understanding what motivates and engages our people and how they perceive their work environment. Therefore, we encourage open and regular dialogue between managers and their team members and offer hand holding support which ensures our people feel comfortable to speak up, raise concerns and are empowered to initiate improvements.

Our approach to performance management is a holistic one wherein, while holding people accountable, we look at continuous development and create opportunities for them to excel in new and or larger roles. This approach is directly linked to our compensation framework and promotion process. We also offer a wide range of benefits to our employees.

To ensure we develop future leaders, we provide a number of opportunities to foster management and leadership skills. The purpose is to equip our people with the necessary capabilities to lead the organization through change, develop their teams, manage performance and ensure business success in line with the organizational strategy.

15. RISK MANAGEMENT

The Company has a robust Enterprise Risk Management framework which enables it to take certain risks to remain competitive and achieve higher growth and at the same time mitigate other risks to maintain sustainable results.

Under the framework, the Company has laid down a Risk Management Policy which defines the process for identification of risks, its assessment, mitigation measures, monitoring and reporting. While the Company, through its employees and Executive Management, continuously assess the identified Risks, the Risk Management Committee reviews the identified Risks and its mitigation measures annually.

The top 20 risks identified by the Company includes - 4 Strategic Risks, 14 Operational Risks & 2 Regulatory Risks. Key Strategic Risks include demand destruction/shift, geo-political issues, supply chain disruption and reputational risks.

Key Operating Risks include customer concentration, vendor concentration, availability of competent human resource, major system outages, industrial safety and cyber security/ data protection. Regulatory Risks include changes in trade agreements, litigation and regulatory compliances.

16. INTERNAL FINANCIAL CONTROLS:

The Company has in place adequate internal financial controls with reference to the Financial Statements commensurate with the size, scale and complexity of its operations. During the year, such controls were tested and no reportable material weakness in the design or operation was observed. The Statutory Auditors of the Company have audited such controls with reference to the Financial Reporting and their Audit Report is annexed as Annexure A to the Independent Auditors' Report under the Standalone Financial Statements and the Consolidated Financial Statements which forms part of the Integrated Annual Report.

17. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has a vigil mechanism named Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The details of the Whistle Blower Policy are explained in the Corporate Governance Report and also posted on the website of the Company at
https://www.arvind.com/sites/default/files/field_policy_file/Whistle%20Blower%20Policy_n.pdf

18. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

As on 31st March 2023, the Company has 22 subsidiary companies (Direct or Indirect) and 4 joint ventures and 1 associate company.

During the year under review, companies/entities which have become and ceased to be subsidiary, joint venture or associate of the Company are given in the note no. 35 to the Financial Statements.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, a statement containing salient features of financial statements of subsidiaries, associates and joint venture companies in Form AOC-1 is attached to the Financial Statements. The separate audited financial statements in respect of each of the subsidiary shall be kept open for inspection at the Registered Office of the Company. The Company will also make available these documents upon request by any Member of the Company interested in obtaining the same. The separate audited financial statements in respect of each of the subsidiary are also available on the website of the Company at http://www.arvind.com/financial-reports

The Company has framed a policy for determining material subsidiaries, which has been uploaded on Company's website at
https://www.arvind.com/sites/default/files/field_policy_file/Policy%20on%20Material%20Subsidiaries.pdf

19. CHANGE IN NATURE OF BUSINESS

During the year under review, there has been no Material change in the nature of business of the Company.

However, during the year, the Company amended the "Object Clause" of Memorandum of Association of the Company by inserting two new objects viz. (i) establishing separate division for sourcing and imparting customised training to manpower required for various entry level job roles in textile and other industry and (ii) designing, manufacturing and supply of products made from indigo dyes.

20. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors consists of 9 (nine) members, of which 5 (five) are Independent Directors. The Board also comprises of one woman Independent Director.

As per the provisions of Section 152(6) of the Act, Mr. Punit Sanjay Lalbhai (DIN 05125502) shall retire by rotation at the ensuing Annual General Meeting and being eligible, offered himself for re-appointment as the Director of the Company.

Ms. Renuka Ramnath (DIN: 00147182) tendered her resignation as an Independent Director of the Company consequent to the other pre-occupation. The Board has taken her resignation on record at the Board Meeting held on 18th May, 2022 and placed on record its appreciation for the valuable services rendered by Ms. Renuka Ramnath during her tenure as an Independent Director of the Company.

As per the approval received by the shareholders through Postal Ballot, Mr. Punit Sanjay Lalbhai (DIN: 05125502) and Mr. Kulin Sanjay Lalbhai (DIN: 05206878) were re-appointed as Executive Directors of the Company for a further period of five years from 1st August 2022.

As approved by the Board of Directors of the Company at the Board Meeting held on 1st August, 2022 and approved by shareholders in Annual General Meeting held on 6th September, 2022, Ms. Ismet Tehmesp Khambatta (DIN: 00030325) was appointed as an Independent Director of the Company for a period of five years from 1st August, 2022. In the opinion of the Board, she possesses requisite expertise, integrity and experience (including proficiency) for appointment as an Independent Director of the Company.

The Board of Directors of the Company at their meeting held on 25th January, 2023 accepted resignation of Mr. Swayam Saurabh as Chief Financial Officer as part of internal re-organisation and appointed Mr. Jayesh Kantilal Shah, Whole Time Director as Chief Financial Officer (CFO) of the Company with effect from 26th January 2023.

As per the provisions of Section 203 of the Companies Act, 2013, Mr. Sanjay Lalbhai - Chairman and Managing Director, Mr. Punit Lalbhai – Vice Chairman & Executive Director, Mr. Kulin Lalbhai – Executive Director, Mr. Jayesh Shah – Whole Time Director and Group Chief Financial Officer, and Mr. R.V. Bhimani - Company Secretary; are the Key Managerial Personnel of the Company.

21. FORMAL ANNUAL EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of its own performance as well as that of its Committees and Individual Directors. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

22. APPOINTMENT AND REMUNERATION POLICY

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management and their remuneration. The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to Executive and Non-Executive Directors, Key Managerial Personnel and Senior Management. The policy also provides the criteria for determining qualifications, positive attributes and Independence of Director and criteria for appointment and removal of Directors, Key Managerial Personnel / Senior Management and performance evaluation which are considered by the Nomination and Remuneration Committee / Board of Directors. The policy is available on the website of the Company at
https://www.arvind.com/sites/default/files/field_policy_file/Nomination%20and%20Remuneration%20Policy.pdf.

23. FAMILIARIZATION PROGRAM FOR THE INDEPENDENT DIRECTORS

In compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their role, rights and responsibility as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc. The details of the familiarization programme are explained in the Corporate Governance Report and also available on the Company's website at
https://www.arvind.com/sites/default/files/field_policy_file/Familiarization%20Programs%20of%20IDs.pdf

24. DECLARATION OF INDEPENDENCE

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they have complied with the Code for Independent Directors as prescribed in Schedule IV to the Act.

25. BOARD AND COMMITTEE MEETINGS

A calendar of Meetings is prepared and circulated in advance to the Directors.

During the year under review, 5 meetings of the Board were held. The details of the Board and Committee meetings are provided in the Corporate Governance Report forming part of this Report.

26. COMMITTEES OF BOARD:

With an objective of strengthen the governance standards and to comply with the applicable statutory provisions, the Board has constituted various committees details of such Committees constituted by the Board are given in the Corporate Governance Report, which forms part of this Annual Report.

27. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

a. in preparation of the annual accounts for the financial year ended 31st March, 2023 the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

c. they have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. they have prepared the annual accounts on a going concern basis;

e. they have laid down internal financial controls, which are adequate and are operating effectively;

f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

28. RELATED PARTY TRANSACTIONS

All the related party transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large or which warrants the approval of the shareholders. Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014. However, the details of the transactions with Related Parties are provided in the Company's financial statements in accordance with the Accounting Standards.

All Related Party Transactions are presented to the Audit Committee and the Board. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

The Policy on Related Party Transactions as approved by the Board is available on Company's website at https://www.arvind.com/sites/default/files/field_policy_file/Related%20Party%20Transactions%20Policy%20 2022.pdf

29. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators/ Courts which would impact the going concern status of the Company and its future operations.

30. AUDITORS

- **Statutory Auditors**

M/s Deloitte Haskins & Sells LLP, Chartered Accountants, (ICAI Firm Registration No. 117366W/W-100018) were re-appointed as the Statutory Auditors of the Company at the Annual General Meeting of the Company held on 6th September, 2022 for a term of five consecutive years. The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

- **Cost Auditors**

Kiran J. Mehta & Co., Cost Accountants, Ahmedabad (Firm Registration No. 000025) carried out the cost audit for applicable businesses during the year. The Board of Directors has appointed them as Cost Auditors for the financial year 2022-23. The remuneration payable to the Cost Auditors is required to be placed before the Members in a general meeting for their ratification. Accordingly, a Resolution seeking Members' ratification for the remuneration payable to Kiran J. Mehta & Co., Cost Auditors is included at item No.4 of the notice convening the Annual General Meeting.

In accordance with the provisions of Section 148(1) of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, the Company has maintained cost accounts and records.

- **Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Hitesh Buch & Associates, a firm of Company Secretaries in practice, to conduct the Secretarial Audit of the Company for the financial year 2022-23.

The Secretarial Audit Report for the financial year ended 31st March 2023, pursuant to Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed herewith as "Annexure - C". The Secretarial Audit Report does not contain any qualifications, reservation or adverse remarks.

31. ENHANCING SHAREHOLDERS' VALUE

The Company believes that its Members are its most important stakeholders. Accordingly, the Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. The Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively impact the socio-economic and environmental dimensions and contribute to sustainable growth and development.

32. CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION & ANALYSIS

The Corporate Governance Report and Management Discussion & Analysis, which form part of this Report, together with the Certificate from the auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated in Schedule V of Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

33. BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

The Business Responsibility & Sustainability Report for the year ended 31st March 2023 as stipulated under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed which forms part of this Annual Report.

34. SECRETARIAL STANDARDS

During the year under review, the Company has complied with the provisions of Secretarial Standard -1 and Secretarial Standard - 2 issued by the Institute of Company Secretaries of India.

35. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure - D".

36. THE ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2023 is available on the Company's website at
https://www.arvind.com/sites/default/files/field_investor_updates_file/Annual%20Return-%202022-23.pdf

37. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136(1) of the Companies Act, 2013, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in "Annexure - E" to this report.

38. DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy against sexual harassment in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder.

Arvind Internal Complaints Committee (AICC) is formed and its details are declared across the organizations. All AICC members are trained by subject experts on handling the investigations and proceedings as defined in the policy

During the financial year 2022-23, there were 3 complaints that were filed during the year and each of these cases have been investigated, necessary actions have been taken and closed.

39. GENERAL

The Board of Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions or applicability pertaining to these matters during the year under review:

i) Fraud reported by the Auditors to the Audit Committee or the Board of Directors of the Company.

ii) Payment of remuneration or commission from any of its subsidiary companies to the Managing Director/ Whole Time Director of the Company.

iii) Voting rights which are not directly exercised by the employees in respect of shares for the subscription/ purchase of which loan was given by the Company (as there is no scheme pursuant to which such persons can beneficially hold shares as envisaged under section 67(3)(c) of the Companies Act, 2013).

iv) Details of any application filed for corporate insolvency under Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016.

vi) One time settlement of loan obtained from the banks or financial institutions.

40. ACKNOWLEDGEMENTS

The Board expresses its sincere thanks to all the employees, customers, suppliers, investors, lenders, regulatory and government authorities and stock exchanges for their co-operation and support and look forward to their continued support in future.

By order of the Board

Place: Ahmedabad

Date: 18th May , 2023

Sanjay Lalbhai

Chairman and Managing Director

Annexure A to the Directors' Report

Disclosures under Regulation 14 of
The SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021

The details of ESOP 2008 and ESOS 2021 for the year ended March 31, 2023 are as under:

	Scheme	ESOS 2008	ESOS 2021
1 (a)	Description: Date of shareholder's approval Date of shareholder's approval on amendment	23-Oct-2007 30-Aug-2018	18-Aug-2021
(b)	Total number of shares approved under ESOP 2008	5% of share capital from time to time.	1,00,00,000
(c)	Vesting requirements	Options vest over a period of 1 to 5 years based on continued service and certain performance parameters.	
(d)	Exercise price or pricing formula	The exercise price shall be the Market Price for options to be granted under this scheme. However, exercise price can be such other price as may be decided by the Nomination and Remuneration Committee for grant of options not exceeding 0.5% of the paid-up equity shares as on 31st March 2018 or such other price as may be required to be arrived in accordance with the applicable laws. Further, Nomination and Remuneration Committee shall grant such options not exceeding 0.5% of paid up capital as mentioned above to employees in lieu of cash compensation based on achievement of key performance indicators and such options shall not exceed 0.15% of the paid-up capital to any one employee.	The exercise price shall be the Market Price for options to be granted under this scheme. However, it can be such other price as may be decided by the Board/Committee for grant of options not exceeding 0.5% of the paid up equity shares as on 31st March 2021 i.e. not exceeding 12,94,620 shares or such other price as may be required to be arrived in accordance with the applicable laws. Further, Board/Committee shall grant such options not exceeding 0.5% of paid up capital as mentioned above to employees in lieu of cash compensation based on achievement of key performance indicators and successful achievement of key performance criteria and such options shall not exceed 0.15% of the paid-up equity shares as on 31st March 2021 i.e. not exceeding 3,88,386 shares to any one employee. The Company sets the performance criteria for its employees on annual basis based on the prevailing opportunities and challenges faced by the company. Some of the key criteria that company has used for performance evaluation in recent past are sales growth, profitability, free cash flow generation and returns on invested capital.
(e)	Maximum term of options granted	10 years from the date of grant	8 years from the date of grant
(f)	Source of shares	Primary	

	Scheme	ESOS 2008	ESOS 2021
(g)	Variation of terms of options	None	None
2	Method used to account for ESOS	Fair Value Method	
3	Where the Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on the profits and EPS of the Company shall also be disclosed. (i) Difference between Intrinsic value and Fair value compensation cost (ii) Impact on the Profits of the Company (₹) (iii) Impact on Basic Earnings Per Share of the Company (₹) (iv) Impact on Diluted Earnings Per Share of the Company (₹)	Not applicable	
4	Option movement during the year:		
(a)	Options outstanding at the beginning of the year	23,37,655	3,50,000
(b)	Options granted during the year	0	2,08,000
(c)	Options forfeited / lapsed during the year	14,26,000	2,00,000
(d)	Options vested during the year	9,11,655	0
(e)	Options exercised during the year	9,11,655	0
(f)	Number of shares arising as a result of exercise of option	9,11,655	0
(g)	Money realised by exercise of options (₹)	3,28,14,050	0
(h)	Loan repaid by the Trust during the year from exercise price received	NA	NA
(i)	Options outstanding at the end of the year	0	3,58,000
(j)	Options exercisable at the end of the year	0	0
5A	Weighted average exercise prices of options whose		
	Exercise price equals market price of stock	-	₹ 113.61
	Exercise price exceeds market price of stock	-	-
	Exercise price is less than market price of stock	-	₹ 10.00
5B	Weighted average fair value of options whose		
	Exercise price equals market price of stock	-	₹ 87.47
	Exercise price exceeds market price of stock	-	-
	Exercise price is less than market price of stock	-	₹ 48.91
6	Employee wise details of options granted to:		
	(i) Key managerial personnel	None	None
	(ii) any other employee who receives a grant in any one year of options amounting to five per cent or more of options granted during that year;	None	Susheel Kaul:-1,08,000 options Anurag Badal :-1,00,000 options

	Scheme	ESOS 2008	ESOS 2021
	(iii) identified employees who were granted options, during any one year, equal to or exceeding one per cent of the issued capital (excluding outstanding warrants and conversions) of the issuer at the time of grant.	None	None
7	A description of the method and significant assumptions used during the year to estimate the fair values of options, including following weighted average information:		
	(i) Share price (₹)	NA	96.2
	(ii) Exercise price (₹)		29.80
	(iii) Expected volatility		53.16%
	(iv) Risk-free interest rate		6.52%
	(v) Any other inputs to the model	None	
	(vii) Method used and the assumptions made to incorporate effects of expected early exercise	Binomial Option Pricing Model	
	(vii) How expected volatility was determined, including an explanation of the extent of to which expected volatility was based on historical volatility	The daily volatility of the Company's stock price on stock exchanges over the expected life of the options has been considered.	
	(viii) Whether any or how any other features of option grant were incorporated into the measurement of fair value, such as market condition.	None	

Annexure B to the Directors' Report

ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR 2022-23

1. Brief Outline on CSR Policy of the Company

Care for the society has been an intrinsic value for the promoters of the Lalbhai Group. We strongly believe that a company can improve its own functioning by influencing the environment in which it operates. Our long tradition of contributing to the growth and development of the society led to the setting up of multiple institutions in the realm of educational, social and cultural domains in improving the lives of the people. Our ethos in the realm of Corporate Social Responsibility got culminated in Arvind Limited Policy on Corporate Social Responsibility (ALPCSR).

Our CSR Policy is and will always be synergetic to the broader areas that the Schedule VII of the New Companies Act has defined or will define from time to time.

The key points of the policy can be reached at our website through the given link:

https://www.arvind.com/sites/default/files/field_policy_file/CSR%20Policy%202019.pdf

2. Composition of the CSR Committee

The Arvind Limited has set up Corporate Social Responsibility Committee (CSR Committee) as per the requirement of the Companies Act. The members of the CSR Committee are:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Dr. Bakul Dholakia	Chairman (Independent Director)	2	2
2	Mr. Sanjay Lalbhai	Member (Chairman & Managing Director)	2	2
3	Mr. Punit Lalbhai	Member (Executive Director)	2	2
4	Mr. Jayesh Shah	Member (Whole Time Director and CFO)	2	2

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

https://www.arvind.com/sites/default/files/field_policy_file/CSR%20Policy%202019.pdf

4. Details of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable.

Not Applicable

5. a) Average net profit of the Company as per sub-section (5) of section 135: ₹ 248.29 crores

b) Two percent of average net profit of the company as per sub-section (5) of section 135: ₹ 4.97 crores

c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

d) Amount required to be set off for the financial year, if any: NIL

e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹ 4.97 crores

6. a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 5.06 crores

b) Amount spent in Administrative Overheads: NIL

c) Amount spent on Impact Assessment, if applicable: NIL

d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 5.06 crores

e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ in crores)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
5.06	NIL	-	NIL	-	-

f) Excess Amount for set off, if any:

Sl. No.	Particulars	Amount (₹ in crores)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub section (5) of section 135	4.97
(ii)	Total amount spent for the Financial Year	5.06
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.09
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1	19-20	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2	20-21	Nil	Nil	Nil	Nil	Nil	Nil	Nil
3	21-22	Nil	Nil	Nil	Nil	Nil	Nil	Nil

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

 Yes No

No (No Capital Asset created during the financial year 2022-23)

If Yes, enter the number of Capital assets created/ acquired:

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) (including complete address and location of the property)	Pincode of the property or as set(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner	
					CSR Registration Number, if applicable	Name
(1)	(2)	(3)	(4)	(5)	(6)	
Not Applicable						

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135:

Not Applicable

Sd/-
Mr. Sanjay Lalbhai
Chairman and Manging Director

Sd/-
Dr. Bakul Dholakia
Chairman – CSR Committee

Annexure C to the Directors' Report

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Arvind Limited
CIN: L17119GJ1931PLC000093
Naroda Road
Ahmedabad-380025

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Arvind Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by Arvind Limited ("the Company") for the financial year ended on 31st March 2023 according to the provisions of:
   (i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
   (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
   (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
   (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

2. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
   (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   (ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
   (iv) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
   (v) The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015;
   (vi) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
   (vii) The Securities and Exchange Board of India (Registrars to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not Applicable as the Company is not registered as Registrar and Transfer Agents with SEBI)
   (viii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable as the Company has not applied for delisting of Equity Shares during the financial year)
   (ix) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable as the Company has not bought back any of the securities during the financial year)

3. We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations as applicable to the Company.

4. The Company has identified and confirmed the following laws as specifically applicable to the Company:
   (i) Explosives Act, 1884
   (ii) Electricity Act, 2003
   (iii) Public Liability Insurance Act, 1991
   (iv) Information Technology Act, 2000
   (v) Essential Commodities Act, 1955
   (vi) Textile Committee Act, 1963
   (vii) Textile (Development & Regulation) Order, 2001
   (viii) Textile (Consumer Protection) Regulations, 1988

5. We have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India and the Listing Agreement entered into by the Company with National Stock Exchange of India Limited and BSE Limited.

   During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through, while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no events / actions having major bearing on the affairs of the Company in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Hitesh D. Buch
Proprietor
For, Hitesh Buch & Associates
FCS No.: 3145; C P No.: 8195
Peer Review Certi. No. 1265/2021
UDIN: F003145E000327469

Ahmedabad, 18th May 2023

This Report is to be read with our letter of even date which is annexed as **Annexure** and forms an integral part of this report

Annexure

To,

The Members,

Arvind Limited

CIN: L17119GJ1931PLC000093

Naroda Road

Ahmedabad-380025

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in the secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Hitesh D. Buch
Proprietor
For, Hitesh Buch & Associates
FCS No.: 3145; C P No.: 8195
Peer Review Certi. No. 1265/2021
UDIN: F003145E000327469

Ahmedabad, 18th May 2023

Annexure D to the Directors' Report

Information on Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

(A) CONSERVATION OF ENERGY:

1. **Energy Conservation Measures taken:**

   Constant efforts in continuing all previous conservation measures and increasing awareness of energy management amongst employees have continued which should enable further savings going forward.

Arvind Naroda Road Denim Unit:

Sr. No	Work Description	Saving / Day	Units Saved / Year	Remarks
Denim Business Naroda Unit:				
1	MEE Cooling Tower Recirculation Pump VFD installation with pump modification for energy saving.	500.00	1,50,000	Electrical Energy (kWH)
2	STP Passage modification for energy saving (Stoppage of two blowers and one RCR pump).	3000.00	10,95,000	Electrical Energy (kWH)
3	Electrical unit saving through generation of electricity from wind power plant.	-	26,91,850	Electrical Energy (kWH)
4	Electrical unit saving through generation of electricity from Solar power plant.	-	3,24,305	Electrical Energy (kWH)
5	Attending the leakages in flue gas ducting in IJT Boiler.	408.00	1,42,800	Electrical Energy (kWH)
6	Electrical unit saving through change in SOP of IJT boiler fans operation.	216.00	75,600	Electrical Energy (kWH)
7	Installation of energy efficient boiler feed pump and IE3 motor in IJT Boiler.	360.00	1,08,000	Electrical Energy (kWH)
8	Electrical unit saving through modification in fuel handling system in Thermax Boiler.	88.00	30,800	Electrical Energy (kWH)
9	C-90 Air Compressor: - Cooling Tower stopped of C-29 area (used for C-90 comp. Air dryer purpose) in winter season.	528.00	47,520	Electrical Energy (kWH)
10	C-90 Air Compressor: - Cooling Tower water circulation pump stopped in Winter season.	588.72	52,984	Electrical Energy (kWH)
11	Thermal energy saving through condensate recovery	7464.00	26,12,580	Thermal Energy (kCAL)
12	Water supply booster pumps removed from Old RO-DM plant and SM-9 colour kitchen area	108.00	37,800	Electrical Energy (kWH)
13	Water Recovery from sludge dryer (ETP Plant).	20.00	1,200	Water Saving (KL)
14	MF-7 for vacuum pump 15 kW drive installed	72.00	21,600	Electrical Energy (kWH)
15	MF-7 Motor capacity changed from 22kW to 7.5 kW- 2 Nos by installing manual skew unit	43.00	15050.00	Electrical Energy (kWH)

Arvind Intex Unit:

Sr. No	Work Description	Investment Cost in ₹.	Saving kW/Hr	Units Saved / Year (Kwh)
1	18 W LED tube lights installed (142 NOS) in place of existing conventional tube light fittings at micro spinning.	33630	2.556	11103
2	18 W LED tube lights installed (138NOS) in place of existing conventional tube light fittings at micro spinning.	33630	2.48	8942
3	18 W LED tube lights installed (108 NOS) in place of existing conventional tube light fittings.	41595	1.944	5598
4	18 W LED tube lights installed (186 NOS) in place of existing conventional tube light fittings.	55460	3.348	2410
5	18 W LED tube lights installed (88 NOS) in place of existing conventional tube light fittings.	69325	1.584	722
6	55 KW Drive installed for ₹ 2 B/R Radial Fan Motor 45KW	275957	5	40080
FUTURE SAVING PROJECT 2023-24				
1	36 W Conventional Tube Light to be Replaced by 18 W Led type in ₹ 1 Dept. (Total-500 Nos)	117500	9.24	93960

Ankur Textiles:

1. Use of 80 nos. of LED tube in place of conventional fluorescent tube light fittings, resulted in saving of 11,404 kWh per year. (Replaced tube 36W, Replaced by 18 W, Saving 18 W X 80 Tubes X 24 Hrs X 330 working days = 11,404 kWh).
2. Replaced 7 numbers of High Bay fitting (120 watts) by LED STREET LIGHT (36 Watts). Saved 1,940 Units per year. (Replaced tube 120 W, Replaced by 36 W, Saving 84 W X 7 fittings X 10 Hrs X 330 working days = 1,940 kWh).
3. We had gained ₹ 2.27 lakh as rebate during FY 22-23 due to maintaining unity power factor.
4. Installation of 36 Nos. new digital energy meters and CT / PT to monitor section wise power consumption.
5. In order to conserve the environment, we have adopted the ZLD system for water treatment from March-22. During FY 22-23, recycled water from ZLD is utilised, 70% of total water consumption.
6. Reuse of 18,380 KL/year condensate water at STEAM BOILER saving of energy and water.
7. Almost 18,472 KL/year machine cooling water as hot process water is reused in the processing area.
8. During FY 22-23, 6,59,467 KWH solar energy generated from 508.2 KW solar plant.

Khatraj-Santej Units:

Sr. No	Work Description	Saving/Day	Unit Saved/ Year	Unit	Department
1	Stop the whole department to reduce utility loss in Shirting Dept.				SHIRTING
	Electricity Saving	5000	10000	kwh	SHIRTING
	Steam Saving	30	60	ton	SHIRTING
2	Installed agro waste thermic fluid heater & stop existing gas fired thermic fluid heater	1	330	Lakhs ₹.	SHIRTING
3	Condensate recovery from Sizing areas, saving in water	20	7200	m3	SHIRTING
4	Shut down of preparatory & processing together to reduce Utility loss in Bottom Dept.				BOTTOM
	Electricity Saving	2500	5000	kwh	BOTTOM
	Steam Saving	20	40	ton	BOTTOM
5	Installed agro waste thermic fluid heater & stop existing gas fired thermic fluid heater	1	330	Lakhs ₹	BOTTOM
6	Reduced energy consumption of brusher exhaust by changing Ms impeller with aluminium semi open impeller	10	3600	kwh	DENIM-1710
7	Reduced energy consumption by providing inverter at Warping H-Plant	15	5400	kwh	DENIM-1710
8	Installed New LED High bay fixtures in grey ware house against 250W drone lights	24	8640	kwh	KNITS
9	Drive installation for collection pit of dyed pump	18	6480	kwh	KNITS
10	Installed agro waste thermic fluid heater & stop existing gas fired thermic fluid heater	1	330	Lakhs ₹.	KNITS
11	Installed 8 nos. VFD against DOL starters for 16 nos. 6.5 kw motors	21	7560	kwh	KNITS
12	Installed New LED light fittings in 16 Looms area	26	9360	kwh	AMD
13	Installed New LED light fittings in process area	10	3600	kwh	AMD
14	Transparent Roof sheet for daylight in AMD	12	4320	kwh	AMD
15	Replaced insulation of 8 TPH boiler, saving in coal consumption	0.4	120	ton	CPP
16	Installed 6 nos. new energy efficient motors (IE3 Type), Instead of old low rating motors.	18	6480	kwh	ETP

Steam Conservation:

Efforts at Arvind have continued in various forms - these have helped drive both water usage and steam consumption down as well as improved the availability of water from careful harvesting. Optimization of ground water whereas entire process have operated with treated sewage water by installed of sewage treatment plant at Naroda Road Unit. Some key actions are highlighted below:

Arvind Naroda Road Denim Unit

Sr. No.	Work Description	Coal Saving/ Year
1	Reduced coal consumption from 39% to 27% by increasing the agro fuel in boilers compared to FY 2021-22.	5198 Ton

2. Additional Investment and Proposals, if any, being implemented for reduction of Consumption of Energy:

Capital Investment on energy conservation equipment's for Denim Fabric Division at Arvind Naroda, Power Plant – Reduction in energy, coal and water consumption.

Sr. No.	Proposed Saving Project Details:
Naroda Unit:	
1	Reduction in coal consumption from 27% to 15% by increasing the agro fuels in existing boiler. It will help us to reduce GHG emission and steam cost.
2	Filter dust briquette use as a fuel in agro based new 20 TPH boiler.
3	Installation of energy efficient DM water transfer pump with IE5 motor.
4	Installation of 110 KW VFD Drive in FD fan of IJT Boiler.
5	Installation of Micro turbine at Deaerator steam line (Approx. Power generation: 10,08,000 unit/annum).
6	Installation of 45 KW VFD with bypass system in 24 TPH Boiler PA Fan-1.
7	Installation of 45 KW VFD with bypass system in 20 TPH Boiler FD Fans.
8	Steam distribution network audit through M/s Uniklinger. Modification of steam line to reduce the steam loss and unwanted steam line to be removed.
9	Installation of IE3 motor in boiler feed pump of 20 TPH Boiler.
10	Condensate Recovery through pump, its piping & insulation installation work across campus (for projected running machineries).
11	Thermal temperature heat loss reduction by replacing old and damaged insulation.
12	Installation of Condensate recovery system at MEE and Sludger dryer area (Approx. 40 m3/day).
13	In M-5 & WF-5 to recover condensate water PPPPU pump to be installed.
14	In M-5 VDR zone temperature controlling to be done as currently working in manual mode by adjusting steam valve.

3. Impact of the measures at (1) and (2) above the reduction of energy consumption and consequent impact on the cost of production of goods:

   Better Efficiency, Optimum Fuel - Utilization and available Heat Energy, Reduction in Energy Bill, Reduction in Down Time, Higher Productivity and Reduction in Cost of Production. These measures will also help to create a better environment and result in water conservation.

(B) TECHNOLOGY ABSORPTION

1. Efforts made towards technology absorption:

Denim Business - Naroda Road:

Four Key Pillars of our strategy revolve around Innovation, Design, Sustainability and Service. We are constantly engaging our technology partners (Fibre, Yarn, Chemical and Machine Suppliers), as well as Key customers to generate innovation opportunities and finally creates value for customer. Herewith sharing a summary of some of the high impact initiatives driven during the current financial year.

1) **Micro Spinning Plant-** It is a miniature spinning set up with all state of art equipment necessary for spinning small lots of maximum 200 kgs of yarn per day. This has enabled improvements in Product Development Services in terms of FTR (first time right), meeting development OTIF of products having special blends. This infrastructure also facilitates NPD activities like trials for new and exotic fibres, making new slub yarn etc.

2) **Natural Indigo in Gaston foam –** This is a joint collaboration between IMD (indigo mill design), liquid natural indigo supplier Stony Creek and Arvind ltd. The trial was completed successfully in presence of representative from IMD in month of July'22. The dyeing of natural indigo through Gaston foam technology is the right complement for the sustainability quotient of Natural Indigo, otherwise, dyeing process of both natural and synthetic indigo is exactly identical in conventional indigo dyeing range.

3) **Sulphur OD in Jeanologia finishing range –** This is a sustainable piece dyeing technique (sulphur) for both undyed and indigo dyed fabric. It is a joint Collaboration between Jeanologia, Archroma and Arvind Ltd. This proprietary Dyeing Process imparts authentic denim look in fabric even after over dyeing and have excellent laser sensitivity rating.

4) **Sulphur dyeing in Rota Spray-** Denim yarn dyed with various sulphur colours have been always considered as a differentiated product. But sulphur color has limited shade pallet, high price and environmental impact. The dyeing of sulphur colors through Rota Spray technique overcomes all these constraints and allows even mixing of two different sulphur colors without any tailing effect. The mixing of two sulphur colors are almost impossible in conventional dyeing technique due to variable dye pick-up of individual sulphur colors.

5) **Amplifier-** The life of a denim fabric is maximum two years, brands either switch to other products or even switch to other mill to fulfil the fashion needs and be relevant to the consumer. Thus, this initiative is made to create various options by changing the construction, blends and finishing technique of the core products running for various brands since years.

6) **Denim with natural fiber –** The linen and hemp is well explored and accepted in denim industry, thus, further attempt is made to use other natural fiber like Jute, Nettle, Himalayan Grass and Banana. The availability and traceability of these exotic fibre are always remain a challenge along with the itching effect due to coarse denier of fibers. The challenge of poor hand feel is well addressed by using Aquaria, where is softened by special chemical and mechanical treatment.

7) **Purifi recycled cotton-** This is patented process of mechanical recycling of yarn or fabric, wherein fibre can be rejuvenated to a level similar to virgin fibre. This enhances the ability to increase recycled content in yarn, without compromising quality and performance of the fabric. A Purfi version of couple of top running fabric are made in presence Purfi team, further evaluation trials are in progress.

8) **Collection for Zara–** Designed by Paolo Leidi, an experienced Denim Engineer from Italy. He has helped developed new yarns (slub designs, multi blends & low twist), dyeing styles, constructions & finish routes that strengthen our Product Portfolio with modern authentic aesthetics. A capsule collection for Zara is developed with special emphasis on softness and brightness of shade.

9) **Stretch with exotic spandex-** Fabric is made by using Elasten from various technology partners like Lycra Company and Hyosung. Trials were conducted with anti-slip and adaptive Lycra from Lycra Company and 3D max from Creora. These innovations in Elasten impart addition performance like better recovery, more comfort in wearing and less garment rejection. A commercial order is also catered with Anti-slip Lycra and feedback is awaited from garment division.

Woven Business – Santej:

1. **Heattech Blend of Acrylic Cotton rayon**

   Ultimate in warmth and comfort, the product comprises of rayon that converts the moisture to create heat. The ultra-fine micro-fibers make layers of insulation that keeps the body heat inside. The HEATTECH clothing is created with a variety of fibers all supporting each other.

2. **Eco Non-Iron (Zero Formaldehyde)**

GOTS approved. Fulfill Oko-Tex Standard 100 requirements, formaldehyde acc. Japan Law 112<200 ppm.
Zero Discharge of Hazardous Chemicals (ZDHC) compliant.
Dries faster, saving in energy.
Easy to Ironing/Non-Iron.

3. **Dope Dyed Indigo Modal**
   - Indigo Color Technology.
   - Spun dyed Fiber.
   - Pigment incorporated into the spinning mass solution.
   - Pigment becomes trapped within the fiber structure.
   - Resource Saving.

Traditional vs Sustainable Dyeing Technique	
70%	Less water consumption in Dyeing
50%	Less water consumption in garment washing
20%	Less steam consumption
20%	Less power consumption

4. **AllClima Stretch Bottom Weight**
   - 2 - Way stretch Moves with your body for maximum Mobility and ultimate comfort.
   - Comfort customized for all seasons:

   Usually, fabric is made such that it is most likely to be worn in a specific season. Now, you can enjoy wearing apparel whose fabric has been specially created to keep you comfortable all through the year.

5. **Smart Traveller Shirt - 5 inl 1**

   Specially engineered with added stretch and moisture-wicking properties to keep you dry and comfortable when things heat up, Quick dry & Breathable

6. **Globeteck**

   Elevate your working-from-home style with a fresh formal shirt. Made with our Motion-flex technology, comfortable and breathable fabric with a touch of stretch. Plus, the non-iron crease-resistant fabric will keep you looking sharp all day long. Available in a variety of shades and designs to suit your style. Machine washable.

7. **Matte Tencel**

   The new TENCEL™ branded lyocell fibers reduce the shine of conventional lyocell denim fabrics whilst maintaining the benefits and eco-credentials of standard TENCEL™ Lyocell fibers & the new matte TENCEL™ Lyocell fibers are fully traceable using this technology, assuring both brands and consumers that the raw materials it uses originate from responsible resources.

8. **Bi-Stretch – Non-Iron**

   4 Way stretch Moves along with your body for maximum mobility and ultimate comfort with non -iron properties & all day freshness enhanced with antimicrobial finish - A classic, Signature Oxford shirt is woven in luxurious Egyptian cotton for a soft and sumptuous feel. Added stretch offers comfort all day long. Non-iron with taped seams, button down collar and with a crease resistant technology for a sharp appearance. Mother of pearl buttons elevate the premium feel of this classic shirt.

9. **Non-Iron with Stain Defender (Water Based Consumer Stains)**

   C0 Chemistry with water repellent & additional water based consumer stain defender.

10. **Single bath Yarn dyeing of Cotton/PET blend with novel dyes**

    Most often, reactive and disperse dyes are utilized separately in two- bath two-step dyeing method to dye polyester-cotton blend fabric. The cost of this conventional dyeing method is very expensive; energy and chemical usage is also quite higher in addition to this, the dyeing cycle is complex as compared to one-bath two-step dyeing methods or single-bath single-step dyeing methods. Single-bath /single-step dyeing of polyester/cotton blends with disperse dye after cotton fiber esterification because disperse dye has a stronger affinity and dye ability to esterified fibers. The methods shorten the process of dyeing, decrease the dyeing cycle, reduce environmental pollution, save energy, and time.

11. **Optimisation of after treatment process in Yarn Processing to conserve energy & water**

12. **Yarn dyeing with Sustainable Probiotic Chemicals reduces ETP load and Water consumption**

    Probiotic Soaping Agent for dyed cotton / cellulose / viscose / blend of fiber, yarn and fabric that offers several value adds. It is fully biodegradable and is not enzyme based. It offers tremendous flexibility in application. It delivers excellent fastness, matching tough international norms. Besides it boosts profit by reducing operating costs. It does not contain phosphates or alkalies and hence dyed fabrics show better depth and brightness of colours.

13. **Novel Moisture Management finish for Cotton/PET fabric by exhaust & Pad application in Printed, White & Yarn dyed segment**

    Moisture management finishes improve the ability of textiles to absorb humidity from the skin, transport it to their outer surface and release it into the surrounding air. In a way, moisture management finishes increase the moisture holding power of the fibres.

14. **Pigment Dyeing of Yarn Packages and Woven Fabric for novel wash-down effect**

    Pigment dyes are useful to give a wash-down casual look on leisurewear. These dyes are less precise than reactive dyes as colour matching cannot be so precisely achieved. This is because the process involves 3 main stages. The first stage is to treat the fabric with a cationic product. This in effect makes the fabric more readily accept pigment dye molecules that do not really penetrate the fibres as other dye types but tend to sit on the surface of the fabric. This quality is how the wash-down look is reached in the second stage. The second stage is applying the pigment dye. With the machine turning quite quickly the pigment dye in liquid form is introduced into the machine and is dispersed over the fabric. The third stage involves processing with a binder. This is designed to keep the pigment dye attached to the surface of the fabric. Of course there are various rinse stages between the main processes and the final stage is usually a softening bath.

15. **Pad-Dry-Cure Reactive dyeing eliminating washing operation**

    This is a Salt – free and continuous one–bath method. Applicable only for pale to light series shades. In this process, reactive dye is padded on to cellulose in the presence of Special Chemicals, Soda Ash and Urea. After drying dye fixation is carried out in a curing chamber at 130°C – 160°C for 2-5 min depending on the depth of the shade. Unlike conventional reactive dyeing in this process no need to do washing after the fabric dyeing.

16. **Biodegradable textile Processing –Bleaching, Dyeing and finishing with bio based chemicals**

    In this project, we used Biotic plant based Auxiliaries & Chemical along with Biodegradable dyes and finishing chemicals where we not only conserve utilities like steam, water and electricity but also reduced ETP pollution load by reducing COD & BOD of waste process water.

17. **Natural Dyes for dyeing of Yarn Packages, Fabric & Printing application**

    The meticulous environmental standards in textiles and garments imposed by countries cautious about nature and health protection are reviving interest in the application of natural dyes in dyeing of textile materials. The toxic and allergic reactions of synthetic dyes are compelling the people to think about natural dyes. Natural dyes are renewable source of colouring materials. Natural dyes are non-toxic, non-allergic and non-carcinogenic as these are obtained from animals or vegetable matters without any chemical processing. Natural dyes are mostly used to dye natural fibers like cotton, wool and silk. The colours produced by natural dyes are soothing to eyes, earthly, warm and highly appealing.

18. **Mineral Dyes for the Dyeing of fabric**

    These are the dyes obtained from natural earth pigments, which owe their tinctorial properties due to the presence of oxides or the hydrated oxides of manganese. Example of mineral dyes are chrome yellow, iron buff, Prussian blue, Nanking yellow and manganese brown etc. They are very much insoluble in water and other solvents therefore the presence of binder is necessary to attack on the fiber surface. The colours obtained on the fiber are extremely resistant to light and chemical agencies and are modified to deeper and richer shades by calcinations. Many mineral colourants have been found to be poisonous in nature therefore, they have limited applications.

19. PFAS free Oil and water repellent finish for fabric

Easy care properties such as oil, water and stain repellent properties come to the forefront in many apparel and technical textile applications. The easy-care concept not only includes minimisation of ironing but also effortless cleaning of garments and the protection of garments from various oil and water-based stains in day-to-day use. The fluorine-based water and oil repellents used generally contains PFAS, an impure substance which is hard to break down due to its stable chemical structure, and there have been concerns about the negative impact of its accumulation in the body and the external environment. Taking this into consideration, primarily the US and European countries, among many others, are tightening their restrictions on fluorine-based water repellent agents, and chemicals manufacturers have been working on the development of replacement technologies. In this project, we have replaced PFAS chemistry with patented PFAS free chemistry with qualifying performance attributes.

Knit Business – Santej:

1. **Knit Fabric Singeing –Replacement of Bio-polishing**

   Singeing is the process of removal of protruding fibres from the surface of fabric through the application of open flames while the fabric is in motion. Singeing of knitted fabric takes an important role in fabric pre-treatment, appearance, clean and clear surface before the following process of fabric. Singeing of knitted fabric is carried out to remove and burn out the hairiness on the fabric surface and produce a smooth surface finish on fabrics. The process guarantees several purposes like to obtain a clean surface which allows the structure of the fabric to be clearly seen, reduced risk of pilling, better printing of fine designs with a higher clarity and details, less risks of irregular dyeing process especially in dark shades due to diffused reflection of light.

2. **New compaction range with booster to improve knit fabric surface properties like smoothness and softness.**

3. **Novel wet peach finish for synthetic fabric**

   It's called peaching because it's supposed to make the fabric feel like the fur on a peach. This process gives a fabric a nice, soft feel and makes it more comfortable to wear. Peached fabric can also be achieved using chemical abrasion.

4. **Sublimation printing for knit synthetic fabric**

   Knitted fabrics have been used for dye-sublimation printing for many years, especially for sports apparel. Sublimation printing is the transfer of dyes onto an object such as polyester fabric. It is a dye sublimation technique that ink goes from a solid to a gas without passing through the liquid state and then permanently bonds with the products. This results in bright, high-quality, and long-lasting prints. The process begins with printing images on paper with sublimation inks, and the most important thing about this process is the specific ink. The next step is to iron the printed paper over the fabric using heat or use a hot press to transfer the ink from the paper to the fabric, heat to 200 degrees. This causes the sublimation ink to bond to the fabric on a molecular level.

Arvind Composites:

I. **Product: FRP Cover board -318x288x5 mm with 157.23 mm Radius**

   Target Client: Railway

   Manufacturing Process: Pultrusion

   Client Requirements: Prefabricated, pultruded product with external application of paint & warning labels

   Scope of Arvind Composites: Tool & accessories design & procurement, production, fabrication, decal application for warning labels & supply

   Key Technology absorbed: Special sustainable resin slurry development as per ASTM E662 Smoke density as per railway standards. Odd tool section design for heat distribution, Jigs and fixtures for complex fabrication process, paint application

   This product has been qualified for Fire and Smoke requirements as per railway standards. It includes post production process such as PU painting & level-3 fabrication for which specific set of guides and fixtures were developed.

   Status: First commercial order is received.

II. Product: Custom shaped FRP cable trays and covers. (600 mm, 150 mm and 100 mm)

Target Client: Utility

Manufacturing Process: Pultrusion & Hand Lay-up

Client Requirements: Prefabricated and per-assembled pultruded FRP cable trays as per client drawing

Scope of Arvind Composites: Profile design, Tool & accessories design & development, production, fabrication, assembly & supply

Key Technology absorbed: Design and manufacture of matching FRP parts, Thickness optimization of cable tray, Assembly of multiple Non FRP parts with FRP

Custom shaped cable trays were required by the client; these cable trays were to have protection against water leaking into the tray and opening and closing mechanism for periodic maintenance. Opening and closing of cable tray cover were a specific requirement and close tolerances were to be maintained to achieve that. With cross functional effort Arvind Team made sure that client requirements are met. For fabrication and assembly there was additional process like adhesion of rubber gasket on FRP part, fixing of nutsert on FRP material and fixing of lanyard on the parts.

Status: Commercial project completed.

III. Product: FRP Truck Cabin Panels

Target Client: Transportation

Manufacturing Process: Hand Lay up

Client Requirements: Hand Laminated FRP Truck Cabin panels

Scope of Arvind Composites: Feasibility study, Modification in parts as per Hand lamination process, development of 3D patterns and moulds, production, finishing & supply

Key Technology Absorbed: Design and manufacturing of pattern and mould for truck body panels, pattern development though 3D machining process, ergonomics of driver's cabin in truck

Client shared 3D CAD model at the beginning and Arvind team suggested modifications from the manufacturing point of view. 3D patterns were developed from outside based on drawings given by Arvind team. In total there were 10 parts and mould were developed in house for all of them.

Status: First prototype was produced and dispatched.

IV. Product: FRP Fan stacks with silencer – 3.2 m dia and 5.2 m total height

Target Client: Cooling tower

Manufacturing Process: Hand Lay Up

Client Requirements: Structural design and production of FRP fan stack

Scope of Arvind Composites: Design of fan stack based on given boundary conditions, production and supply

Key technology absorbed: Simulation of FRP assembly against given load set and thickness optimization

Fan stacks with silencer was required to be designed against different loading conditions such as wind load, snow load, seismic load, baffle load and operating load. Concept design, calculation of forces to be applied on the model during simulation, 3D modelling and laminate design were carried out by Arvind team. Thickness optimization was carried out through simulation for all load cases. Euro Comp design guide was referred for load combinations for FRP structure. Strength and modulus data was obtained through laminate testing data from in house testing lab.

Status: One project is dispatched and the other one is about to be dispatched.

V. Product: 60x70 mm pultruded solid Bar with 20 dia hole

Target Client: Utility

Manufacturing process: Pultrusion

Client Requirements: 60x70 mm bar with 20mm dia hole in the middle to avoid post process fabrication on site

Scope of Arvind Composites: To make modifications in existing tool to provide hole located in the center of 60x70 mm profile

Key technology absorbed: Fixed mandrel concept to control movement of the mandrel in the tool to obtain close tolerances in the profiles

Requirements of the client were stringent in terms of tolerance. With conventional glass feed system this requirement couldn't have been met as 20mm dia P20 mandrel with 2 mtr length will certainly deflect due to its lower stiffness. Arvind adopted new approach in which mandrel was supported on the preformers through the block located on the tool. This block was enabled for a small movements in both directions for minor adjustments.

Status: The profile was produced with minimal initial waste and sample has been sent for the client approval.

VI. Process: Improvements in pultrusion process- Glass feed, resin handling and start-up process

Target Area and process: Glass feed system, resin mixing and transfer system in pultrusion process, batch size

Key technology absorbed: Pumping system for material transfer and resin feed, modified roving and fabric racks, Optimization of batch size & sequence of glass feed during start up

Sr. No	Target Area	Improvement Details
1	Modification in material transfer system in resin slurry mixing area with the help of pumping system.	- Reduced spillage of plain resin + CPW+ liquid additives - 5's in working area - Reduced Yield loss.
2	Resin slurry transfer pump	- Reduced yield loss and manpower.
3	Startup wastage	- Reduced from 20 mtr. to10 mtr. in CT profile by changing die start up process.
4	Resin feed system with box	This close loop effectively curb wastage of resin and due to resin rich mat, surface finish of pultruded parts has been significantly improved.

VII. Process: Fabrication of FRP blade parts- Straight & angular cuts, one sided and throughout holes

Target Area and process: Fabrication

Manufacturing process: CNC machining of FRP jigs and fixtures (in-house) and machining of metal jigs and fixtures. (Outsourced)

Key technology absorbed: Fabrication on complex and heavy parts with close tolerance using innovative jigs and fixtures

Arvind has been supplying FRP blades over the years, this year a new opportunity was there to provide pre-fabricated blades to client. After feasibility study, Arvind team suggested tolerances that can be achieved. Based on the client's approval first prototype was fabricated and sent for approval followed by mass fabrication and supply. Gradually, Arvind has established fabrication facility for almost all type of blades.

Status: Two types of blades have been fabricated and dispatched.

VIII. FRP Cladding sheet for cooling tower

Target Client: Cooling tower

Manufacturing Process: Continuous lamination

Product Details: Profile-6001 with 2 mm thickness

For upgrading the product in the chemical resistance area ,Vinyl Ester FR cladding sheet was develop using continuous sheet making process with FR requirement as per ASTM D 635 - HB.

Status: long run machine trial with gel coat is awaited.

2. Information regarding technology imported during the three years:

Technology imported / Acquired	1. Aquaria (Full width fabric washing range) from Biancalani. 2. Diamond Emery from Match Point. 3. Tearing line for textile waste from Perfect Engg. Corp. 4. Pilot plant for spinning
Year of Import	1. 2020-21 2. 2020-21 3. 2021-22 4. 2022-23
Has technology been fully absorbed?	1. Few products are established. Trials are going on to establish the technology. 2. This technology is fully functioning and catering bulk order successfully. 3. Trials are going on to establish the technology. Additional investment is under discussion. 4. The facility has been fully utilized by the Company.

3. Expenditure on Research and Development :

The Company has separate in-house Research & Development Centre at Naroda, Santej, Khatraj & Pune locations. All Centers are involved into new products development, new process development etc. The details of Capital and Revenue Expenditure incurred on Research and Development by all Centers are as under:

₹ in crores

Particulars	Year ended	
	March 31, 2023	March 31, 2022
Capital Expenditure		
Naroda Centre	3.62	0.00
Santej Centre	1.01	1.02
Khatraj Centre	0.00	0.00
Pune Centre	0.00	0.00
Sub Total	4.63	1.02
Revenue Expenditure		
Naroda Centre	1.78	3.40
Santej Centre	10.36	9.98
Khatraj Centre	0.00	0.00
Pune Centre	1.39	1.32
Sub Total	**13.53**	**14.70**
Total R & D Expenditure	**18.16**	**15.72**

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

Total Foreign Exchange used and earned:

Particulars	₹ in crores	
	2022-23	2021-22
Total foreign exchange used	400.33	479.50
Total foreign exchange earned	3,225.35	3619.75

Annexure E to the Directors' Report

Statement of Particulars under Section 197(12) of the Companies Act, 2013 and read with Rule 5(1) of the Companies(Appointment and Remuneration of Managerial Personnel) Rules,2014.

Sr. No.	Particulars	Status		
			Number of Times	
i)	The ratio of the remuneration of each director to median remuneration of the employees of the company for F Y 2022-23		If Total remuneration of the director is considered	If total remuneration of the Director excluding Variable pay and commission is considered
		Sanjay Lalbhai	70.61	66.19
		Punit Lalbhai	55.34	30.71
		Kulin Lalbhai	55.36	30.72
		Jayesh Shah	46.95	158.2
		Bakul Dholakia	1.87	0.36
		Dileep Choksi	1.85	0.34
		Nilesh Shah	1.79	0.28
		Arpit Patel	1.77	0.26
		Ismet Khambatta*	0.8	0.06
		Renuka Ramnath**	0.21	0.04
ii)	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Directors		%
		Bakul Dholakia		-5%
		Dileep Choksi		0%
		Nilesh Shah		0%
		Arpit Patel		-1%
		Ismet Khambatta*		0%
		Renuka Ramnath**		-86%
		Chairman and Managing Director		
		Sanjay Lalbhai		7.00%
		Whole Time Director and Chief Financial Officer		
		Jayesh Shah		-70.00%
		Executive Director		
		Punit Lalbhai		80.00%
		Executive Director		
		Kulin Lalbhai		80.00%
		Company Secretary		
		Ramnik Bhimani		7.00%
iii)	The percentage increase in the median remuneration of employees in the financial year	3.00%		

* Ms. Ismet Khambatta was appointed as an Independent Director w.e.f. 01st August 2022.

** Ms. Renuka Ramnath resigned as Independent Director after the close of business hours on 18th May, 2022.

Sr. No.	Particulars	Status	
			Number of Times
iv)	The number of permanent employees on the rolls of company	25188	
v)	Average percentile increase already made in the salaries of employees other than the managerial Personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average increase for Key Managerial Personnel is 2.43 % and for other employees was about 11.51 % There is no exceptional increase in remuneration of key Managerial Personnel.	
vi)	Affirmation that the remuneration is as per the remuneration policy of the company	It is affirmed that the remuneration is as per the Remuneration Policy of the Company	

Corporate Governance Report

Your Directors present the Company's Report on Corporate Governance for the year ended on 31st March, 2023.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance at Arvind Limited ("Arvind") is a value-based framework to manage our Company's affairs in a fair and transparent manner. As a responsible corporation, we use this framework to maintain accountability in all our affairs and employ democratic and open processes. We have evolved guidelines and best practices over the years to ensure timely and accurate disclosure of information regarding our financials, performance, leadership and governance of the Company.

Our corporate governance philosophy is based on the following principles:

- Satisfy the spirit of the law and not merely the letter of the law. Corporate Governance standards should go beyond the law.
- Be transparent and maintain a high degree of disclosure levels.
- Make a clear distinction between personal conveniences and corporate resources.
- Communicate externally, in a truthful manner, about how the Company runs internally.
- Have a simple and transparent corporate structure driven solely by business needs.
- The Management is the trustee of the shareholders' capital and not the owner.

The Board of Directors ('the Board') is at the core of our corporate governance practice and oversees how the Management serves and protects the long-term interests of all our stakeholders. We believe that an active, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance. The majority of our Board, 5 out of 9, are independent members. Given below is the report on Corporate Governance at Arvind.

2. BOARD OF DIRECTORS

(i) Composition of the Board:

The Board has 9 Directors, comprising of Chairman and Managing Director, Whole Time Director and Group Chief Financial Officer, 1 Vice Chairman and Executive Director, 1 Executive Director and 5 Non-Executive Directors. The Non-Executive Directors who are also Independent Directors are the leading professionals from varied fields who lay their independent judgments in the Board's discussions and deliberations.

The following is the Composition of the Board as at 31st March 2023:

Sr. No.	Name of Director	Executive/ Non-Executive/ Independent Director	No. of Directorships held (Including Arvind Ltd.)*	Committee(s) position (Including Arvind Ltd.)**	
				Member	Chairman
1	Mr. Sanjay Lalbhai	Chairman & Managing Director	5	2	1
2	Mr. Punit Lalbhai	Vice Chairman and Executive Director	9	1	1
3	Mr. Kulin Lalbhai	Executive Director	6	2	1
4	Mr. Jayesh Shah	Director & Group Chief Financial Officer	11	2	0
5	Dr. Bakul Dholakia	Independent Director	3	4	1
6	Mr. Dileep Choksi	Independent Director	11	9	3
7	Mr. Nilesh Shah	Independent Director	4	4	0
8	Mr. Arpit Patel	Independent Director	3	3	2
9	Ms. Ismet Khambatta +	Independent Director	4	0	0
10	Ms. Renuka Ramnath ++	Not Applicable			

*All the Companies have been considered excluding Companies incorporated under Section 8 of the Companies Act, 2013 (earlier Section 25 of the Companies Act, 1956) and Companies incorporated outside India.

**Only Audit Committee and Stakeholders' Relationship Committee have been considered as per Regulation 26 of the SEBI (LODR) Regulations, 2015.

++ Ms. Renuka Ramnath resigned as Independent Director after the close of business hours on 18th May, 2022.

+ Ms. Ismet Khambatta was appointed as an Independent Director w.e.f. 01st August 2022.

Names of the Listed Entities where the person is a Director and the category of Directorship

Sr. No.	Name of Director	Name of Listed Company	Category of Directorship
1	Mr. Sanjay Lalbhai	The Anup Engineering Limited	Chairman and Non-Executive Director
		Arvind SmartSpaces Limited	Chairman and Non-Executive Director
		Arvind Fashions Limited	Chairman and Non-Executive Director
2	Mr. Punit Lalbhai	The Anup Engineering Limited	Vice Chairman and Non-Executive Director
		Arvind Fashions Limited	Non-Executive Director
		Deepak Nitrite Limited	Non-Executive Independent Director
3	Mr. Kulin Lalbhai	Zydus Wellness Limited	Non-Executive Independent Director
		Arvind SmartSpaces Limited	Non-Executive Director
		Arvind Fashions Limited	Non-Executive Director
4	Mr. Jayesh Shah	-	-
5	Dr. Bakul Dholakia	Gujarat State Petronet Limited	Non-Executive Independent Director
		Ashima Limited	Non-Executive Independent Director
6	Mr. Dileep Choksi	Deepak Nitrite Limited	Non-Executive Independent Director
		AIA Engineering Limited	Non-Executive Independent Director
		Swaraj Engines Limited	Non-Executive Independent Director
		ICICI Prudential Life Insurance Company Limited	Non-Executive Independent Director
7	Mr. Nilesh Shah	Arvind Fashions Limited	Non-Executive Independent Director
8	Mr. Arpit Patel	The Anup Engineering Limited	Non-Executive Independent Director
9	Ms. Ismet Khambatta**	-	-
10	Ms. Renuka Ramnath*	Not Applicable	

* Ms. Renuka Ramnath resigned as Independent Director after the close of business hours on 18th May, 2022.

** Ms. Ismet Khambatta was appointed as an Independent Director w.e.f. 01st August 2022.

(ii) Key Board Qualifications, Expertise and Attributes:

Name of the Director	Areas of Expertise
Mr. Sanjay S. Lalbhai	• Strategic thinking • Track-record of spotting disruptive opportunities ahead of time • Ability to take calibrated risks • Sales and marketing including an understanding of consumer markets in India, US and Europe. • International business experience covering operations in new geographies. • Innovation management to ensure continuing relevance of Company's offerings under changing market conditions. • Manufacturing and supply chain management skills including running production facilities.

Name of the Director	Areas of Expertise
Mr. Punit S. Lalbhai	• Expertise in new materials and sustainable technologies • Sales and marketing including an understanding of consumer markets in India, US and Europe. • International business experience covering operations in new geographies. • Innovation management to ensure continuing relevance of Company's offerings under changing market conditions.
Mr. Kulin S. Lalbhai	• Expert in retail technologies and digital transformation • Sales and marketing including an understanding of consumer markets in India, US and Europe. • International business experience covering operations in new geographies. • Innovation management to ensure continuing relevance of Company's offerings under changing market conditions.
Mr. Jayesh K. Shah	• Sales and marketing including an understanding of consumer markets in India, US and Europe. • General management and financial management skills including mergers and acquisitions, legal and regulatory management, industrial relations and overall stakeholder management.
Dr. Bakul Dholakia	• Expertise in micro and macro – economy, General management and financial management skills including mergers and acquisitions, legal and regulatory management, industrial relations and overall stakeholder management.
Mr. Dileep Choksi	• General management and financial management skills including mergers and acquisitions, legal and regulatory management, industrial relations and overall stakeholder management.
Mr. Nilesh Shah	• Expertise in macro-economy, • Shareholder value creation • General management and financial management skills including mergers and acquisitions, legal and regulatory management.
Mr. Arpit Patel	• General management and financial management skills including mergers and acquisitions, legal and regulatory management, industrial relations and overall stakeholder management.
Ms. Ismet Khambatta**	• Proficiency in architecture, urban and furniture design and education
Ms. Renuka Ramnath *	Not Applicable

*Ms. Renuka Ramnath resigned as Independent Director after the close of business hours on 18th May, 2022.

**Ms. Ismet Khambatta was appointed as an Independent Director w.e.f. 01st August 2022.

Cessation:

Ms. Renuka Ramnath (DIN: 00147182), Non-Executive Independent Director stepped down from the Board with effect from 18th May 2022 due to other pre occupations as mentioned in her resignation letter dated 17th May 2022 and she has confirmed that there are no other material reasons other than those provided in the letter.

(iii) Board Agenda:

The annual calendar of Board and Committee Meetings is agreed upon at the beginning of each year. Meetings are governed by a structured Agenda and a Board Member may bring up any matter for consideration of the meeting in consultation with the Chairman. Agenda papers are generally circulated to the Board Members at least 7 working days in advance. In addition, for any business exigencies the resolutions are passed by circulation and later placed at the subsequent Board or Committee Meeting for ratification/ approval. Detailed presentations are made at the meetings on all major issues to enable the Board to take informed decisions.

Invitees & Proceedings:

Apart from the Board Members, the Company Secretary, the Heads of Manufacturing and Marketing are invited to attend all the Board Meetings. Other senior management executives are called as and when necessary, to provide additional inputs for the matters being discussed by the Board. The CFO makes presentation on the quarterly and annual operating & financial performance and on annual operating & capex budget. The Managing Director and other senior executives make presentations on capex proposals & progress, operational health & safety and other business issues.

Support and Role of Company Secretary:

The Company Secretary is responsible for convening the Board and Committee meetings, preparation and distribution of agenda and other documents and recording of the minutes of the meetings. He acts as interface between the Board and the Management and provides required assistance to the Board and the Management.

(iv) Meetings and Attendance:

During the year, the Board of Directors met 5 times on 18th May 2022, 14th June 2022, 01st August, 2022, 08th November, 2022 and 25th January, 2023. The gap between two Board Meetings was within the maximum time gap prescribed under the Companies Act, 2013, the SEBI (LODR) Regulations, 2015 and Circulars issued by Ministry of Corporate Affairs and SEBI. The Attendance of Directors at these Board Meetings and at the last Annual General Meeting was as under:

Sr. No.	Name of Director	Number of Board Meetings held during the period when the Director was on the Board	Number of Board Meetings attended	Whether present at the previous AGM
1	Mr. Sanjay Lalbhai	5	5	Yes
2	Mr. Punit Lalbhai	5	5	Yes
3	Mr. Kulin Lalbhai	5	5	Yes
4	Mr. Jayesh Shah	5	5	Yes
5	Dr. Bakul Dholakia	5	4	Yes
6	Mr. Dileep Choksi	5	5	Yes
7	Mr. Nilesh Shah	5	4	Yes
8	Mr. Arpit Patel	5	5	Yes
9	Ms. Ismet Khambatta**	2	2	Yes
10	Ms. Renuka Ramnath*	1	1	Not applicable

*Ms. Renuka Ramnath resigned as Independent Director after the close of business hours on 18th May, 2022.

**Ms. Ismet Khambatta was appointed as an Independent Director w.e.f. 01st August 2022.

(v) Independent Directors:

Independent Directors play an important role in the governance processes of the Board. They bring to bear their expertise and experience on the deliberations of the Board. This enriches the decision making process at the Board with different points of view and experiences and prevents conflict of interest in the decision making process.

None of the Independent Directors serves as "Independent Director" in more than seven listed companies. No person has been appointed or continuing as an Alternate Director for an Independent Director of the Company.

Based on the disclosures received from all the Independent Directors and also in the opinion of the Board, the Independent Directors fulfils the conditions specified in SEBI (LODR) Regulations, 2015 and are independent of the management.

During the year under review, the Independent Directors met on 15th March 2023, interalia:

- To review the performance of the Non-Independent Directors (Executive Directors);
- To review the performance of the Board of the Company as a whole;
- To review the performance of Chairman of the Company taking into account the views of Executive Directors on the same;
- To assess the quality, quantity and timeliness of flow of information between the Company management and the Board.

They expressed satisfaction at the robustness of the evaluation process, the Board's freedom to express views on the business transacted at the Meetings and the openness with which the Management discussed various subject matters on the agenda of meetings.

(vi) Disclosure of relationships between the Directors inter-se:

Except between Mr. Sanjay Lalbhai (Chairman & Managing Director) and his two sons viz. Mr. Punit Lalbhai (Vice Chairman and Executive Director) and Mr. Kulin Lalbhai (Executive Director), there is no relationship between the Directors inter-se.

(vii) Number of shares and convertible instruments held by Non-Executive Directors as on 31st March, 2023:

Name	Category	No. of equity shares held
Dr. Bakul Dholakia	Non-Executive Independent Director	28200
Ms. Ismet Khambatta**	Non-Executive Independent Director	-
Mr. Nilesh Shah	Non-Executive Independent Director	211
Mr. Arpit Patel	Non-Executive Independent Director	-
Mr. Dileep Chokshi	Non-Executive Independent Director	-

**Ms. Ismet Khambatta was appointed as an Independent Director w.e.f. 01st August 2022.

During the year under review, the Company has not issued any Convertible Instruments.

(viii) Familiarisation Programme for Independent Director:

On appointment of an individual as Director, the Company issues a formal Letter of Appointment to the concerned director, setting out in detail, the terms of appointment, duties and responsibilities. Each newly appointed Independent Director is taken through a formal Familiarisation Program including the presentation from the Chairman & Managing Director providing information relating to the Company, Denim/ Shirtings/ Branded Garments Business Divisions, industry, business model of the Company, geographies in which Company operates, etc. The programme also provides awareness of the Independent Directors on their roles, rights, responsibilities towards the Company. Further, the Familiarisation Programme also provides information relating to the financial performance of the Company and budget and control process of the Company.

The details of Familiarisation Program imparted to Independent Directors is also posted on the Company's Website at

https://www.arvind.com/sites/default/files/field_policy_file/Familiarization%20Programs%20of%20IDs.pdf

(ix) Code of Conduct for Directors and Senior Management Personnel:

In terms of provisions of the SEBI (LODR) Regulations, 2015, the Board of Directors of the Company has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company. The said Code of Conduct has been posted on the website of the Company. The Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code. The Chairman & Managing Director of the Company has given a declaration to the Company that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code.

(x) Prohibition of Insider Trading Code:

The codes viz. "Code of Conduct for Prohibition of Insider Trading" and the "Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information" allows the formulation of a trading plan subject to certain conditions and requires pre-clearance for dealing in the Company's shares. It also prohibits the purchase or sale of Company's shares by the Designated Persons, while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

(xi) Committees of the Board:

The Board of Directors has constituted 7 Committees of the Board viz.

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Risk Management Committee
- Corporate Social Responsibility Committee
- Environment, Sustainability and Governance Committee

- Management Committee

  The Board determines the terms of reference of these Committees from time to time. Meetings of these Committees are convened by the respective Committee Chairman/ Company Secretary. At each Board Meeting, minutes of these Committees are placed before the Directors for their perusal and noting.

3. AUDIT COMMITTEE

The Audit Committee of the Company comprises of 5 members out of which 4 members are Non-Executive Independent Directors. The Committee members are professionals having requisite experience in the fields of Finance and Accounts, Banking and Management.

(i) Terms of reference of the committee:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to Auditors for any other services rendered by the Auditors of the Company;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
   a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
   b) Changes, if any, in accounting policies and practices and reasons thereto;
   c) Major accounting entries involving estimates based on the exercise of judgment by management;
   d) Significant adjustments made in the financial statements arising out of audit findings;
   e) Compliance with listing and other legal requirements relating to financial statements;
   f) Disclosure of any related party transactions; and
   g) Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial results before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
8. Formulating a policy on related party transactions, which shall include materiality of related party transactions;
9. Approval or any subsequent modification of transactions of our Company with related parties;
10. Scrutiny of inter-corporate loans and investments;
11. Valuation of undertakings or assets of our Company, wherever it is necessary;
12. Evaluation of internal financial controls and risk management systems;
13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
14. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
15. Discussion with internal auditors of any significant findings and follow up there on;
16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
17. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
18. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

19. To review the functioning of the whistle blower mechanism;
20. Approval of the appointment of the CFO of the Company (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
21. To review the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision;
22. To review the compliance with the provisions of Regulation 9A of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and to verify that the systems for internal control are adequate and are operating effectively;
23. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;and
24. To carry out any other function as is mentioned in the terms of reference of the Audit Committee.

Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Management letters/ letters of internal control weaknesses issued by the statutory auditors of our Company;
3. Internal audit reports relating to internal control weaknesses;
4. The appointment, removal and terms of remuneration of the chief internal auditor;
5. Statement of deviations:
    a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to the stock exchanges in terms of sub-regulation (1) of Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
    b) annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice in terms of sub-Regulation (7) of Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(ii) The Composition of the Committee as at 31st March 2023 and the details of Members participation at the Meetings of the Committee are as under:

During the year, 5 Audit Committee Meetings were held on 18th May 2022, 14th June 2022, 01st August 2022, 08th November 2022 and 25th January 2023. The Attendance of Members at meetings was as under:

Sr. No.	Name of Member	Position	Number of Meetings held during the period when the Member was on the Board	Number of Meetings attended
1	Mr. Arpit Patel	Chairman	5	5
2	Mr. Dileep Choksi	Member	5	5
3	Mr. Jayesh Shah	Member	5	5
4	Dr. Bakul Dholakia	Member	5	4
5	Mr. Nilesh Shah	Member	5	4

The representatives of Internal and Statutory Auditors are invitees to Audit Committee meetings and the Company Secretary acts as the Secretary of the Audit Committee.

4. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Company comprises of 3 Directors viz. Dr. Bakul Dholakia, Mr. Nilesh Shah and Mr. Dileep Choksi, all of whom are Non-Executive Independent Directors. Dr. Bakul Dholakia acts as a Chairman of the Committee.

(i) Terms of reference of the committee:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;

1A. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

   (i) use the services of external agencies, if required;

   (ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and

   (iii) consider the time commitments of the candidates

2. Formulation of criteria for evaluation of the performance of independent directors and the Board;
3. Devising a policy on Board diversity;
4. Identify persons who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
5. Specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
6. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors; and
7. Recommend to the board, all remuneration, in whatever form, payable to senior management.

(ii) The Composition of the Committee as at 31st March 2023 and the details of Members participation at the Meetings of the Committee are as under:

During the year, 3 Nomination and Remuneration Committee Meetings were held on 18th May 2022, 01st August 2022 and 25th January 2023. The Attendance of Members at meeting was as under:

Sr. No.	Name of Member	Position	Number of Meetings held during the period when the Member was on the Board	Number of Meetings attended
1	Dr. Bakul Dholakia	Chairman	3	3
2	Mr. Dileep Choksi	Member	3	3
3	Ms. Renuka Ramnath*	Member	1	1
4	Mr. Nilesh Shah	Member	3	3

*Ms. Renuka Ramnath ceased to be a member w.e.f. close of business hours on 18th May 2022.

(iii) Evaluation of the Board's Performance:

The Board has adopted a formal mechanism for evaluating its performance as well as that of its Committees and individual Directors. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & Committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgement, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

(iv) Remuneration of Directors:

Remuneration of Executive Directors is recommended by the Nomination and Remuneration Committee and approved by the Board of Directors and the Shareholders of the Company.

The remuneration of Non-Executive Directors is determined by the Board and is also approved by the Shareholders in General Meeting. Non-Executive Directors are paid Sitting Fees of Rs. 10,000/- for every meeting of Board of Directors or Committee attended by them. Apart from this, Non-Executive Directors [other than Managing Director and Whole Time Director(s)] are entitled for commission within the limit of 1% of the net profits of the Company per annum.

Details of remuneration to all Directors for the Financial Year 2022-23 are as under:

Sr. No.	Name of Director	Salary (₹)	Perquisites & Allowances (₹)	Retirement & Leave Benefits (₹)	Sitting Fees (₹)	Commission/ Bonus (₹)	Stock Option
1	Mr. Sanjay Lalbhai	1,04,16,000	2,08,32,000	25,78,573	--	4,94,78,000	--
2	Mr. Punit Lalbhai	46,56,000	1,39,68,000	15,03,565	--	2,84,49,000	--
3	Mr. Kulin Lalbhai	46,56,000	1,39,68,000	15,03,565	--	2,84,49,000	--
4	Mr. Jayesh Shah	69,48,000	1,38,96,000	22,07,528	--	3,21,60,700	--
5	Dr. Bakul Dholakia	--	--	--	1,80,000	7,50,000	--
6	Ms. Renuka Ramnath*	--	--	--	20,000	85,480	--
7	Mr. Dileep Choksi	--	--	--	1,70,000	7,50,000	--
8	Mr. Nilesh Shah	--	--	--	1,40,000	7,50,000	--
9	Mr. Arpit Patel	--	--	--	1,30,000	7,50,000	--
10	Ms. Ismet Khambatta**	--	--	--	30,000	3,66,666	--

*Ms. Renuka Ramnath resigned as Independent Director after the close of business hours on 18th May, 2022.

**Ms. Ismet Khambatta was appointed as an Independent Director w.e.f. 01st August 2022.

None of the Directors of the Company/ Key Managerial Personnel had any pecuniary relationship with the Company during the year.

Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable:

The details of stock options granted to the eligible employees and directors under Arvind Limited - Employee Stock Option Scheme 2008 (ESOP-2008) and Employee Stock Option Scheme 2021 (ESOP-2021) are provided in the Directors' Report of the Company.

Please refer Point No. 7 - Employee Stock Option Scheme in Directors' Report

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee has 3 Members comprising of 1 Non-Executive Independent Director and 2 Executive Directors. Dr. Bakul Dholakia, Non-Executive Independent Director, acts as a Chairman of the Committee.

(i) Terms of reference of the Committee:

1. Resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;

2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent; and
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

(ii) The Composition of the Committee as at 31st March 2023 and the details of Members participation at the Meetings of the Committee are as under:

During the year, 3 Stakeholders' Relationship Committee Meetings were held on 01st August 2022, 08th November 2022 and 25th January 2023. The Attendance of Members at meetings was under:

Sr. No.	Name of Member	Position	Number of Meetings held during the year	Number of Meetings attended
1	Dr. Bakul Dholakia	Chairman	3	2
2	Mr. Sanjay S. Lalbhai	Member	3	3
3	Mr. Jayesh K. Shah	Member	3	3

(iii) Name and Designation of Compliance Officer:

R. V. Bhimani

Company Secretary

(iv) Details of Complaints/ Queries received and redressed during 01st April 2022 to 31st March 2023 are as follows:

Number of shareholders' complaints pending at the beginning of the year	Number of shareholders' complaints received during the year	Number of shareholders' complaints redressed during the year	Number of shareholders' complaints pending at the end of the year
0	16	16	0

All the complaints/ queries have been redressed to the satisfaction of the complainants and no complaint/ query was pending at the end of the year.

6. RISK MANAGEMENT COMMITTEE

The Risk Management Committee has 6 Members comprising of 2 Executive Director viz. Mr. Jayesh Shah and Punit Lalbhai and 4 Non-Executive Independent Directors viz. Dr. Bakul Dholakia, Mr. Dileep Choksi, Mr. Nilesh Shah and Mr. Arpit Patel.

(i) Terms of reference of the Committee:

(1) To formulate a detailed risk management policy which shall include:

(a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

(b) Measures for risk mitigation including systems and processes for internal control of identified risks.

(c) Business continuity plan.

(2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

(ii) The Composition of the Committee as at 31st March 2023 and the details of Members participation at the Meetings of the Committee are as under:

During the year, 3 Risk Management Committee Meetings were held on 18th May 2022, 8th November 2022 and 20th January 2023. The Attendance of Members at meeting was under:

Sr. No.	Name of Member	Position	Number of Meetings held during the year	Number of Meetings attended
1	Mr. Arpit Patel*	Chairman	1	1
2	Mr. Dileep Choksi	Member	3	3
3	Dr. Bakul Dholakia	Member	3	2
4	Mr. Jayesh Shah	Member	3	3
5	Mr. Nilesh Shah	Member	3	2
6	Mr. Punit Lalbhai**	Member	NA	NA

*Mr. Arpit Patel was appointed as Member and Chairman of the Committee on 08th November 2022.

** Mr. Punit Lalbhai was appointed as Member of the Committee on 25th January 2023.

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee has 4 Members comprising of 1 Non-Executive Independent Director and 3 Executive Directors.

(i) Terms of reference of the Committee:

1. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII to the Companies Act, 2013;
2. To finalise a list of CSR projects or programs or initiatives proposed to be undertaken periodically including the modalities for their execution / implementation schedules and to review the same from time to time in accordance with requirements of section 135 of the Companies Act, 2013;
3. Recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
4. Monitor the Corporate Social Responsibility Policy of the company from time to time;
5. Review the CSR Report and other disclosures on CSR matters for the approval of the Board for their inclusion in the Board Report.

(ii) Composition of the Committee as at 31st March 2023 and the details of Members participation at the Meetings of the Committee are as under:

During the year, 2 Corporate Social Responsibility Committee Meetings were held on 18th May 2022 and 01st August 2022. The Attendance of Members at meeting was under:

Sr. No.	Name of Member	Position	Number of Meetings held during the year	Number of Meetings attended
1.	Dr. Bakul Dholakia	Chairman	2	2
2.	Mr. Sanjay Lalbhai	Member	2	2
3.	Mr. Punit Lalbhai	Member	2	2
4.	Mr. Jayesh Shah	Member	2	2

8. MANAGEMENT COMMITTEE

The Management Committee consists of 4 Directors, all of whom are Executive Directors.

(i) Role:

The Management Committee's primary role is to look after the day-to-day business activities of the Company within Board approved direction/ framework. The Committee meets frequently, as and when need arises, to transact matters within the purview of its terms of reference.

(ii) The Composition of the Committee as at 31st March 2023 and the details of Members participation at the Meetings of the Committee are as under:

During the year, 20 Management Committee Meetings were held on various dates. The Attendance of Members at meetings was as under:

Sr. No.	Name of Member	Position	Number of Meetings held during the year	Number of Meetings attended
1	Mr. Sanjay Lalbhai	Member	20	17
2	Mr. Punit Lalbhai	Member	20	16
3	Mr. Kulin Lalbhai	Member	20	15
4	Mr. Jayesh Shah	Member	20	19

9. ENVIRONMENT, SOCIAL AND GOVERNANCE COMMITTEE

The Environment, Social and Governance Committee has 3 Members comprising of 1 Non-Executive Independent Director and 2 Executive Directors.

(i) Purpose:

The purpose of the Environment, Social, Governance Committee (the "Committee") of the Board of Directors (the "Board") of Arvind Limited (the "Company") shall be to assist the Board and the Company in fulfilling the ambitions committed in the ESG vision of the company. The Committee has overall responsibility for (i) Endorsing the ESG vision and goals set out on an ongoing basis (ii) monitoring the progress against the stated vision and goals (iii) reviewing any statutory performance obligations on Sustainability/ESG. The purpose and responsibilities of the Committee shall include such other items/matters prescribed under applicable law or prescribed by the Board in compliance with applicable law from time to time. The Committee is also responsible for reporting progress of various initiatives and in making appropriate disclosures on a periodic basis.

(ii) Responsibilities and Authority

- The Committee shall guide the creation of the ESG Vision & Ambitions of the company and continuously take into updates on the ESG vision and goals thereon.
- The Committee shall review implementation of the ESG measures. The Committee may form and delegate authority to sub-committees as and when appropriate.
- The Committee shall ensure that the Company is taking the appropriate measures to undertake and implement actions to further its ESG vision and ambitions. The Committee shall have access to any internal information necessary to fulfil its role, in this regard.
- The Committee shall have the authority to obtain advice and assistance from internal or external experts, advisors.

(iii) Composition of the Committee as at 31st March 2023 and the details of Members participation at the Meetings of the Committee are as under:

During the year, 1 Environment, Social, Governance Committee Meeting was held on 20th January 2023. The Attendance of Members at meeting was under:

Sr. No.	Name of Member	Position	Number of Meetings held during the year	Number of Meetings attended
1.	Mr. Punit Lalbhai	Chairman	1	1
2.	Mr. Arpit Patel	Member	1	1
3.	Mr. Jayesh Shah	Member	1	1

10. INFORMATION ON GENERAL BODY MEETINGS

(i) The last 3 Annual General Meetings of the Company were held as under:

Date	Time	Venue
06th September, 2022	11:00 AM	The Registered Office was the deemed venue of the meeting as the meeting was held through Video Conference (VC)/Other Audio Visual Means (OAVM)
18th August, 2021	11:00 AM	The Registered Office was the deemed venue of the meeting as the meeting was held through Video Conference (VC)/Other Audio Visual Means (OAVM)
25th September, 2020	11:00 AM	The Registered Office was the deemed venue of the meeting as the meeting was held through Video Conference (VC)/Other Audio Visual Means (OAVM)

(ii) Special Resolutions passed in the last 3 Annual General Meetings:

2021-22

1. Special Resolution for appointment of Ms. Ismet Khambatta (DIN: 00030325), as an Independent Director of the Company to hold office for a term of five consecutive years upto July 31, 2027 on the Board of the Company.

2020-21

1. Special Resolution for payment of commission to Non-Executive Directors for a period of 5 years from 01st April 2021 to 31st March 2026 under provision of Section 197 and 198 of the Companies Act, 2013.
2. Special Resolution for approval of offer or invitation to subscribe to Non-Convertible Debentures on private placement basis upto ₹ 200 crores.
3. Special Resolution to create, offer, issue and allot stock options to eligible employees of the company exercisable into not more than 1,00,00,000 equity shares under the Employee Stock Option Scheme.
4. Special Resolution to create, offer, issue and allot stock options to eligible employees of the holding and subsidiary companies exercisable into not more than 1,00,00,000 equity shares under the Employee Stock Option Scheme.

2019-20

1. Special Resolution for payment of commission to Non-executive Directors for a period of 5 years from 01st April 2020 to 31st March 2025 under provision of Section 197 and 198 of the Companies Act, 2013.
2. Special Resolution for reappointment of Ms. Renuka Ramnath (holding DIN 00147182), as an Independent Director of the Company to hold office for a second term of five consecutive years upto July 31, 2024 on the Board of the Company.
3. Special Resolution for reappointment of Dr. Bakul H. Dholakia (holding DIN 00005754), as an Independent Director of the Company to hold office for a second term of five consecutive years upto July 31, 2024 on the Board of the Company.

4. Special Resolution for reappointment of Mr. Nilesh Shah (holding DIN 01711720),as an Independent Director of the Company to hold office for a second term of five consecutive years upto May 5, 2025 on the Board of the Company.
5. Special Resolution for alteration of Memorandum of Association of the Company by inserting new Sub Clause (2)(rr),after existing Clause (2)(r).
6. Special Resolution for approval of offer or invitation to subscribe to Non-Convertible Debentures on private placement basis upto ₹ 150 crores.

(iii) Extraordinary General Meeting (EGM):

During the last 3 years, there was no Extra Ordinary General Meeting held.

(iv) Details of Resolutions passed through Postal Ballot, the person who conducted the Postal Ballot Exercise and details of the voting pattern:

- The Company had sought approval of the shareholders through notice of Postal Ballot dated 18th May, 2022 seeking approval of the members to approve the **Reappointment and remuneration of Mr. Punit Lalbhai, as an Executive Director, for a period of 5 years from 01st August, 2022 to 31st July, 2027 and reappointment and remuneration of Mr. Kulin Lalbhai, as an Executive Director, for a period of 5 years from 01st August, 2022 to 31st July, 2027.** The aforesaid resolutions were duly passed and the results of postal ballot/e-voting were announced on 04th July, 2022. Mr. Hitesh Buch, Proprietor of M/s. Hitesh Buch & Associates, Practicing Company Secretaries, was appointed as the Scrutinizer to scrutinize the postal ballot and remote e-voting process in a fair and transparent manner.

Item No. of the Notice and type of Resolution	Mode of Voting	In favour of the resolution			Against the resolution			Abstained/ Invalid
		No. of members	No. of Shares/ votes	%	No. of members	No. of Shares/ votes	%	No. of Shares/ votes
Item No. 1 Special Resolution: To consider and approve the reappointment and remuneration of Mr. Punit Lalbhai, as an Executive Director, for a period of 5 years from 1st August, 2022 to 31st July, 2027.	Postal Ballot through remote e-voting	1045	155927943	91.6679	120	14172971	8.3321	N.A.
	Physical postal ballot	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total	**1045**	**155927943**	**91.6679**	**120**	**14172971**	**8.3321**	**N.A.**

Item No. of the Notice and type of Resolution	Mode of Voting	In favour of the resolution			Against the resolution			Abstained/ Invalid
		No. of members	No. of Shares/ votes	%	No. of members	No. of Shares/ votes	%	No. of Shares/ votes
Item No. 2 Special Resolution: To consider and approve the reappointment and remuneration of Mr. Kulin Lalbhai, as an Executive Director, for a period of 5 years from 1st August, 2022 to 31st July, 2027.	Postal Ballot through remote e-voting	1040	155934560	91.6679	122	14173577	8.3321	NA
	Physical postal ballot	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total	**1040**	**155934560**	**91.6679**	**122**	**14173577**	**8.3321**	**NA**

The postal ballot was conducted in accordance with the provisions contained in Sections 108, 110 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read together with Rule 20 & 22 of the Companies (Management and Administration) Rules, 2014 ("Rules") as amended from time to time and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations") and General Circular No. 14/2020 dated April 8, 2020, the General Circular No. 17/2020 dated April 13, 2020, the General Circular No. 22/2020 dated June 15, 2020, the General Circular No. 33/2020 dated September 28, 2020, the General Circular No. 39/2020 dated December 31, 2020, General Circular No. 10/2021 dated June 23, 2021, the General Circular No. 20/2021 dated December 8, 2021 and the General Circular No. 3/22 dated 5th May, 2022 issued by the Ministry of Corporate Affairs ("MCA Circulars"), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India and other applicable laws and regulations, as amended from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force). The shareholders were supposed the facility to vote through e-voting. The postal ballot notice was sent to shareholders in electronic form to the email addresses, where available. The Company also published a notice in the newspapers in accordance with the requirements under the Companies Act, 2013. Shareholders holding equity shares as on the cut-off date casted their votes through e-voting during the voting period fixed for this purpose. After completion of scrutiny of votes, the scrutinizer submitted his report to the Chairman and the results of voting by postal ballot were announced within 48 hours of conclusion of the voting period. The results were displayed on the website of the Company (www.arvind.com), and communicated to the Stock Exchanges, Depositories, and Registrar and Share Transfer Agents. The resolutions were passed by the requisite majority and were deemed to have been passed on the last date specified for e-voting.

- The Company had sought approval of the shareholders through notice of Postal Ballot dated 08th November, 2022 seeking approval of the members to approve the **Alteration of Object Clause of Memorandum of Association of the Company.** The aforesaid resolutions were duly passed and the results of postal ballot/e-voting were announced on 23rd December, 2022. Mr. Hitesh Buch, Proprietor of M/s. Hitesh Buch & Associates, Practicing Company Secretaries, was appointed as the Scrutinizer to scrutinize the postal ballot and remote e-voting process in a fair and transparent manner.

Item No. of the Notice and type of Resolution	Mode of Voting	In favour of the resolution			Against the resolution			Abstained/ Invalid
		No. of members	No. of Shares/ votes	%	No. of members	No. of Shares/ votes	%	No. of Shares/ votes
Item No. 1 Special Resolution: Alteration of Object Clause of Memorandum of Association of the Company.	Postal Ballot through remote e-voting	1107	165121475	99.9820	61	29723	0.0180	N.A.
	Physical postal ballot	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Total	**1107**	**165121475**	**99.9820**	**61**	**29723**	**0.0180**	**N.A.**

The postal ballot was conducted in accordance with the provisions contained in Sections 108, 110 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read together with Rule 20 & 22 of the Companies (Management and Administration) Rules, 2014 ("Rules") as amended from time to time and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations") and General Circular No. 14/2020 dated April 8, 2020, the General Circular No. 17/2020 dated April 13, 2020, the General Circular No. 22/2020 dated June 15, 2020, the General Circular No. 33/2020 dated September 28, 2020, the General Circular No. 39/2020 dated December 31, 2020, General Circular No. 10/2021 dated June 23, 2021, the General Circular No. 20/2021 dated December 8, 2021 and the General Circular No. 3/22 dated 5th May, 2022 issued by the Ministry of Corporate Affairs ("MCA Circulars"), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India and other applicable laws and regulations, as amended from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force). The shareholders were supposed the facility to vote through e-voting. The postal ballot notice was sent to shareholders in electronic form to the email addresses, where available. The Company also published a notice in the newspapers in accordance with the requirements under the Companies Act, 2013. Shareholders holding equity shares as on the cut-off date casted their votes through e-voting during the voting period fixed for this purpose. After completion of scrutiny of votes, the scrutinizer submitted his report to the Chairman and the results of voting by postal ballot were announced within 48 hours of conclusion of the voting period. The results were displayed on the website of the Company (www.arvind.com), and communicated to the Stock Exchanges, Depositories, and Registrar and Share Transfer Agents. The resolutions were passed by the requisite majority and were deemed to have been passed on the last date specified for e-voting.

11. MEANS OF COMMUNICATION

(i) The quarterly, half-yearly and yearly Financial Results are published in the Financial Express - All India Editions and Financial Express - Gujarati Edition of Ahmedabad and are also posted on the Company's website at www.arvind.com.

(ii) Information released to the press at the time of declaration of results is also sent to all Stock Exchanges where the shares of the Company are listed for the benefit of investors. Moreover, the Company's web-site hosts a special page giving information which investors usually seek.

(iii) Presentations made to institutional investors/analysts are posted on the Company's web site at www.arvind.com.

12. GENERAL SHAREHOLDER INFORMATION

(i) Annual General Meeting:

Date	05th August, 2023
Time	11:00 A.M.
Mode	Video Conferencing or through Other Audio Visual Means

(ii) Financial Calendar (Tentative):

The Financial Year of the Company is for a period of 12 months from 1st April to 31st March.

First quarter results	:	Last week of July, 2023
Second quarter results	:	Last week of October, 2023
Third quarter results	:	Last week of January, 2024
Fourth quarter results / Year end results	:	Second week of May, 2024

(iii) Book Closure: 22/07/2023 to 05/08/2023 (Both Days inclusive)

(iv) Dividend Payment Date : Dividend shall be paid within 30 days of the AGM Date.

(v) Listing on Stock Exchanges:

a) Equity Shares

Sr. No.	Name of the Stock Exchange	Code	Address
1	BSE Ltd.	500101	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001
2	National Stock Exchange of India Ltd.	ARVIND	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400051

b) Non-Convertible Debentures

The Unsecured Listed Rated Redeemable Non-Convertible Debentures issued on Private Placement basis by the Company are listed on the Wholesale Debt Market (WDM) of BSE Limited.

Scrip Code:

959583: AL-8.5%-2-6-23- PVT

Debenture Trustee (for privately placed debentures):

Axis Trustee Services Limited

Axis House, Bombay Dyeing Mills Compound

Pandurang Budhkar Marg, Worli, Mumbai - 400 025

Phone: +91 22 6226 0054/ 50

Email: debenturetrustee@axistrustee.in

Website: www.axistrustee.com

The Company has paid Annual Listing Fees for the year 2022-2023 to the above Stock Exchanges.

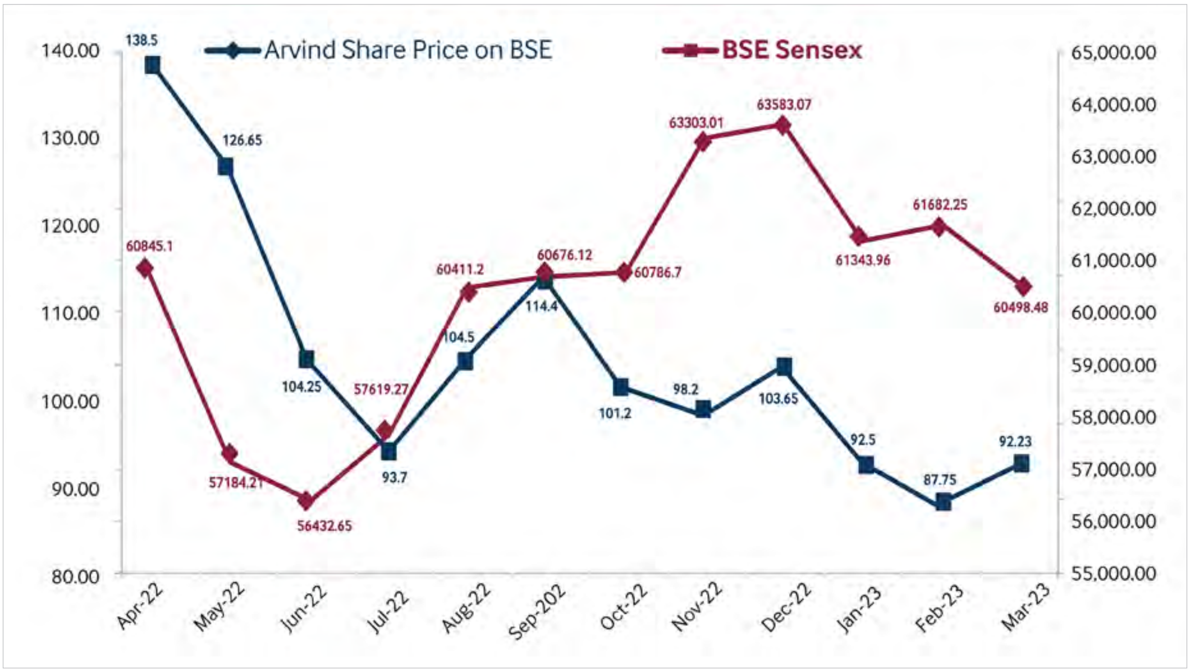
(vi) Market Price Data:

The market price data and volume of the company's share traded in the BSE Limited and the National Stock Exchange of India Limited during the Financial Year 2022-23 were as under:

Month	Share Price on BSE		BSE Sensex		Volume	Share Price on NSE		NSE (NIFTY)		Volume
	High (₹)	Low (₹)	High (₹)	Low (₹)	No. of Shares	High (₹)	Low (₹)	High (₹)	Low (₹)	No. of Shares
Apr-22	138.5	115.35	60845.1	56009.07	3100968	138.7	115.4	18114.65	16824.69	28428775
May-22	126.65	92.85	57184.21	52632.48	2733509	126.95	92.7	17132.84	15735.75	21263133
Jun-22	104.25	82	56432.65	50921.22	2104583	104.4	81.95	16793.84	15183.40	180781611
Jul-22	93.7	85.2	57619.27	52094.25	1518748	93.75	85.1	17172.80	15511.04	14254767
Aug-22	104.5	92.5	60411.2	57367.47	3681544	104.45	92.4	17992.19	17154.80	32619880
Sep-22	114.4	94.3	60676.12	56147.23	3874068	114.5	94.25	18096.15	16747.69	39813864
Oct-22	101.2	92.3	60786.7	56683.4	1411944	101.3	92.2	18022.80	16855.55	13133485
Nov-22	98.2	90.1	63303.01	60425.47	1707237	98.4	90.15	18816.05	17959.19	19226783
Dec-22	103.65	82.05	63583.07	59754.1	2132767	103.6	82	18887.59	17774.25	24062921
Jan-23	92.5	83.2	61343.96	58699.2	1858042	93	83.05	18251.94	17405.55	15929144
Feb-23	87.75	77.7	61682.25	58795.97	1240948	87.7	77.7	18134.75	17255.19	9439489
Mar-23	92.23	78.4	60498.48	57084.91	3204712	92.2	78.6	17799.94	16828.34	18258080

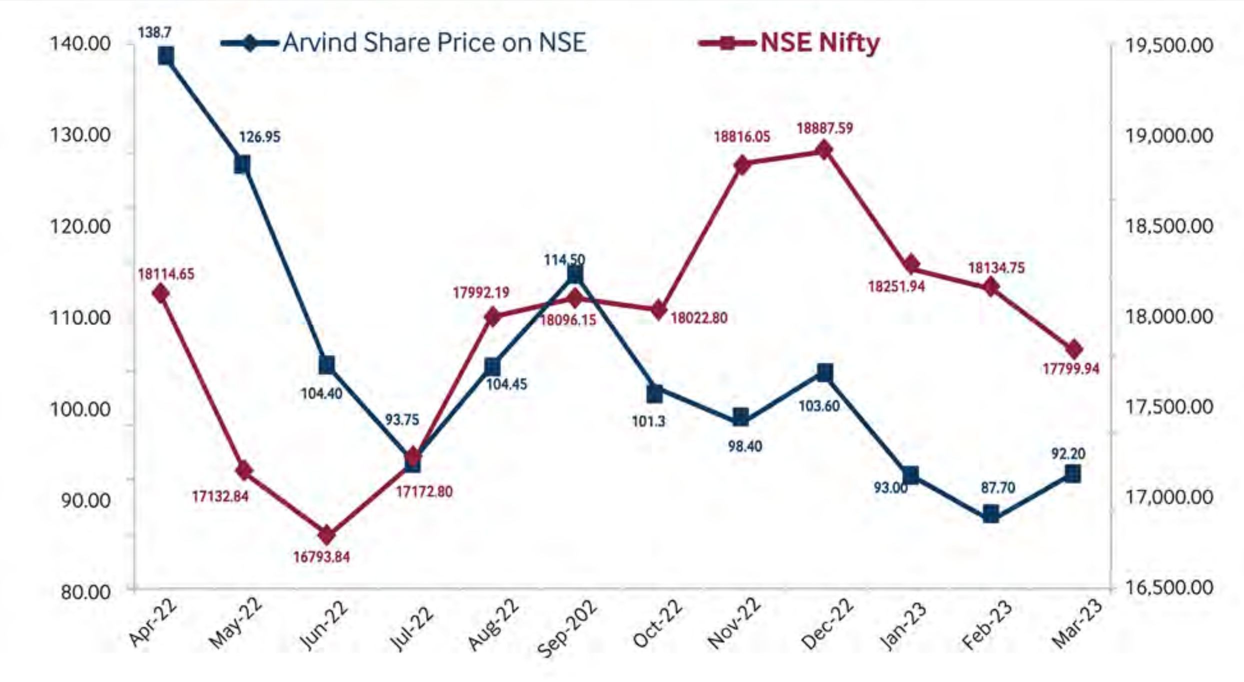
Performance in comparison to broad-based indices viz. BSE Sensex

Arvind Limited Share Price Movement V/S BSE Sensex



Performance in comparison to broad-based indices viz. NSE Index

Arvind Limited Share Price Movement V/S NSE Nifty



(vii) Registrar and Transfer Agent:

Link Intime India Private Limited
5th Floor, 506 to 508, Amarnath Business Centre-1 (abc-1),
Beside Gala Business Centre (GBC), Near St. Xavier's College Corner,
Off. C. G. Road, Ellisbridge, Ahmedabad-380006.
Phone Nos. 079-26465179/86/87
Fax No. 079-26465179
E-mail: ahmedabad@linkintime.co.in

(viii) Share Transfer System:

(A) Delegation of Share Transfer Formalities:

As mandated by SEBI, securities of the Company can be transferred / traded only in dematerialised form. Shareholders holding shares in physical form are advised to avail the facility of dematerialisation. During the year, the Company obtained, a certificate from a Company Secretary in Practice, certifying that all certificates for transfer, transmission, transposition, sub-division, consolidation, renewal, exchange and deletion of names were issued as required under Regulation 40(9) of the SEBI (LODR) Regulations 2015. The certificate was duly filed with the Stock Exchanges. The Stakeholders Relationship Committee meets as and when required to, inter alia, consider the issue of duplicate share certificates and attend to Shareholders' grievances, etc.

(B) Share Transfer Details for the period from 01st April 2022 to 31st March 2023:

Transactions	Physical
Number of Transfers	Nil
Average Number of Transfers per month	Nil
Number of Shares Transferred	Nil
Average Number of Shares Transferred per month	Nil
No. of Pending Share Transfers	Nil

(C) Investors' Grievances:

The Registrar and Transfer Agent under the supervision of the Secretarial Department of the Company look after investors' grievances. Link Intime India Private Limited is responsible for redressal of Investors' Grievances. The Company Secretary of the Company has been appointed as the Compliance Officer for this purpose. At each meeting of the Stakeholders' Relationship Committee, all matters pertaining to investors including their grievances and redressal are reported.

(D) Category wise shareholding as on 31st March 2023:

Sr. No.	Category	No. of shares held	% of shareholding
1	Promoters and Promoter Group	107632894	41.16
2	Mutual Funds	22038626	8.43
3	Financial Institutions, Banks, Insurance Companies & Central/State Government	405895	0.16
4	Foreign Portfolio Investors, Foreign Institutional Investors, NRIs, Foreign Banks, Foreign Nationals	28211836	10.79
5	NBFCs registered with RBI	22520	0.01
6	Bodies Corporate	12769368	4.88
7	Individuals	80456086	30.77
8	IEPF	1176698	0.45
9	Trusts	4352823	1.66
10	Hindu Undivided Family	4138425	1.58
11	Clearing Members	289403	0.11
12	Overseas Bodies Corporate	2900	0.00
	Total	**261497474**	**100**

(ix) Distribution of shareholding as on 31st March 2023:

Sr. No.	Shares Range			Number of Share holders	Total Shares for the Range	% of Issued Capital
1	1	to	500	198737	19648310	7.51
2	501	to	1000	11129	8908237	3.41
3	1001	to	2000	5567	8382249	3.21
4	2001	to	3000	1853	4752786	1.82
5	3001	to	4000	806	2890419	1.10
6	4001	to	5000	734	3482308	1.33
7	5001	to	10000	981	7292494	2.79
8	10001	to	**********	887	206140671	78.83
Total				**220694**	**261497474**	**100**

(x) Dematerialisation of shares and liquidity:

The Company's shares are available for dematerialisation on both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Shares of the Company are compulsorily to be delivered in the demat form on Stock Exchanges by all investors. As on 31st March 2023, 25,98,49,768 shares representing 99.36% of the issued capital have been dematerialised by investors and bulk of transfers take place in the demat form.

Demat ISIN:

Equity Shares fully paid: INE034A01011

(xi) Outstanding GDRs / ADRs / Warrants or any convertible instruments and conversion date and likely impact on equity:

Not Applicable

(xii) Commodity price risk or foreign exchange risk and hedging activities:

Commodity - "Raw Cotton Lint"

1. **Risk Management Policy - Risks faced by the Company in Cotton sourcing & supply chain falls under 3 broad categories:**

   (a) Outright Price Risk on Cotton inventory (bought or yet to be bought):

   When the Company is long Cotton, it is exposed to outright price risk of a fall in market prices for that part of Cotton inventory that is not squared off by short position on the fabric side. On the other hand, if the Company is short Cotton, it is exposed to outright price risk of a hike in market prices.

   To map & mitigate the outright price risk scenario, 'mark to market' valuation of inventory is being done on a weekly basis. At any point in time, we maintain Cotton inventory enough to last - not less than 15 days for all domestically sourced Cotton categories and 60 days of inventory for all import Cotton categories. If we are net long on Cotton and if the mark to market price of a benchmark Cotton category falls more than 5% in valuation, we might hedge our position through futures hedging strategy (either on MCX and/or ICE futures) to mitigate the fall in market.

   To aid risk mitigation strategies in the above mentioned circumstances, the Company does a rigorous analysis of data to help us in price view formation:

   (i) Fundamental analysis of the market - pertaining to Supply & Demand analysis of Cotton in Indian market and relevant overseas origins;

   (ii) Structural analysis of market - wherein the Company tracks the investment positions of speculators, hedge funds & trade participants in the ICE futures market.

(b) Supply Chain and Operational Risks:

Indian Cotton season lasts from 1st October of a given year to 30th September of the following year. In India, Prime quality of Cotton needed for Denim and Shirting business is available in sufficient quantities between December and April months. During these months, the Company builds inventory for those quality sensitive categories - whose availability is less post April. The Company employs similar strategy for sourcing Contamination Free Cotton categories as well. Counterparty credit risk exposure & liabilities are also tracked on a weekly basis through coordination with F&A department.

(c) Forex Risk:

For Cotton imports, the Company has to make payment in USD terms; therefore, the Company is exposed to the risk of depreciation in the local currency. Since the Company is a net exporting company, Forex hedge management is done centrally by the FX Desk based out of Mumbai.

2. Exposure of the Company to Commodity i.e. Raw Cotton Lint is as follows:

Exposure in Quantity - **5113 MT** (As on 31st March 2023)

Exposure in INR – **102 Cr.** (As on 31st March 2023)

(xiii) Plant Locations:

- Lifestyle Fabrics - Denim, Arvind Limited, Naroda Road, Ahmedabad - 380025, Gujarat, India
- Lifestyle Fabrics - Voiles, Ankur Textiles, Outside Raipur Gate, Ahmedabad - 380022, Gujarat, India
- Lifestyle Fabrics - Shirting, Khakis and Knitwear, Arvind Limited, PO Khatrej, Taluka Kalol, Dist. Gandhinagar - 382721, Gujarat, India
- Lifestyle Apparel - Knits, Arvind Limited, PO Khatrej, Taluka Kalol, Dist. Gandhinagar - 382721, Gujarat, India
- Lifestyle Apparel - Jeans, Arvind Limited, #26/2, 27/2, Kenchenahalli, Mysore Road, Near Bangalore University, Bangalore - 560059, Karnataka, India
- Lifestyle Apparel - Shirts, Arvind Limited, #63/9, Dodda Thogur Village, Electronic City, Hosur Road, Bangalore - 560100, Karnataka, India
- Arvind Limited (Division Arvind Intex), Rajpur Road, Gomtipur, Ahmedabad - 380021, Gujarat, India
- Arvind Polycot, Khatrej, Taluka Kalol, Dist. Gandhinagar - 382721, Gujarat, India
- Arvind Cotspin, D-64, MIDC, Gokul Shirgaon, Tal. Karveer, Kolhapur - 416234, Maharashtra, India

(xiv) Unclaimed Dividend:

- Unclaimed dividends upto and including the financial years 1993-94 have been transferred to the General Revenue Account of the Central Government. Shareholders who have not encashed their dividend warrants relating to any financial year upto 1993-94 are requested to claim the amounts from the Registrar of Companies, Gujarat, ROC Bhavan, Near Ankur Bus Stand, Naranpura, Ahmedabad - 380013 in the prescribed form. Investors may write to the Secretarial Department of the Company or the Registrars and Transfer Agent for a copy of the form.
- Dividends on equity shares for the financial years 1994-95 to 1997-98, 2004-05, 2005-06, 2011-12 to 2014-15 remaining unclaimed for 7 years from their due dates have been transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government.
- The Company did not declare any dividends on equity shares for the financial years 1998-99 to 2003-04, 2006-07 to 2010-11, 2019-20, 2020-21 and 2021-2022.
- The dividends on equity shares for the following years remaining unclaimed for 7 years from the dates of declaration are required to be transferred by the Company to IEPF and the various dates for transfer of such amounts are as under:

Financial Year	Date of Declaration	Due for transfer to IEPF*
2015-16	4th August 2016	9th September 2023
2016-17	4th August 2017	9th September 2024
2017-18	30th August 2018	5th October 2025
2018-19	6th August 2019	11th September 2026
2019-20	Not Declared	Not Applicable
2020-21	Not Declared	Not Applicable
2021-22	Not Declared	Not Applicable

* Actual dates of transfer to IEPF may vary.

(xv) Nomination Facility:

Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 are requested to submit the prescribed Form SH-13 for this purpose. Shareholders may write to the Secretarial Department of the Company for a copy of the Form.

(xvi) List of all Credit Ratings obtained by the entity:

Credit Ratings obtained by the Company during the year are available on Company's website at http://www.arvind.com/investor-updates

(xvii) Address for correspondence:

Shareholders may correspond with the Company at the Registered Office of the Company or at the office of Registrar and Transfer Agent of the Company:

Arvind Limited Secretarial Department Naroda Road, Ahmedabad - 380025 Phone Nos: 079-68268000/68268108-09 E-mail: investor@arvind.in Website: www.arvind.com	Link Intime India Private Limited 5th Floor, 506 to 508, Amarnath Business Centre-1 (abc-1) Beside Gala Business Centre (GBC), Near St. Xavier's College Corner Off. C. G. Road, Ellisbridge, Ahmedabad - 380006 Phone No. 079-26465179/86/87 Fax No. 079-26465179 E-mail: ahmedabad@linkintime.co.in Website: www.linkintime.co.in

13. OTHER DISCLOSURES:

(i) There are no materially significant transactions with the related parties viz. promoters, directors or the management or their relatives or subsidiaries etc. that had potential conflict with the Company's interest. Suitable disclosure as required by the Indian Accounting Standard (Ind AS 24) has been made in the Annual Report. The Related Party Transactions Policy as approved by the Board is uploaded on the Company's Website at https://www.arvind.com/sites/default/files/field_policy_file/Related%20Party%20Transactions%20Policy%202022.pdf.

(ii) Transactions with related parties are disclosed in detail in Note No. 35 in "Notes forming part of the Accounts" annexed to the financial statements for the year. There were no related party transactions having potential conflict with the interest of the Company at large.

(iii) Loans and advances in the nature of loans to firms/companies in which directors are interested by the company and its subsidiaries is NIL.

(iv) There are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company which has potential conflict with the interests of the company at large.

(v) There are no material subsidiaries of the company during the year 2022-23.

(vi) No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.

(vii) The Company has formed the policy for determining material subsidiary as required by Regulation 16 of the SEBI (LODR) Regulations, 2015 and the same is disclosed on the Company's website. The web link is http://arvind.com/sites/default/files/field_policy_file/Policy%20on%20Material%20Subsidiaries.pdf.

The Audited Annual Financial Statements of Subsidiary Companies are tabled at the Audit Committee and Board Meetings.

Copies of the Minutes of the Audit Committee / Board Meetings of Subsidiary Companies are given to all the Directors and are tabled at the subsequent Board Meetings.

(viii) Vigil Mechanism:

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

The Company has a Whistleblower Policy (WB Policy) that provides a framework and avenue for all directors, employees, business associates and other stakeholders which are a part of the business ecosystem of the Company for reporting, in good faith, instances of unethical/ improper conduct in the Company and commitment in adhering to the standards of ethical, moral and fair business practices, if any. The WB Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

Pursuant thereto, a dedicated helpline "Arvind Ethics Helpline" has been set up which is managed by an independent professional organization.

The Ethics Helpline can be contacted to report any suspected or confirmed incident of fraud / misconduct on:

Website for Complaints: www.in.kpmg.com/ethicshelpline/Arvind

Toll Free No.: 1800 200 8301

Dedicated Email ID: arvind@ethicshelpline.in

Whistle blower Committee has been constituted which looks into the complaints raised. The Committee reports to the Audit Committee and the Board.

No personnel have been denied access to the Chairman of the Audit Committee, for making complaint on any integrity issue.

(ix) The minimum information to be placed before the Board of Directors as specified in Part A of Schedule II of Listing Regulations is complied with to the extent possible.

(x) Certification from Company Secretary in Practice

Mr. Hitesh Buch, Proprietor of M/s. Hitesh Buch & Associates, Practicing Company Secretaries, has issued a certificate as required under the SEBI (LODR) Regulations, 2015, confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority, is attached to this report.

(xi) Complaints pertaining to Sexual Harassment:

Details of Complaints pertaining to Sexual Harassment during the year are as follows:

Number of complaints pending at the beginning of the year	Number of complaints received during the year	Number of complaints redressed during the year	Number of complaints pending at the end of the year
0	3	3	0

(xii) Details of total fees paid to Statutory Auditors:

Details relating to fees paid to the Statutory Auditors are given in Note 26 to the Standalone Financial Statements and Note 27 to the Consolidated Financial Statements.

(xiii) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

During the year, the Company has fully complied with the mandatory requirements as stipulated under SEBI (LODR) Regulations, 2015.

The status of compliance with discretionary recommendations and adoption of the non-mandatory requirements as specified in Regulation 27(1) of the SEBI (LODR) Regulations, 2015, is provided below:

a. **The Board:** The Chairman of the Company is Executive Director.

b. **Shareholder Rights:** Half-yearly and other Quarterly financial statements are published in newspapers, uploaded on company's website www.arvind.com and same are not being sent to the shareholders.

c. **Modified Opinion(s) in Audit Report:** The Company already has a regime of un-qualified financial statement. Auditors have raised no qualification on the financial statements.

d. **Separate posts of Chairperson and Chief Executive Officer:** Mr. Sanjay S. Lalbhai is the Chairman and Managing Director of the Company.

e. **Reporting of Internal Auditor:** The Internal Auditor reports to the Audit Committee.

The above Report was placed before the Board at its meeting held on 18th May 2023 and the same was approved.

For and on behalf of the Board

Place: Ahmedabad
Date: May 18, 2023

Sanjay Lalbhai
Chairman and Managing Director

To The Members of

Arvind Limited

Independent Auditor's Certificate on Corporate Governance

1. This certificate is issued in accordance with the terms of our engagement letter reference no.KR/AL/EL/2022-23/01 dated September 12, 2022 in conjunction with addendum dated December 22, 2022 and addendum dated March 30, 2023.

2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of Arvind Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2023, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Management's Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2023.

9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Kartikeya Raval
Partner
(Membership No. 106189)
(UDIN:23106189BGVOQW2205)

Place: Ahmedabad
Date: May 18, 2023

CEO / CFO Certification

To

The Board of Directors

Arvind Limited, Ahmedabad

Re: Financial Statements for the year 2022-23 - Certification by CEO and CFO

We, Sanjay Lalbhai, Chairman & Managing Director and Jayesh Shah, Director and Group Chief Financial Officer of Arvind Limited, certify that:

A. We have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2023 and that to the best of our knowledge and belief:

1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee:

1. significant changes in internal control over financial reporting during the year;

2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Ahmedabad
May 18, 2023

Sanjay Lalbhai
Chairman & Managing Director

Jayesh Shah
Director and Group Chief Financial Officer

Certificate of Non-Disqualification of Directors

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended]

To,
The Members of
Arvind Limited
Naroda Road
Ahmedabad – 380025

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Arvind Limited having CIN:L17119GJ1931PLC000093 and having registered office at Naroda Road, Ahmedabad – 380025 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company*
1	SANJAYBHAI SHRENIKBHAI LALBHAI	00008329	01/01/2010
2	PUNIT SANJAY LALBHAI	05125502	26/07/2012
3	KULIN SANJAY LALBHAI	05206878	26/07/2012
4	JAYESH KANTILAL SHAH	00008349	01/10/2008
5	BAKUL HARSHADRAI DHOLAKIA	00005754	21/07/2010
6	DILEEP CHINUBHAI CHOKSI	00016322	12/05/2014
7	NILESH DHIRAJLAL SHAH	01711720	06/05/2015
8	ARPIT KANTILAL PATEL	00059914	17/05/2019
9	ISMET TEHMESP KHAMBATTA	00030325	01/08/2022

* The date of appointment is as per the MCA Portal.

Ensuring the eligibility of / for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Hitesh D. Buch
For Hitesh Buch & Associates
Company Secretaries
CP No. 8195: FCS 3145
UDIN: F003145E000327436

Ahmedabad, 18th May 2023

Management Discussion & Analysis

ECONOMIC OVERVIEW

Global Economy

The year 2022 saw the developed world grapple with some of the highest levels of inflation in recent history. Fuelled by historic fiscal and monetary support to counter the impact of COVID-19, the prices of food and fuel became the primary concern of the policymakers especially in the second half of the year. As per the IMF estimates, the world economy grew by 3.4% in 2022. The most notable disparity was seen between the growths of Advanced and Emerging economies. The Advanced economies grew by 2.7% in 2022 while the Emerging economies led by China and India grew by 4% in 2022.

The major forces that shaped the world economy in 2022 seem to continue in 2023 but with changed intensities. Debt levels remain high, limiting the ability of fiscal policymakers to respond to new challenges. Commodity prices that rose sharply following Russia's invasion of Ukraine have moderated, but the war continues, and geopolitical tensions are high. Infectious COVID-19 strains caused widespread outbreaks last year, but economies that were hit hard – most notably China – appear to be recovering with easing of supply-chain disruptions. Although inflation has declined as central banks have raised interest rates, underlying price pressures are proving sticky, with labour markets tight in several economies. The US Federal Reserve in a quick turn of stance, started hiking the interest rates, which has continued well into the summer of 2023. The Eurozone continued to struggle with energy prices, partly as a result of the war and the absence of Russian gas flowing in through Nordstream pipelines.

The IMF has projected the global GDP to grow by 2.8% in 2023 before rising slowly and settling at 3.0% five years out – the lowest medium-term forecast in decades. The anaemic outlook is partially due to the relatively slower decline of global inflation which is set to fall from 8.7% in 2022 to 7.0% in 2023 on the back of lower commodity prices. Advanced economies are expected to see an especially pronounced growth slowdown, from 2.7% in 2022 to 1.3% in 2023. The US and Eurozone economies are expected to see muted growth at 1.6% and 0.8% respectively in 2023, while the UK economy is expected to see a contraction of 0.3%. The World Bank has raised fears that the ongoing slump in global economic growth will likely result in a "lost decade".

While the Western world becomes the epicentre of global tensions, emerging and developing economies are expected to outpace them by growing at 3.9% in 2023 and 4.2% in 2024. Emerging Asian economies led by China and India are bound to grow by 5.3% in 2023 and 5.1% in 2024 respectively.

Indian Economy

India has emerged as the shining beacon in a grim global scenario by growing at 6.8% in 2022. The IMF has estimated India's growth at 5.9% in FY23 and 6.3% in FY24, well above other economies of significant scale causing many to state that this could well be India's decade. The Reserve Bank of India (RBI) has tried to cushion the economy from rising prices and maintain liquidity. Still navigating inflation and preserving financial stability while boosting growth drivers will continue to be a tightrope walk. The central government has played a major role in boosting the growth of the economy as it continued with its capital expenditure push in the Union Budget 2023-24. In FY 2023-24, capex is budgeted at ₹10 lakh crore, which will constitute 3.3% of GDP. As per the RBI, such level of capex spending can take India's real GDP growth close to 7% in FY24. Despite the challenging global environment, the Indian economy with its strong fundamentals and massive demographic strengths seems en route to outpace other large economies.

Industry Structure and Developments

Indian textile and apparel industry

As per the International Textile Manufacturers Federation (ITMF), the Textile sector has seen weakening demand since June 2022 due to persistent global inflation and lingering possibilities of a recession. Inflation has affected consumers and manufacturers alike with manufacturers and suppliers having to pay much more along all stages of their supply chains, from the cost of freight to wage increases for their workers. This has put textile manufacturers in a difficult situation. Despite the slowdown in the sector globally, the Indian textile and apparel industry is expected to grow at 10% CAGR from 2019-20 to reach US$ 190 billion by 2025-26. The overall Indian textiles market is expected to be worth more than US$ 209 billion by 2029. In FY23, exports of readymade garments (RMG) cotton including accessories stood at US$ 7.68 billion till January 2023. It is expected to surpass US$ 30 billion by 2027, with an estimated 4.6-4.9% share globally. This has been made possible due to a structurally strong Indian economy fuelled by an ever-increasing domestic demand and some critical policy initiatives taken by the Government of India.

In the Union Budget 2023-24, the government announced various initiatives to aid the Textile and Apparel sector across its value chain from raw materials to manufacturing. The government has a special focus on Extra-Long Staple (ELS) cotton with the adoption of a cluster-based and value chain approach through public-private partnerships (PPP). The focus on enhancing the yield of ELS cotton would help increase the manufacturing of value-added garments and also to reduce the import of ELS cotton. The government also identified five new HS codes for cotton for further classification of cotton as per staple length. This will help in calibrating policy support for the segments which are import dependent or need further incentivisation. The increased outlay of funds to textile-centric schemes like RoDTEP, RoSCTL and the Amended Technology Upgradation Fund Scheme (ATUFS) further underlines the government's focus on textiles. The government has introduced various schemes such as the Scheme for Integrated Textile Parks (SITP) and Mega Integrated Textile Region and Apparel (MITRA) Park scheme to attract private equity in the sector. The PM Mitra Park Scheme under which the government plans to invest over ₹70,000 crore to set up mega textile parks will provide a massive fillip to the textile sector and will help India transform from only a traditional textile industry to an MMF (man-made fibre) and technical textile hub in the world. The government recently approved an investment of ₹4,455 crore under this scheme for the creation of seven mega textile parks that would streamline multiple verticals from spinning, weaving and dyeing to printing and garment manufacturing. The government has come up with several export promotion policies for the textile sector as well. It has also allowed 100% FDI in the sector under the automatic route. The government aims to achieve a 3-5x time increase in the export of technical textiles worth US$ 10 billion over the next three years. Further, Production-linked Incentive (PLI) Scheme worth ₹10,683 crore (US$ 1.44 billion) for manmade fibre and technical textiles over a five-year period will also help the sector. The capex spending on transportation and logistics sectors by the government has increased to ₹10 lakh crore in the recent budget. This spending which is roughly about 3% of our GDP will have a ripple effect on multiple industries including the textile sector which could benefit from a smooth and sustainable infrastructure model. The textiles and apparel sector supported by the government's structural and productivity-related policy interventions and fuelled by a rising domestic demand looks well poised to prosper exponentially.

Opportunities and Threats

Opportunities

- Favourable government initiatives such as the National Technical Textiles Mission (NTTM), 100% FDI in the sector, SAMARTH- Scheme for Capacity Building in the Textile Sector, etc. for the development of the textile industry
- Extension of the scheme for Rebate of State and Central Taxes and Levies (RoSCTL) till March 31, 2024, for the export of apparel, garments and made-ups with the same rates would benefit textile companies
- 'China plus one' diversification policy will benefit Indian manufacturers. As global retailers are looking for an alternate supply base, India has greater appeal as an attractive option for manufacturing and exports of textiles and apparels
- The growth of the technical textile market will create lucrative opportunities
- The rapid growth of the retail sector and E-commerce will boost the growth of the textile and apparel industry
- Rising disposable income will stimulate domestic demand
- The growing popularity of 'fast fashion' products will contribute to the growth of the textile and apparel industry

Threats

- Being a labour-intensive sector, the shortage of skilled workforce may impact the operations and there will be a struggle to complete orders
- Intense competition in the global market, especially from the textile and garment industries in Bangladesh and China
- Subdued demand for textile and apparel exports as consumer confidence is low in the key markets
- Compliance issues with the environmental norms and regulations

Financial Performance

FY23 saw an uncertain business environment almost through all the four quarters, and it continues well into FY24.

(₹ in Crore)

Particulars	For the Year Ended			
	March 31, 2023		March 31, 2022	
	Amount	% of Sales	Amount	% of Sales
Revenue from Operations	8,382		8,010	
Other Income	45		50	
Total Revenue	**8,427**		**8,060**	
Cost of Material Consumed	4,011	48%	4,335	54%
Purchase of Stock in Trade	390	5%	308	4%
Change in Inventory	70	1%	-521	-7%
Project Expenses	89	1%	208	3%
Employee Cost	868	10%	780	10%
Other Expenses	2,155	26%	2,092	26%
EBIDTA	**845**	**10%**	**857**	**11%**
EBIDTA w/o Other Income	**800**	**10%**	**808**	**10%**
Depreciation	253		254	
Finance Cost	164		176	
Minority Interest	9		3	
Share of Profit/(loss) of Joint Venture	1		1	
Profit Before Exception Items and Tax	**420**	**5%**	**425**	**5%**
Exceptional Item	59		-9	
Profit before Tax	**479**	**6%**	**415**	**5%**
Tax	71		151	
Profit after Tax	**408**	**5%**	**265**	**3%**
Profit from Discontinuing Operations	**-4**		**-26**	
Net Profit	**405**		**238**	

For Arvind Limited, Q1 started off as the best-ever first quarter since the demerger of Anup Engineering and Arvind Fashions. Commodity prices that had seemed to be on an ever-increasing trajectory finally started to come down towards the quarter end. This trend of falling prices of input raw materials and freight costs continued throughout the year. On the demand front, expectation has been of a sharp reduction following the interest rate hikes to fight inflation. In reality, the actual retail sales in the key markets have turned out to be better than expected quarter after quarter. As we wrap up FY23 and start FY24, the outlook is much less grim in the US and reasonably upbeat in the domestic markets. The European market continues to look challenging, at least in the near term.

Textile businesses delivered a mixed bag of performance. Volumes in the Woven segment stayed strong and steady throughout. Denim and Garment volumes saw a steady reduction through the quarters as our key customers deferred their buying and also reduced the lot/drop sizes to manage their inventory more sharply. Price realisation peaked in Q2 and then started trending down to reflect the softening raw material prices.

Advanced Materials businesses – Human Protection, Industrials and Composites, continued to deliver the promised growth through the quarters and closed the full-year numbers at an aggregate of 22% higher revenues. These businesses also saw a margin expansion in Q4 as the benefits of lower input costs started to be realised. During the year, capacity expansion programmes got initiated as current ones became fully utilised. Expanded fabric processing set-up, a new line for non-wovens, additional capacities in garment manufacturing and investments in composites mould/dies started to get implemented in the second half of FY23, and are expected to enable continued growth through FY24 and beyond.

During the year, Arvind Limited also sold off its Arvind Internet subsidiary to Bigfoot Retail Solutions. Among other smaller businesses, Arvind-Envisol – our effluent treatment business, had an improved year as it executed a large project, and also expanded its components business.

Also, during FY23, we continued making investments in expanding our renewable energy capacity, and a 24 MW hybrid solar-wind installation is expected to get commissioned in Q1 of FY24. This will help us strengthen our industry leading sustainability credentials and also reduce energy costs.

In this uncertain environment, Arvind delivered a steady performance during the financial year 2022-23.

Results Review

For the full year, consolidated revenues of the Company stood at ₹8,382 crore which was higher by 5% compared to last year. EBITDA margins (before other income) remained flat around 9.5% levels (₹ 800 crore as compared to ₹ 808 crore in FY22). Profit Before Tax and exceptional items from continuing operations stood at ₹ 427 crore, which was similar to ₹ 427 crore last year. Profit after tax and exceptional items stood at a robust ₹ 408 crore, which reflects a lower tax outgo on account of losses on sale of subsidiary shares, and move to the new 25% tax regime. All the numbers have been adjusted for the discontinued operations which is stood at -4 crore for FY23.

Revenues

FY23 started on a very strong note as the first quarter delivered the best-ever Q1 result post the demerger of Arvind Fashions and Anup Engineering. In comparison, the Q1 base of FY22 had got severely impacted by the Delta variant of the COVID-19 virus.

Overall revenues grew 5% and stood at ₹8,382 crore. Textile revenues were up a small amount and reached ₹6,716 crore. Combined fabric volumes started at a robust 52 million metres in Q1, but slowed down as the year progressed. Woven volumes remained strong at around 32 million metres per quarter, but Denim volumes continued to slide and closed the year at 55 million metres for the full year FY23. Garment volumes also were lower compared to previous year, and stood at 32 million pieces of full garments. Price realisation in Textile segment increased through Q2 and started trending down reflecting the softening of input raw material prices.

Advanced materials steadily delivered strong performance through the quarters as its full year revenues grew by 22% and closed the year at ₹1,251 crore.

Cost of Goods Sold

For the Textile businesses, cotton prices peaked in May 2022 to historic highs of over ₹1L per candy before starting a steady decline and settling to a new normal by October of ₹60-70k per candy. Dyes and Chemicals, especially those linked to freight also started to soften in the second half of the financial year. For AMD as well, prices of specialty yarns, glass rovings, resin systems and chemicals started on a high note and came down as the year progressed. In fact by March, many of the prices, including the ocean freight costs, have come back to pre-pandemic levels.

Operating Margin

On a full year basis, the EBITDA margins stood at 9.54%, a drop of 54 basis points compared to 10.1% in FY22. In absolute terms, EBITDA stood at ₹800 crore compared to ₹808 crore in the previous year.

Finance Cost: Interest outgo for the year stood at ₹164 crore compared to ₹176 crore for the previous year.

Depreciation: Depreciation for the year stood at ₹253 crore, which was slightly lesser than ₹254 crore in the previous year.

Profit Before Taxes: PBT for the full year stood at ₹427 crore, compared to ₹427 crore in FY22.

Net Profit: Profit after taxes, exceptional items and discounting operations stood at ₹405 crore for FY23, as compared to ₹238 crore for FY22. This was primarily on account of lower tax expenses caused by shift to a 25% tax regime and subsidiary losses.

Working Capital: Net Working Capital saw continuing reduction – through each of the four quarters. NWC as of March 31, 2022 stood at ₹1,425 crore which was equivalent to 5.6 turns of FY22 revenues. This improved to 6.3 turns FY23 revenues and stood at ₹1,324 crore as of March 31, 2023.

Debt: Our Net Debt at the end of FY23 stood at ₹1,327 crore which was lower by ₹356 crore as compared to the close of the previous financial year. This debt reduction was realised by continuing tight operating and financial discipline and limiting the capital expenditure to necessary minimum.

Key Financial Ratios

(₹ in Crore)

S. No.	Particulars	2022-23	2021-22	Change (%)
1	Debtors Turnover Ratio	8.09	7.30	11%
2	Inventory Turnover Ratio	4.35	4.77	-9%
3	Current Ratio	1.1	1.11	-1%
4	Debt Equity Ratio	0.42	0.6	-30%
5	Interest Coverage Ratio	5.09	4.76	7%
6	Net Profit Margin	4.9%	3.0%	61%
7	Operating Profit Margin	6.4%	6.4%	0%
8	Return on Net Worth	**12.9%**	**8.5%**	**22%**

Debt to EBITDA and Debt to Equity ratios show significant improvement as a result of debt repayment of ₹ 356 crore during the financial year. Net profit margin has showed a sharp upswing as Profit After Tax surged due to lower effective tax rate. As explained above, we migrated to a different tax regime and consolidation of subsidiary losses helped reduce the tax expenses.

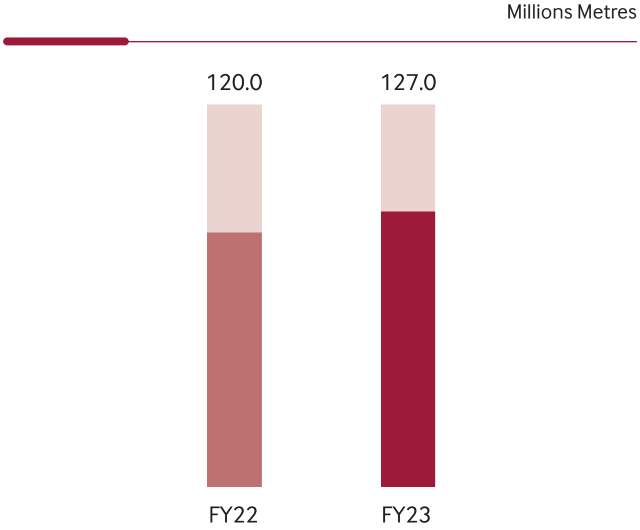
Segment-wise or Product-wise Performance

Woven

Despite a cautious market amidst uncertain demand, Woven segment revenues grew from ₹2,352 crore in FY22 to ₹2,791 crore in FY23. Volumes remained robust and grew from 120 million metres to 127 million metres in FY23. Similar to last year 28% was accounted for by exports.

Large domestic brands and retailers continued to account for a large portion of Woven volumes. Woven volumes also got boosted by fabric sales through wholesalers, direct-to-retail and The Arvind Stores. Together, these retail-oriented businesses recorded 40%+ revenue growth over the last year.

Average price realised for Woven products had averaged at ₹ 200 per metre in the fourth quarter of last year. It climbed up to ₹ 219 per metre by Q2 and reduced gradually to close the Q4 FY23 at ₹209 per metre. For the year, revenues from the Woven segment increased from ₹2,352 crore to ₹2,791 crore – an increase of 19%.



Denim

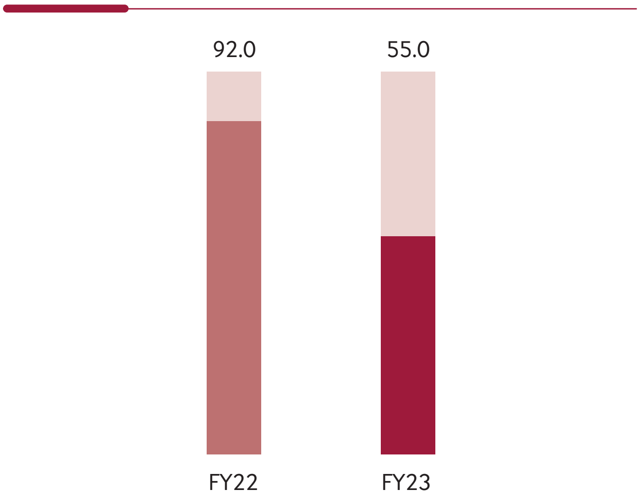
During the financial year, the Denim fabrics business clocked ₹1,585 crore against ₹2,105 crore in the previous year. In terms of volumes, the full year tally stood at 55 million metres compared to 92 million metres in FY22.

After Q1, Denim volumes steadily declined from an average run-rate of around 7 million metre per month to around 4 million metres per month, and seem to have stabilised at that level since Q3 of FY23.

The proportion of exports has also dropped from 50%-60% levels to nearly 40% of total volumes. Multiple factors are driving this decrease in Denim volumes. The cyclical trend of consumer behaviour is driving towards more formal and non-denim leisure wear. Denim is also transitioning from fast fashion to longer-lasting assets, as people gear up for tougher economic times. Further, the impact on export business is partially driven by the comparative advantage that Pakistan is now enjoying given its weak currency. Some of the large customer programs are also reduced/ postponed to avoid any inventory build-up in their supply chains. Given Arvind's vertical strategy, this has also impacted garmenting volumes adversely.

Price realisation for Denim followed the overall trend of rising through Q2 and then started declining steadily in tandem with lower raw material costs.

Million Metres

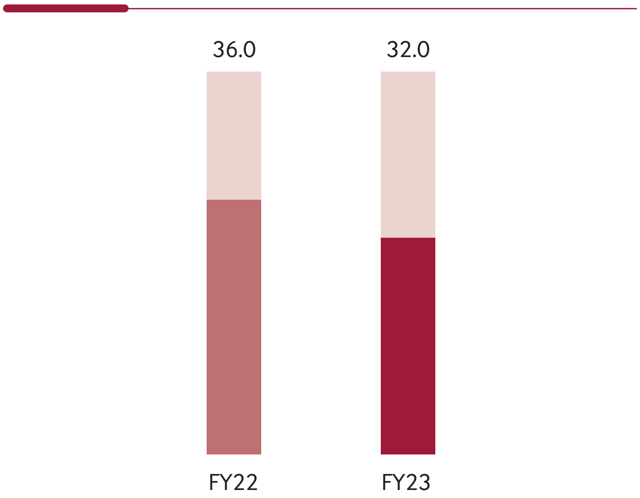


Garment

Revenues from garmenting part of our textiles business grew from ₹1,588 crore in FY22 to ₹1,694 crores in FY23. This was largely a result of higher price realisations driven by higher fabric and other input costs.

Overall garmenting volumes for full garments (not counting the small SMV essential products) stood at 32M pieces across our facilities located in Karnataka, Ranchi, Ahmedabad area and Ethiopia. This was around 10% lower than FY22 volumes for the corresponding scope.

Million Pieces



Scale-down of Ethiopia operations contributed significantly to the lower volumes. Postponement of demand by key export customers also contributed to smaller volumes.

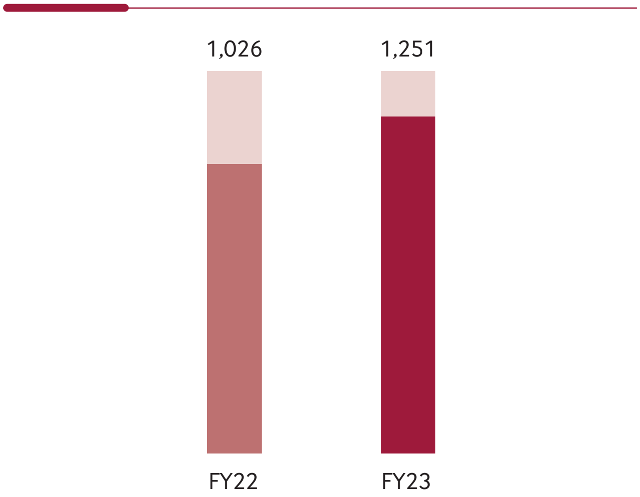
Advanced Materials

FY23 marked another year of continuing growth in the Advanced Materials Division (AMD) business. Revenue from the segment stood at ₹1,251 crore which was 22% higher than ₹1,026 crore clocked for FY22. All three clusters of AMD – namely, Human Protection, Industrials and Composites delivered healthy growth.

The Human Protection business saw continuing consolidation of its key account positions that helped drive wallet share and volume growth. In the Industrials cluster, the first phase of capacity expansions in both the Woven and Non-Woven parts of the portfolio went live in the second half of the financial year. This helped increase both volumes and revenues. Within the Composites portfolio, the Mass Transportation segment saw significant growth as its supplies to key rail programs including Vande Bharat increased. The composites profiles and mouldings business also saw volume growth in its key accounts.

Across the board, margins in the AMD businesses started benefitting from reducing input raw material costs as well freight rates in H2. Operating leverage also contributed to improvement in profits.

₹ Crore



Outlook

Despite near-term uncertainties, we remain optimistic about the medium term and intend to continue investing in our growth engines. We have planned an investment program of around ₹ 600 crore over the next two years (FY24 and FY25) primarily to expand the AMD and Garments businesses.

Demand in Textiles segment will vary by market. While domestic markets are expected to improve, US volumes may see modest growth or remain flat. Demand from Europe and UK is expected to remain muted. Things will change for better in case India is able to sign any free trade agreement with any of the key geographies.

Advanced Materials business is expected to continue its robust growth trajectory of 20%+. Macro environment for some of the AMD products may also get impacted due to general slow-down expected in the US. Yet, we believe that our AMD businesses are well poised to grow their market share, and enable its continuing growth agenda.

Risks and Concerns

The Company has a robust Enterprise Risk Management framework for the timely and effective identification, assessment and mitigation of key business and operational risks. The key risks and their corresponding mitigation measures are depicted below:

- **Raw material risk:**

  The volatility in prices of raw materials such as cotton, specialty fibres and yarns, glass roving, specialty chemicals and a variety of resin increases the input costs which adversely impacts the Company's profitability. Further, many raw materials used in AMD has a correlation with crude oil prices and volatility in crude oil prices may weaken AMD margins.

  The Company monitors price fluctuations and follows inventory management and responsive procurement policy to ensure timely procurement of raw materials at competitive prices. It also engages in contracts with clients and tries to pass on variations in the prices of raw materials to them to protect margins.

- **Economic risk:**

  The geopolitical turmoil, global economic slowdown, high inflation and the threat of a looming recession in key markets like the US and Europe have led to a slowdown in the export market. Demand compression would reduce the Company's export business.

  Macro environment in the US/EU markets has started to show some improvement in the outlook, though the export demand would stay uncertain. However, the domestic market will continue to provide sizeable business opportunities for the Company.

- **Exchange rate volatility risk:**

  Since a significant part of the Company's revenue is in foreign currency and a major part of the costs are in Indian Rupees, any movement in currency rates would impact the Company's performance.

  Exposures on foreign currency sales are managed through the Company's hedging policy, which is reviewed periodically to ensure that the results from fluctuating currency exchange rates are appropriately managed. The Company strives to achieve asset liability offset of foreign currency exposures and only the net position is hedged. The Company also use forward contracts and foreign exchange options towards hedging risk resulting from changes and fluctuations in foreign currency exchange rates.

- **Logistics risk:**

  The ongoing Russia-Ukraine war has adversely impacted the global supply chain network. Since majority of the Company's business is exports-oriented and it depends on the supply chain for exporting final products, any kind of disruptions in the supply chain, ever-rising container shipping cost, availability and delays pose severe challenges for the business. Further, inadequate and inefficient logistics in India lead to delays and high costs of logistics.

  The Company has strengthened its supply chain network and developed strong relationships with suppliers and vendors for smooth operations.

- **Risk of continuing losses in few subsidiaries:**

  Financials of certain subsidiaries are yet to turn profitable, while certain subsidiaries are yet to report consistency in bottom lines YoY and their poor performance pulls down the Company's overall consolidated profits.

  The Company sets out a plan of action to rationalise the capital allocation among the poorly performing arms which would boost profitability and returns at the consolidated entity level.

- **Disaster risk:**

  The Company is susceptible to disasters and crises such as pandemics, earthquakes, geopolitical instability, fire hazards, etc. which may cause operational disruption, shutdown or production cuts, project delays, supply chain hurdles, and increased construction costs.

  The Company prioritises the safety of its stakeholder community and ensures business survival during unpredictable crises. It has a well-designed safety management policy that eliminates/reduces the risk of workplace incidents. Its proper implementation and updation enable effective prevention besides equipping the employees to handle any incident that may occur. To reduce exposure to fire-related hazards, it has placed pressurised fire protection and related systems at strategic locations to deal with any fire-related incidents.

- **Technology Risk:**

  There is a constant requirement for technology upgradation and regular R&D to enhance efficiency and productivity. Failure to use the latest and sustainable technologies to cater to the changing requirements of the global market may lead to loss of business.

  The Company gives utmost importance to technology and proactively invests in R&D, modern and sustainable technologies, machinery and equipment for improving the manufacturing process, and quality and strengthening its product portfolio to cater to emerging market trends.

Human Resources / Industrial Relations

The Company considers its employees as the most important asset and integral to its competitive position. It has a well-designed HR policy that promotes a conducive work environment, inclusive growth, equal opportunities and competitiveness and aligns employees' goals with the organisation's growth vision. Its human resource division plays a crucial role to build a strong and talented workforce. It provides opportunities for professional and personal development and implements comprehensive employee engagement and development programmes to enhance the productivity and skills of its employees. The Company's employee strength stood at 29,511 as on March 31, 2023. Further, industry relations remained peaceful and harmonious during the year.

Internal Control Systems and their Adequacy

The Company maintains an efficient internal control system commensurate with the size, nature and complexity of its business. The internal control system is responsible for addressing the evolving risks in the business, reliability of financial information, timely reporting of operational and financial transactions, safeguarding of assets and stringent adherence to the applicable laws and regulations. The internal auditors of the Company are responsible for regular monitoring and review of these controls. The Audit Committee periodically reviews the audit reports and ensures correction of any variance, as may be required. Key observations are communicated to the management who undertakes prompt corrective actions.

Business Responsibility and Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the listed entity - **L17119GJ1931PLC000093**
2. Name of the listed entity - **Arvind Limited**
3. Year of incorporation - **1931**
4. Registered office address - **Naroda Road, Ahmedabad-380025, Gujarat, India**
5. Corporate address - **Naroda Road, Ahmedabad-380025, Gujarat, India**
6. E-mail - **sustainability@arvind.in**
7. Telephone - **79682 68000**
8. Website - **http://www.arvind.com/**
9. Financial year for which reporting is being done - **FY2022-23**
10. Name of the stock exchange(s) where shares are listed - **NSE & BSE Limited**
11. Paid-up capital - **261.50 Cr**
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report -

(i) Mr. Jayesh Shah - Whole Time Director

E-mail: jayesh.shah@arvind.in

(ii) Mr. Abhishek Bansal - Vice President - Corporate Sustainability

E-mail: abhishek.bansal@arvind.in

13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).

    The financial reporting in the IAR pertains to Arvind's consolidated operations, whereas the non-financial reporting accounts for more than 95% of the consolidated turnover.

II. Products/Services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
1	Fabrics	Four major business offerings namely: Denim, Wovens, Knits, and Voiles	84%
2	Advance Material	Technical Textiles at Advanced Material business manufactures next-generation fabrics. The operating segment includes Human Protection, Industrial Products, and Advance Composites	15%

15. Products/Services sold by the entity (accounting for 90% of the entity's turnover):

S. No.	Product/Service	NIC Code	% of Total Turnover Contributed
1	Fabrics	13131	84%
2	Advanced Material	32902, 23102	15%

III. Operations

16. No. of locations where plants and/or operations/offices of the entity are situated:

Location	Number of Plants	Number of Offices	Total
National	13	6	19
International	0	3	3

17. Markets served by the entity:

a. Number of locations

Location	Number
National (No. of States)	14
International (No. of Countries)	20

b. What is the contribution of exports as a percentage of the total turnover of the entity?

In the reporting year, the contribution of exports is 44%.

c. A brief on types of customers:

Considering the nature of business, we deal with customers from multiple geographies. Our customers include wholesalers, brands, and retailers.

IV. Employees

18. Details as at the end of the financial year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1	Permanent (D)	2,790	2,564	92%	226	8%
2	Other than Permanent (E)	115	87	76%	28	24%
3	Total Employees (D + E)	2,905	2,651	91%	254	9%
WORKERS						
4	Permanent (F)	18,551	7,508	40%	11,043	60%
5	Other than Permanent (G)	8,055	7,950	99%	105	1%
6	Total Workers (F + G)	26,606	15,458	58%	11,148	42%

b. Differently abled employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1	Permanent (D)	2	1	50%	1	50%
2	Other than Permanent (E)	0	0	0%	0	0%
3	Total Differently Abled Employees (D + E)	2	1	50%	1	50%
DIFFERENTLY ABLED WORKERS						
4	Permanent (F)	110	67	61%	43	39%
5	Other than Permanent (G)	31	31	100%	0	0%
6	Total Differently Abled Workers (F + G)	141	73	71%	30	29%

19. Participation/Inclusion/Representation of women:

	Total (A)	No. and percentage of females	
		No. (B)	% (B / A)
Board of Directors	9	1	11%
Key Management Personnel	6	0	0%

20. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	16	18	17	20	24	21	35	35	37
Permanent Workers	68	98	172	70	99	176	70	99	176

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. Names of holding / subsidiary / associate companies / joint ventures

The list of holding / subsidiary / associate companies / joint ventures along with % of shareholding is mentioned on Page No. 337 of the annual report. We do not participate in the business responsibility initiatives of these entities.

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of The Companies Act, 2013: **Yes**

(ii) Turnover (in ₹): **8382 crore**

(iii) Net worth (in ₹): The net worth is **3404 crore**. The average net profit of the Company is ₹ 248.29 crore. **Two percent of the net profit, i.e. 4.97 crore, was the CSR obligation and we have spent 5.06 Crore for fulfilling the same.**

VII. Transparency and Disclosures Compliances

23 Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct

Stake holder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	(If Yes, then provide web-link for grievance redress policy	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Community	Yes, Grievance redressal forms that part of the Whistle Blower Policy. Any grievance should be reported on the Ethics portal. The link to the portal is: https://www.arvind.ethicshelpline.in/portal/en/home https://www.arvind.com/sites/default/files/field_policy_file/Whistle%20Blower%20Policy_n.pdf				0	0	
Investors (other than share holders)					0	0	
Share holders		16	0		13	0	
Employee & Workers		7	0		3	0	
Customers		0	0		0	0	
Value Chain Partners (Supplier, Distributor, Media, Government Agencies)		1	0		5	0	
Other (Please Specify)		5	0	Anonym-ous Complaint	0	0	

24. Overview of the entity's material responsible business conduct issues

Below are the material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to us, the rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Sustainable Fibres	Opportunity and Risk	Risk: Fibres are a key raw material for us; we are majorly dependent on cotton. The production and sourcing of conventional fibre contribute to both environmental and social impacts. Additionally, there is increased stakeholder concern about the sustainability of the products. Opportunity: Sustainable sourcing will enable us to reduce our environmental and social impacts as well as provide us an opportunity to integrate sustainability in the product design.	Sourcing from sustainable sources and implementing in-house sustainable cotton projects to develop own supply of sustainable cotton. Sourcing alternative natural fibres and recycled fibres. Engaging with suppliers to assess their performance in accordance to industry leading social and environmental certification standards. Also, supporting them to increase their performance.	Positive: Increased revenue due to demand for lower emission products. Efficient control over operating expense due to increased reliability of supply chain. Negative: As mentioned in the rationale, due to shifting consumer preference and increased stakeholder concern about sustainable products the demand of conventional products may reduce.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Water Use and Management	Opportunity and Risk	Risk: Increased water consumption and constrained water supply are among the most critical global risks. Considering our huge dependency on water for the viability of our operations, we have identified it as a material risk for us. Opportunity: Our customers have made commitments to reduce their water use; thus adopting water saving practices will give us an edge and make us a preferred partner for our customers	Arvind has a two-pronged approach towards water management which includes investing in technologies and management practices to reduce water usage in textile dyeing and processing, and also to focus on eliminating fresh water use by moving to recycled sources.	Positive: Initially, there will be additional cost to adopt new technologies. However, in the long run, it will shield us from water price and availability issues. Thus helping maintain a control over our operating expenses. Negative: Increased production cost due to change in input prices of water, driven by water availability and quality issues.
3	Energy Management	Opportunity and Risk	Risk: While energy contributes to the growth of textile and apparel industry, resulting emissions are a dampener for environmental health. Increasing demand of textile and apparels in the world, followed by increased production is the cause of higher GHG emissions. Opportunity: Improving upon the energy efficiency and increasing renewable usage will support us in cutting down the energy expenses and achievement of pertinent emission reduction commitments.	We have developed an energy policy to continually improve the energy performance, flatten our energy demand curve and reduce our carbon footprint. Industry best practices like ISO 50001 energy management systems have been implemented in our major operational sites. We are also engaged in increasing renewable energy uptake in our energy mix.	Positive: Initially, there will be additional cost to adopt new technologies, however, in the long run it will shield us from fossil fuel price increase. Negative: Increased production cost due to change in input prices of fossil fuels.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Chemical Management	Opportunity and Risk	Risk: Shifting consumer preference towards safe & sustainable products. Additionally, the regulatory environment is getting more stringent on the sustainability aspects of chemicals and its associated impacts. Opportunity: To become the customer's preferred brand pioneering in manufacturing safe, sustainable products while adhering to all regulatory compliances.	We are the first textile mill globally to join the Zero Discharge of Hazardous Chemicals (ZDHC) programme in 2016. We are engaged with our customers for the elimination of hazardous chemicals from the value chain and to implement safer chemistry practices.	Positive: Reputational benefit resulting in increased demand for goods/services. Increased revenue due to better competitive position to reflect shifting consumer preferences. Negative: Reduced revenue from decreased demand of goods and services.
5	People	Opportunity and Risk	Risk: Reputational risk if we fail to ensure fair labour practices, protection of human rights, health and safety of our employee & workers. Opportunity: By addressing the above risks we are securing our social license to operate and representing ourselves as a socially responsible organisation.	We have identified the potential hazards and associated risks across our facility and integrating them into SOPs. We have adopted various social compliance certifications like WRAP, SA 8000 and GOTS in operating sites.	Positive: While ensuring our people's prosperity in consideration, we seek to improve employee satisfaction, better retention, and lowering cost of management. Negative: Reduced revenue due to negative impact on workforce.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section helps us demonstrate our structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Policy and management processes

Sr. No.	Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes										
1.	a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c. Web Link of the Policies, if available	https://www.arvind.com/corporate-governance								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SA 8000	GOTS, OCS, GRS, RCS, Oeko-Tex, ZDHC, ISO 14001, ISO 50001, ISO 45001: 2018	GOTS, GRS, ZDHC, WRAP, SA 8000, Sedex, ISO 45001: 2018	Better Cotton Initiative, Fair For Life	SA 8000, WRAP, Sedex, GRS, GOTS, Fair For Life, Better Cotton Initiative, Oeko-Tex,	ISO 14001, ZDHC, ROC, NOP/ NPOP, ISO 50001, REACH, Levi's screened chemistry Framework	-	-	ISO 9001

5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Commitment: We commit that our conduct will be Ethical, Transparent and Accountable in accordance with our policies.	Target: By 2025, 50% of our sourced cotton will be sustainable in nature.	Target: 100% of chemicals will be com pliant with ZDHC MRSL by 2025 Commitment: 100% of employees and workers will continue to be covered by health insurance	Target: 50% of sustainable cotton will be sourced from small and medium holder cotton farmers by 2025 Target: 100% of our facilities will use zero fresh water for operations by 2025.	Target: 100% of our facilities will be compliant acording to intentionally reco-gni sed social standard by 2025.	Target: By 2025, 40% renewable energy will be used for business operations committment: We are committed to setting net-zero targets including long-term science based target.	Commitment: We com mit that our engagem ent will be in a rispon sible ma nner and in accordance with Arvind's Code of Con duct.	Commitment: We commit to investing the CSR funds for the upliftment of people who are vlunerable and marginalised.	Commitment: We will educate all our customers on safe, responsible and proper disposal of products. We also commit to educating our customers to help them avoid misleading claims.
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.		61% of the cotton sourced in this FY was sustainable. We have achieved the target and will strive to increase or maintain this level.-	An average 99% of the used chemicals in our manufacturing facility were complaint to ZDHC MRSL.	61% of the cotton sourced in this FY was sourced from small and medium holder farmers. 44% of our facilities are using zero fresh water for operations	100% of our facilities are compliant.	22% of the energy currently used is renewable.			

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

   Refer to the 'Message from the Chairman & Managing Director' on page 2 of the Annual Report.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Jayesh K. Shah Whole Time Director DIN:00008349 Mr. Punit S. Lalbhai Executive Director Mr. Abhishek Bansal Vice President - Corporate Sustainability
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	The ESG Committee is responsible for decision-making on sustainability related issues. The Executive Director, Whole-time Director, and Independent Director are members of the ESG Committee. As part of our Enterprise Risk Management framework, joint assessments are carried by the Vice President - Corporate Sustainability and the Head of Management Assurance. These joint assessments focus on the environmental and social issues, how these issues impact the continuity of the business, and the way forward to deal with them. The details of these assessments are discussed in the ESG committee meetings for decision-making.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/Committee of the board/ Any other Committee									Frequency (Annually/Half Yearly/Quarterly/ Any-other please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow-up action	Committee of the board									Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Committee of the board									Annually								

11. Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? (Yes/ No). If yes, provide name of the agency.

    Yes, the assessments were conducted by various agencies. The name of some of them are: Control Union, Intertek, Leadership & Sustainability, UBS. Apart from this our customers i.e. brands also assign third party agencies to conduct assessment of our policies.

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated: Not applicable as all 'yes' in question (1) above

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	Not Applicable								
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	Not Applicable								
It is planned to be done in the next financial year (Yes/No)	Not Applicable								
Any other reason (please specify)	Not Applicable								

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

At Arvind, our governance is built on the foundation of strong ethics, progressive policies and robust processes. Consistent high standards of transparency and accountability have helped us win shareholder trust and fulfil our responsibility towards the environment and our host communities.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	-	-	-
Key Managerial Personnel	-	-	-
Employees other than BoD and KMPs	-	-	-
Workers	530	The workforce was trained on various sub-topics related to Principle 2, Principle 3, Principle 5, and Principle 6. Some the topics include reuse, recycling, equal opportunities, non-discrimination, grievance redressal, elimination of unacceptable labour practices like child labour, skill development, POSHA, first aid, fire safety, usage of PPE, environment management systems, chemical handling & usage, code of conduct, etc.	100%

2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory / enforcement agencies / judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred (Yes/No)
Penalty/Fine	-	-	0	-	-
Settlement	-	-	0	-	-
Compounding Fee	-	-	0	-	-
Non Monetary					
	NGRBC Principle	Name of the regulatory / enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred (Yes/No)
Imprisonment	-	-	0	-	-
Punishment	-	-	0	-	-

3. Of the instances disclosed in Question 2 above, details of the Appeal / Revision are preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory / enforcement agencies / judicial institutions
-	-

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

   Yes, the anti-corruption and anti-bribery are part of the Code of Conduct and the ESG Policy of the organisation. The policies can be viewed at: https://www.arvind.com/corporate-governance

5. Number of Directors / KMPs / employees / workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints with regard to conflict of interest:

	FY 2022-23 Current Financial Ytear		FY 2021-22 Previous Financial year	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of Directors	0	There are no complaints received in relation to the conflict of interest against Directors and KMPs in the current financial year.	0	There are no complaints received in relation to the conflict of interest against Directors and KMPs in the previous financial year
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0		0	

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interest.

   Not applicable

   Leadership Indicators

   1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

      Currently, we do not have well-defined principle-wise training programmes for our value chain partners. However, we continuously engage with them through various mediums and have extended our company's responsible practices through our Supplier Code of Conduct which guides them on the broader topics of labour and human rights, EHS, business integrity, reporting of unethical practices, etc. The Supplier Code of Conduct can be accessed here: https://www.arvind.com/corporate-governance

Total number of awareness programmes held	Topics/Principle covered under the training	%age of value chain partners covered) by value of business done with such partners) under the awareness programmes
-	-	-

   2. Does the entity have processes in place to avoid / manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

      Yes, we have a Code of Conduct for Directors and Senior Management Personnel. Each Board Member or Senior Management Personnel should endeavour to avoid having his or her private interests interfere with (i) the interests of the Company or (ii) his or her ability to perform his or her duties and responsibilities objectively and effectively. Board Members and Senior Management Personnel should avoid receiving or permitting members of their immediate family to receive, improper personal benefits from the Company including loans from or guarantees of obligations by the Company. A Board Member should make a full disclosure to the entire Board of any transaction or relationship that such a Board Member reasonably expects could give rise to an actual conflict of interest with the Company and seek the Board's authorisation to pursue such transactions or relationships.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Our sustainable sourcing approach, R&D efforts, product innovations, recycling initiatives and responsible waste disposal help us in ensuring product sustainability across the life cycle. This is in line with our commitment to the community and the environment.

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	75%	94%	Arvind's R&D practice contributes to increased efficiency of operations and product sustainability, which creates a trickle-down effect along the value chain in terms of creating environmental and social impacts. However, we are yet to measure technology or innovation-wise environmental and social impacts.
CAPEX	25%	6%	

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

We at Arvind, believe that sustainability when systematically embedded at source gets cascaded throughout the operations and the value chain. As mentioned earlier, sustainable sourcing is a material issue for us. For the same, we have integrated sustainable sourcing into our business.

Since cotton is our key raw material, we are actively engaging with around 75,000 farmers for capacity building and procurement of cotton through our nominated ginners. Apart from this, we are also sourcing yarns made out of recycled and alternate natural fibres.

The other major raw material that we source is Dyes & Chemicals. For that, we are opting for GOTS and ZDHC MRSL compliant chemicals in our manufacturing sites. We are also engaged with numerous multi-stakeholder institutions like Textile Exchange, Zero Discharge of Hazardous Chemicals, etc. to bolster our sustainable sourcing strategies.

b. If yes, what percentage of inputs were sourced sustainably?

In current reporting year, we sourced more than 61% cotton from sustainable sources (Better Cotton / Organic / Regenerative Organic Certified). Also, 99% of the sourced chemicals were sustainable as they were compliant according to GOTS / ZDHC MRSL V2.0 (Across Levels 1, 2 & 3).

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

We have devised an internal process that focuses on the classification of waste followed by segregation and storage in separated areas. After storage, periodically the waste is collected and responsibly disposed in accordance with the regulatory norms defined by the State Pollution Control Board (SPCB) / Central Pollution Control Board (CPCB).

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

We comply with the applicable norms.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/ No) If yes, provide web link
13131	Fabric	20%	LCA conducted for Denim Fabric with the system boundary of Cradle to Gate	Yes	No
	Cotton	It is a key raw material since it is used in majority of the textile fabrics we manufacture.	Cradle to Gate i.e. from cultivation of cotton until farm gate	Yes	https://link.springer.com/chapter/10.1007/ 978-3-319-66981-6_8

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
Denim Fabric	No significant environmental concerns were identified. However it was identified that Electricity and Steam are the major contributors to the environmental impact.	Increased the use of renewable energy sources for steam generation. Increased our sourcing of electricity from renewable sources. Switched to consuming recycled water instead of ground water for the manufacturing processes.
Cotton	Cultivation of cotton using conventional practices has more environmental impact in comparison to cotton cultivated through Organic or Better Cotton practices.	Increased our engagement with farmers to build their capacity on Organic and Better Cotton practices. Increased the sourcing of sustainable cotton.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate Input Material	Recycled or re-used input material to total material	
	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Water	74%	77%
Yarn	6%	5%
Fibre	30%	NA

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including Packaging)[1]	0	550.35	0	0	601.66	0
E-Waste[1]	0	3.304	0	0	6.07	0
Hazardous Waste[2]	0	0	5,570.87	0	0	4,539.58
Other Waste[3]	19,189.43		0	16,734.54		

1: Plastic & E-waste are collected by authorised collectors for safe recycling.

2: Hazardous waste is safely disposed of by the authorised collectors.

3: Other waste, which constitutes hard, soft and chindi waste that results from various production activities, is sold off for reuse / recycling.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
-	-

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

At Arvind, we empower our employees by providing a happy workspace, friendly policies, learning opportunities, and growth options, thereby creating an environment where they can achieve their personal and professional goals.

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Praternity benefits		Day Care facilities	
		Num ber (B)	% (B / A)	Num ber (C)	% (C / A)	Num ber (D)	% (D / A)	Num ber (E)	% (E / A)	Num ber (F)	% (F / A)
Permanent employees											
Male	2564	2564	100%	2564	100%	0	0%	2564	100%	0	0%
Female	226	226	100%	226	100%	226	100%	0	0%	100	44%
Total	**2790**	**2790**	**100%**	**2790**	**100%**	**226**	**8%**	**2564**	**92%**	**100**	**4%**
Other than Permanent employees											
Male	87	87	100%	87	100%	0	0%	87	100%	0	0%
Female	28	28	100%	28	100%	28	100%	0	0%	0	0%
Total	**115**	**115**	**100%**	**115**	**100%**	**28**	**0%**	**87**	**0%**	**0**	**0%**

b. Details of measures for the well-being of workers:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Praternity benefits		Day Care facilities	
		Num ber (B)	% (B / A)	Num ber (C)	% (C / A)	Num ber (D)	% (D / A)	Num ber (E)	% (E / A)	Num ber (F)	% (F / A)
Permanent workers											
Male	7508	7508	100%	7508	100%	0	0%	702	9%	0	0%
Female	11043	11043	100%	11036	100%	8888	80%	0	0%	10478	95%
Total	**18551**	**18551**	**100%**	**18551**	**100%**	**8888**	**48%**	**702**	**4%**	**10478**	**56%**
Other than Permanent workers											
Male	7950	5491	69%	7421	93%	0	0%	0	0%	0	0%
Female	105	60	57%	99	94%	99	94%	0	0%	49	47%
Total	**8055**	**5551**	**69%**	**7520**	**93%**	**99**	**1%**	**0**	**0%**	**49**	**1%**

2. Details of retirement benefits, for Current FY and Previous Financial Year:

	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100.00	100%	Yes
Gratuity	100%	100%	Yes	100.00	100%	Yes
ESI1	4%	100%	Yes	7%	100%	Yes
Others – please specify						

1: All the employees and workers who are eligible for ESIC are covered.

3. Accessibility of workplaces

   Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any step is being taken by the entity in this regard.

   Presently, we are compliant for certain disabilities. For all our new projects, the blueprints will be subjected to an assessment by the relevant authority and it will be compliant according to the Act.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

   Arvind ensures that the employees are treated fairly and with equality, regardless of their race, sex, or disability. All the employees have an equal chance to apply for any internal job postings or promotions, and training opportunities at the workplace. For details refer to our opportunity & non-discrimination policy available at https://www.arvind.com/our-people.

5. Return to work and retention rates of permanent employees and workers that took parental leave.

	Permanent Employees		Permanent Workers	
Gender	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	0	100	0	0
Female	250	100	32	0
Total	**250**	**100**	**32**	**0**

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent workers	Yes, we have a grievance website, and also boxes are installed on the premises. For more details, refer to the Transparency and Disclosures Compliances section of the Business Responsibility and Sustainability Report
Other than permanent workers	
Permanent employees	
Other than permanent employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Total employees/ workers in the respective category (A)	No. of employees / workers in the respective category, who are part of the association(s) or Union (B)	% (B / A)	Total employees/ workers in the respective category (C)	No. of employees / workers in the respective category, who are part of the association(s) or Union (D)	% (D / C)
Total Permanent Employees						
Male	2,564	0	0%	3,591	0	0%
Female	226	0	0%	351	0	0%
Total Permanent Workers						
Male	7,508	3,473	46%	7,276	3,756	52%
Female	11,043	60	1%	11,467	62	1%

Note: Employees are not part of any association or union, the given figures are for workers only.

8. Details of training given to employees and workers:

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgra dation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	2,564	173	7%	353	14%	3,591	546	15%	93	3%
Female	226	23	10%	44	19%	351	54	15%	8	2%
Total	**2,790**	**196**	**7%**	**397**	**14%**	**3,942**	**600**	**15%**	**101**	**3%**
Workers										
Male	7,508	4,718	63%	1,844	25%	7,276	4,201	58%	2,335	32%
Female	11,043	9,212	83%	4,388	40%	11,467	8,007	70%	3,777	33%
Total	**18,551**	**13,930**	**75%**	**6,232**	**34%**	**18,743**	**12,208**	**65%**	**6,112**	**33%**

Note: We do not have a breakup in the employee training, thus total numbers are reported.

9. Details of performance and career development reviews of employees and workers:

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	2,564	2,311	90%	3,591	2,658	73%
Female	226	182	81%	351	259	72%
Total	**2,790**	**2,493**	**89%**	**3,942**	**2,917**	**73%**
Workers						
Male	7,508	6,649	89%	7,276	5,969	82%
Female	11,043	8,641	78%	11,467	7,616	66%
Total	**18,551**	**15,290**	**82%**	**18,743**	**13,585**	**72%**

Note: As per the policy, employees who have joined on or before 30th September of the financial year are considered for review.

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage of such system?

Yes, Arvind has group-wide Safety, Health & Environment (SHE) policy which endeavours to create a safe and healthy working environment at all our facilities.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

We follow the Hazard Identification and Risk Assessment (HIRA) framework for identifying work-related hazards and risk assessment. This framework helps us in carrying out systematic identification of potential risks, evaluate existing safeguards available to control these risks, and develop additional control measures to reduce the risk to an acceptable level.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes, we have a process in place and it is included in the Occupational Health and Safety

Procedures Manual. Additionally, we conduct training, mock drills, safety talks, and seminars for raising awareness of the workers.

d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

The workers and employees are covered by health and accidental insurance. Additionally, we also have 24 hours availability of ambulance and basic paramedical services within our operations premises.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	1.48	0.87
Total recordable work-related injuries	Employees	0	0
	Workers	221	80
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

Note: LTIFR calculation is done for only major injuries and total recordable work-related injuries include both major and minor injuries.

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

As per our policies, safety of individuals overrides all production targets. We believe that occupational illness as well as safety and environmental incidents are preventable. Our facilities undergo audits both internal and external to ensure a safe and healthy work place.

As part of our health and safety initiatives, we have put in place various measures in our facilities, a few of which are listed below:

1. To reduce the exposure to industry prevalent, irreversible but notifiable diseases like byssinosis and hearing loss, we have put adequate precautions like periodic health check-ups and preventive measures like lubrication of machinery, putting false ceiling in our operational sites, provision of ear muffs & PPEs etc.
2. To reduce the exposure to fire-related hazards, we have placed pressurised fire protection and related systems at strategic locations to deal with any fire-related incidents.

   We ensure that regular trainings, mock drills, safety talks, and seminars are delivered to our employees and workers to raise their awareness on emergency safety management topics.

13. Number of complaints on the following made by employees and workers:

	FY 2022-23 (Current Financial Year)			FY 2021-22 Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	5	0	0	1	0	0
Health & Safety	0	0	0	0	0	0

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

No significant risks or concerns were highlighted in the assessment.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?

   Yes, we provide a wide range of benefits like term life insurance, EDLI, death benefit voluntary contribution, and COVID care programme (in case of death of an individual due to COVID)

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

   We ensure that all statutory dues have been deducted and deposited by our value chain partners in accordance with applicable laws and regulations. The internal audit and tax team overlooks the entire process. We have mentioned this as part of our Supplier Code of Conduct and all suppliers need to abide by it. Link to our Supplier Code of Conduct (https://www.arvind.com/corporate-governance)

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable	
	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Employees	0	0	0	0
Workers	0	0	0	0

4. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

   Yes.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Our employees conduct visits of the suppliers from time to time. However, we have not conducted any assessment directly. As mentioned in our Supplier Code of Conduct, we expect our value chain partners to strictly adhere to health, safety, labour, and human rights protocols. The compliance of the same is demonstrated through various national and international standards certifications held by the suppliers like GOTS, ZDHC, OCS, ISO 45001, SA 8000, Fairtrade, etc.
Working conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

   Not Applicable

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

We share a relationship based on mutual trust and consistent engagement with our internal and external stakeholders. Our comprehensive engagement mechanism enables us to understand their expectations and accordingly streamline our policies, processes and products.

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

   For our diverse stakeholders with varied interests across the capital, it is inherently important for us to understand their expectations and integrate those into our business strategy. For this purpose, we collaborated with Ernst & Young LLP for a structured identification of the stakeholder groups. The findings were based on various parameters that impact the sustainability of business such as dependency, responsibility, tension, and influence.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder group	Whether identified as vulnerable and marginalised group (Yes/No)	Channels of communication (email; SMS; newspaper; pamphlets; advertisement; community meetings; notice board; website); other	Frequency of engagement (annually / half yearly / quarterly / other - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	One to one with key customers, through virtual meets, B2B portals and during customer visits to our manufacturing sites.	Continuous engagement throughout the year	We intend to develop a sustained and long-term relationship with our customers. We engage with them to better understand their expectations, sustainability needs and act on fulfilling those with our offerings.
Investors	No	Public disclosures like annual reports, quarterly financial performances on websites, newspapers and published accounts. In-depth discussions during analyst meets & investor presentations.	Quarterly	Understand their concerns and expectations, and also their perceptions about sustainability & ESG risks.
Employees and Workers	No	Internal training programmes, structured interactive appraisal process, reward & recognition programmes.	As per planned activities	It helps to share organisation's vision, goals, and expectations. It also enables us to better understand employees' career ambitions, job satisfaction, and development perspectives.
Local Community	No	Activities by institutions promoted or partnered by us e.g., NLRDP and SHARDA Trust. Also through Industrial Relations department.	As per planned activities	Building sustainable cohesive community relations and positively impacting the quality of life of the local community.
Media	No	Media interaction is carried out through announcements, events, visits, conferences, etc.	As per planned activities & requirements	We communicate key developments, milestone events, and our growth perspective. It also enables us to build larger outreach and better narrative for key initiatives.
Government agencies	No	By participation in industry forums, submission of compliance documents and meetings.	As required for compliance and as per available opportunities.	We consider this as an opportunity to understand the changing compliance and regulatory landscape, and discuss on opportunities to collaborate on pressing issues.
Suppliers	No	Our procurement and sourcing team interacts with the suppliers on a periodic basis. Likewise, we also engage with them during training programmes and workshops.	As per planned activities and business requirements.	It enables us to understand mutual expectations and needs, especially with regard to quality, cost, timely delivery, growth plans and sharing of best practices.

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

   The consultation between the stakeholders and the Board is internalised in the management process by delegating this process. The Board of Directors at Arvind has constituted various Board Committees – Stakeholder's Relationship Committee; Environmental, Social and Governance Committee, etc. Meetings of these Committees are convened by the respective Committee Chairman/Company Secretary. The various Board Committees receive their inputs based on interactions between the stakeholders and our various departments. These departments engage with the stakeholders as mentioned in Question 2 of Principle 4. The feedback of these discussions is provided to the Board by placing the meeting minutes of these Committees before the Directors for their perusal and noting.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

   Yes, the environmental and social topics identification was done in tandem with the stakeholder identification carried out as mentioned in Question 1 of Principle 4. During this assessment, key material issues were identified by us. For managing these issues, we have incorporated various policies & procedures, and implemented various initiatives.

3. Provide details of instances of engagement with, and actions taken to; address the concerns of vulnerable / marginalised stakeholder groups.

   NA

PRINCIPLE 5: Businesses should respect and promote human rights

Upholding the principles of Human Rights, in letter and in spirit, forms the bedrock of our organisation. We are an equal opportunity employer and strictly adhere to the policy of non-discrimination.

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. employees workers covered (B)	% (B / A)	Total (C)	No. employees workers covered (D)	% (D / C)
Employees						
Permanent	2,790	0	0%	3,942	775	21%
Other permanent	115	0	0%	118	25	21%
Total Employees	**2,905**	**0**	**0%**	**4,060**	**800**	**21%**
Workers						
Permanent	18,551	11,197	60%	18,743	12,797	68%
Other permanent	8,055	3,141	39%	7,163	3,429	48%
Total Workers	**26,606**	**14,338**	**54%**	**25,906**	**16,226**	**63%**

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
Employees										
Permanent										
Male	2,564	0	0%	2,564	100%	3,591	0	0%	3,591	100%
Female	226	0	0%	226	100%	351	0	0%	351	100%
Other than Permanent										
Male	87	0	0%	87	100%	117	0	0%	117	100%
Female	28	0	0%	28	100%	1	0	0%	1	100%
Workers										
Permanent										
Male	7508	2001	27%	5507	73%	7276	2375	33%	4901	67%
Female	11043	7274	66%	3769	34%	11467	7688	67%	3779	33%
Other than Permanent										
Male	7950	2171	27%	5779	73%	7106	3068	43%	4038	57%
Female	105	101	96%	4	4%	57	51	89%	6	11%

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	**Median remuneration / salary / wages of respective category**	**Number**	**Median remuneration / salary / wages of respective category**
Board of Directors (BoD)	8	1,012,757	1	51,162
Key Managerial Personnel (KMP)	5	2,296,052	0	0
Employees other than BoD and KMP	2,646	56,667	254	46,333
Workers	15,458	11,989	11,148	11,434

*Note: All median salaries mentioned above are on monthly basis.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

   Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

   Grievances related to Human rights impacts or issues at Arvind are addressed via the Whistle Blower Committee and/or the Internal Grievance Redressal Body depending upon the nature of the matter. Any such grievance can be posted through Arvind's Ethics Helpline portal - (https://www.arvind.ethicshelpline.in/portal/en/home)

6. Number of complaints on the following made by employees and workers:

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual harassment	3	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child labour	0	0	-	0	0	-
Forced labour/Involuntary labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

   For handling the complaints of discrimination, harassment or any other complaint under the scope of the Whistle Blower and POSH Policies, the identification of the complainant is kept confidential. Further every internal and external stakeholder has set obligations to follow, to prevent the adverse consequences to the complainant by adhering to the following mechanism (for more details refer to the Whistle Blower and POSH policies:

   a. Ensure that the complainant is not victimised for doing so, and is adequately protected against any such incident.

   b. Treat victimisation as a serious matter including initiating disciplinary action on such person/(s) that subjects or threatens to subject the other person to any detriment.

   c. Ensure complete confidentiality by,

   - Maintaining complete confidentiality / secrecy of the matter
   - Not discussing the matter in any informal / social gatherings / meetings
   - Discussing only to the extent or with the persons required for the purpose of completing the process and investigations
   - Not keeping the papers unattended anywhere at any time
   - Keeping the electronic mails / files under password

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

   Yes

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others - please specify	100%

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

    No such significant risk has been identified during the assessment.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances / complaints.

   Not applicable as no such modifications has been introduced in the current reporting year.

2. Details of the scope and coverage of any human rights due-diligence conducted.

   At Arvind, we believe that it is of utmost importance to undertake our business with honesty and integrity while ensuring a safe and conducive work environment for everyone, free of discrimination and harassment. We are committed to uphold and respect human rights across all our operations and businesses, and are guided by the fundamental principles of human rights, such as those enumerated in the United Nations Universal Declaration of Human Rights and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work ('ILO Declaration'). Our commitment towards these fundamental principles is reflected in our Code of Conduct and actions towards our employees, suppliers, clients, and communities.

Furthermore, we are also compliant according to various national and international certifications like SA 8000, WRAP (Worldwide Responsible Apparel Production), SEDEX, ISO 45001, etc., for better and safe work practices across all our facilities.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

   Presently, we are compliant for certain disabilities. For all our new projects, the blueprints will be subjected to an audit by the relevant authority and it will be compliant according to the act.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	-
Discrimination at workplace	-
Child Labour	-
Forced Labour / Involuntary Labour	-
Wages	-
Others - please specify	-

   No assessment was conducted.

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

   No assessment was conducted.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

We understand that clean air, fresh water and rich biodiversity are critical for the existence of life on planet earth. By improving energy efficiency, increasing renewables in the energy mix, minimising waste, and maximising water recycling, we are helping reduce the burden on the environment.

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total electricity consumption (A)	1396.92 TJ	1429.29 TJ
Total fuel consumption (B)	4951.8 TJ	4842.96 TJ
Energy consumption through other sources (C)	0 TJ	0 TJ
Total energy consumption (A+B+C)	6348.72 TJ	6272.25 TJ
Energy intensity per rupee of turnover (Total energy consumption / turnover in rupees)	79261.21 Joules/INR	78074.04 Joules/INR
Energy intensity (optional) - the relevant metric may be selected by the entity	-	-

   Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

   Yes, the excercise is on going with Intertek for our greenhouse gas emissions. Since energy data is used for GHG inventory, it will be evaluated during the assurance process. The final assurance statement will be available on our website once the excercise is complete.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

   Two of our facilities were identified as designated consumers (DCs) under the Perform, Achieve and Trade (PAT) scheme of the Government of India. For both the facilities, the target is achieved and our filing process for this year is ongoing.

3. Provide details of the following disclosures related to water, in the following format

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	1,161,413	1,600,276
(iii) Third party water1	522,470	759,923
(iv) Seawater / desalinated water	0	0
(v) Others - waste water from Muncipality2	1,085,218	1,850,229
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	2,769,101	4,210,428
Total volume of water consumption (in kilolitres)	2,123,053	2,000,255
Water intensity per thousand rupee of turnover (Water consumed / turnover)	26.5 litre/thousand INR of turnover	24.74 litre/thousand INR of turnover
Water intensity (optional) - the relevant metric may be selected by the entity		

1: Third party water includes both domestic and treated water received from local municipality

2: Other category constitutes the waste water received from municipality

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the assurance process is ongoing with Intertek and we will upload the assurance statement on our website once it is completed.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Only nine of our facilities use water for manufacturing. Of these nine, we have implemented ZLD in four sites.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
NOx	ppm	2,085.25	3,260.38
SOx	ppm	8,364.68	7,227.12
Particulate matter (PM)	mg/Nm3	15,561.98	10,190.43
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others – please specify			

For each parameter, The data reported above is the sum of emissions by all the units.

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment / evaluation / assurance has been carried out by an external agency.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity, in the following format:

Parameter	Unit	FY 2022- 23 (Current Financial Year)	FY 2021- 22 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs,SF6, NF3, if available)	Metric tonnes of CO2 equivalent	358301.8	363942.0
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	277550.3	283654.0
Total Scope 1 and Scope 2 emissions per rupee of turnover	MT CO2 equivalent/rupee of turnover	6.62E-06	9.48E-06
Total Scope 1 and Scope 2 emission intensity (optional) - the relevant metric may be selected by the entity	-	-	

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the assurance process is ongoing with Intertek and we will upload the assurance statement on our website once it is completed.

7. Does the entity have any project related to reducing greenhouse gas emissions? If yes, then provide details.

   In our endeavour to achieve the Science Based Target (SBT) aligned to short and long-term emission reduction targets, we are engaged in various GHG reduction activities and projects. A few of those are listed below:

   a. Establishing a backward supply chain of biomass to reduce the use of fossil-fuel based energy sources
   b. Increasing the use of biomass in our current energy mix
   c. Increasing our uptake of renewable electricity by adopting rooftop solar projects, signing MoU for sourcing solar and wind energy

8. Provide details related to waste management by the entity, in the following format

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
	Total waste generated (in metric tonnes)	
Plastic waste (A)	550.4	601.7
E-waste (B)	3.3	6.1
Bio-medical waste (C)	0.0	0.0
Construction and demolition waste (D)	0.0	0.0
Battery waste (E)	0.0	0.2
Radioactive waste (F)	0.0	0.0
Other Hazardous waste - please specify, if any (G) - ETP Sludge	5570.9	4539.6
Other Non-hazardous waste generated (H) - please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) - Hard, Soft and Chindi Waste	19189.4	16734.5
Total (A+B + C + D + E + F + G + H)	**25314.0**	**21882.0**

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	550.4	607.9
(ii) Re-used	19189.4	16734.5
(iii) Other recovery operations		
Total	19739.8	17342.4
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	5570.9	4539.6
(iii) Other disposal operations	-	-
Total	5570.9	4539.6

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment / evaluation / assurance has been carried out by an external agency.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

   We have devised an internal process that focuses on classification of waste followed by segregation and storage in separated areas. After storage, periodically the waste is collected and responsibly disposed in accordance with the regulatory norms defined by the State Pollution Control Board (SPCB) / Central Pollution Control Board (CPCB).

   To eliminate the usage of hazardous and toxic chemicals in our products, we are using GOTS and ZDHC MRSL complied chemicals in our operations. In addition to this, we have developed our own Arvind Manufacturing Restricted Substance List (AMRSL) for our suppliers.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
All of Arvind's operating facilities are located in premises which have the requisite building permits, including environmental approvals for carrying out the operations.			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
No such project requiring EIA has been undertaken in the current or previous reporting year.					

12. Is the entity compliant with the applicable environmental law / regulations / guidelines in India; such as the Water (Prevention and

Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Arvind is compliant with all applicable laws and regulations across the sites in which we operate.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the Non-compliance	Any fines / penalties / actions taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable				

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23 (Current Financial year)	FY 2021-22 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	170.95 TJ	151.91 TJ
Total fuel consumption (B)	1197.49 TJ	1005.45 TJ
Energy consumption through other sources (C)	0 TJ	0 TJ
Total energy consumed from renewable sources (A+B+C)	1368.44 TJ	1157.36 TJ
From non-renewable sources		
Total electricity consumption (D)	1225.97 TJ	1277.39 TJ
Total fuel consumption (E)	3754.32 TJ	3837.51 TJ
Energy consumption through other sources (F)	0 TJ	0 TJ
Total energy consumed from non-renewable sources (D+E+F)	4980.29 TJ	5114.9 TJ

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the excercise is on going with Intertek for our greenhouse gas emissions. Since energy data is used for GHG inventory, it will be evaluated during the assurance process. The final assurance statement will be available on our website once the excercise is complete.

2. Provide the following details related to water discharged:

Parameter	FY 2022-23 (Current Financial year)	FY 2021-22 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(ii) To Groundwater		
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(iii) To Seawater		
- No treatment		0
- With treatment - please specify level of treatment	0	0
(iv) Sent to third-parties (Discharge in municipality sewage line)	0	
- No treatment	0	0
- With treatment - Primary, secondary and tertiary treatments performed before sending it to the municipality sewage line.	646048.0	2,210,173.0
(v) Others		
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
Total water discharged (in kilolitres)	646,048.00	2,210,173.0

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the assurance process is ongoing with Intertek and we will upload the assurance statement on our website once it is completed..

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format:

As per the WRI Aqueduct Water Risk Atlas, all our facilities are in water stressed region. Our manufacturing operations that contribute above 90% of our turnover i.e., denims, wovens and advanced materials are in Sabarmati basin of Gujarat, whereas our garment manufacturing operation are in Cauvery and Pennar basin. Since all the areas are in water stress, we have reported a combined figure:

Parameter	FY 2022-23 (Current Financial year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	0.0	0.0
(ii) Groundwater	1161412.9	1600276.0
(iii) Third party water	522470.5	759923.3
(iv) Seawater / desalinated water		0.0
(v) Others (STP treated water)	1085218.0	1850229.0
Total volume of water withdrawal (in kilolitres)	2769101.4	4210428.3
Total volume of water consumption (in kilolitres)	2123053.4	2000255.3
Water intensity per thousand rupee of turnover (Water consumed / turnover)	26.5 litre/thousand INR of turnover	24.9 litre/thousand INR of turnover
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	0	0
- With treatment – please		
specify level of treatment	0	0
(ii) Into Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) Into Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties		
- No treatment		0
- With treatment – please specify level of treatment	646,048.0	2,210,173.0
(v) Others		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	646,048.0	2,210,173.0

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the assurance process is ongoing with Intertek and we will upload the assurance statement on our website once it is completed..

4. Please provide details of total Scope 3 emissions and its intensity, in the following format:

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	670,950	418,569
Total Scope 3 emissions per rupee of turnover	MT CO2 equivalent per rupee of turnover	8.40E-06	5.21E-06
Total Scope 3 emission intensity (optional) - the relevant metric may be selected by the entity			

The below mentioned seven scope 3 emission categories as per the Greenhouse Gas Protocol's Corporate Value Chain (Scope 3) Accounting and Reporting Standard prescribed classifications were applicable and considered for calculating the emissions. Also, only CO2, CH4 and N20 gases were considered. The emission have increased from last year due to addition of few more categories.

- Category 1 - Purchased goods and services (Cotton, Yarn, Dyes, Chemicals, Packaging, Fibre, Office Consumables, Greige Fabric, Trims, Spare Parts, Professional Services)
- Category 2 - Capital goods
- Category 3 - Fuel and energy-related emissions not included in scope 1 or scope 2
- Category 4 - Upstream transportation (purchased cotton, fibre, dyes, chemicals, and yarn transport through sea, road)
- Category 6- Business travel (air travel, cab travel)
- Category 7- Employee commuting
- Category 9 - Downstream transportation (Export activities through sea, road, air and rail)

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the assurance process is ongoing with Intertek and we will upload the assurance statement on our website once it is completed.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

   Not applicable.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the initiative
1	Scaling up the uptake of biomass-based briquettes in our operations	We have developed a backward supply chain of briquettes from our farm operations, which ensures year around supply of clean and traceable biomass for fulfilling our energy requirements.	The initiative has assisted us on our vision to increase the clean energy mix in our operation. Under the current reporting year we have consumed 6,580.36 ton of briquettes in our operations which is nearly 5 times the amount we consumed in the previous reporting year.
2	Partnering with PurFi Global LLC to manage textile waste	Through this initiative a fiber rejuvenation facility will be established that will process textile wastes – white cotton, colored cotton, denim and synthetics – into virgin-like fibers for reuse.	Our partnership with PurFi will enable us to increase the use of recycled fibre and thus support in reducing our dependence on virgin fiber.

For more details, refer to Natural Capital chapter on Page 34 of the Integrated Annual Report FY 2022-23.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.

   No. However, we plan to develop the same in the coming years.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

   Cotton is our key raw material and our dependence on it is quite large owing to 80% of products being made from cotton. We have well understood the environmental impact that might occur if it is produced in an irresponsible manner which comprises of unsustainable use of agro chemicals, water and soil. Cotton produced under such practices contaminates the freshwater systems, degrades the soil quality, impact the health of biodiversity, farmers and nearby population. Upon recognising this issue and the need to scale the uptake of sustainable cotton, we initiated our engagement with farmers to build their capacity for sustainable agricultural practices. For more details, refer to Natural Capital chapter on Page 34 of the Integrated Annual Report FY 2022-23.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

   Apart from the few suppliers who disclose on Higg FEM, we haven't directly assessed the environmental impacts of our value chain partners as of now.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

The purpose of our participation in public policy advocacy is centred on ushering effective policies which are in the best interest of all stakeholders. Leveraging our vast experience and leadership position, we provide strategic insights and comprehensive inputs to the policy makers.

Essential Indicators

1. a. Number of affiliations with trade and industry chambers / associations.

   We are affiliated with 12 industry chambers / associations, where we often take part in various dialogues across numerous channels of engagement.

   b. List the top 10 trade and industry chambers / associations (determined based on the total members of such body) the entity is a member of / affiliated to.

S. No.	Name of the trade and industry chambers /associations	Reach of trade and industry chambers /associations (State / National)
1	Sustainable Apparel Coalition	International
2	Fashion for Good	International
3	Better Cotton Initiative	International
4	Textile Exchange	International
5	Organic Cotton Accelerator	International
6	Confederation of Indian Textile Industry	National
7	Denim Manufacturers Association	National
8	Confederation of Indian Industry	National
9	The Cotton Textiles Export Promotion Council	State
10	Gujarat Chamber of Commerce & Industry	State

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Not Applicable. No such corrective action was taken as we received no such adverse orders from regulatory authorities on any issue related to anti-competitive conduct.		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of review by Board (Annually / Half Yearly / Quarterly / Others - please specify)	Web Link, if available
-	-	-	-	-	-

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

At Arvind, we strive to ensure a better quality of life for the people while contributing towards a stronger economy. Our CSR initiatives and long-term projects are aimed at touching the lives of the marginalised and the disadvantaged sections of the society.

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of the project	SIA Notification No.	Date of Notification	Whether conducted by independent external agency (Y/N)	Results communicated in public domain (Y/N)	Relevant web link
No such project requiring SIA has been undertaken in the current or previous reporting year.					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of the project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amount paid to PAFs in the FY (In INR)
Not applicable						

3. Descrie the mechanisms to receive and redress grievances of the community.

   We actively engage with the local community through various interactions and activities through Investor Relations Department, and through the institutions promoted and partnered by us. The receiving and redressing of any grievance by the local community is done in accordance to the Whistle Blower Policy. The community can post any grievance through Arvind's Ethics Helpline portal.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Directly sourced from MSMEs / small producers	3%	5%
Sourced directly from within the district and neighbouring districts	-	-

Note: This represents only cotton procured from small holders farmers engaged in Arvind's sustainable cotton projects across Gujarat, Maharashtra and Madhya Pradesh. For other raw materials, this has not been calculated.

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
As mentioned previously, no such project requiring SIA has been undertaken in the current or previous reporting year.	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In INR)
1	Gujarat	Narmada	12.50 Lakh Under the Rural Development Project in Narmada district, we planned to increase the income of tribal families by establishing quality home stay facilities for tourists at rural homes. The project has been completed. However, we are still continuing our support through other group companies and partner organisations.
2	Gujarat	Narmada	4.14 Lakh A 16-seat IT-enabled vehicle equipped with HP computing and printing equipment is being used to provide digital training to tribal communities. The program aims to empower these communities with essential digital skills, enabling them to access new opportunities and bridge the digital divide.

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised / vulnerable groups? (Yes/No)

   Yes, we prefer to procure from small holder cotton farmers engaged in sustainable cotton farming practices.

   (b) From which marginalised / vulnerable groups do you procure?

   As mentioned above, we directly procure from small holder cotton farmers who fall under marginalised / vulnerable group.

   (c) What percentage of total procurement (by value) does it constitute?

   3% of the total lint cotton procurement was done from the small holder cotton farmers.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
-	-	-	-	-

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective Action Taken
-	-	-

6. Details of beneficiaries of CSR Projects

For details refer to Annexure-B to Director's Report 2022-23 (CSR Report)

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

We develop innovative solutions based on market needs and customers' feedback. State-of-the-art plants, cutting-edge technology, robust processes, and comprehensive policies - all combine to create products that generate tremendous value for the customer.

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

   Consumer complaints and feedback can be received through Arvind's Ethics Helpline Portal, or through consumer court. The complaints received through Ethics Helpline Portal are responded as per the Whistle Blower Policy whereas for consumer court related complaints, they are handled as per regulatory norms.

2. Turnover of products and/or services as a percentage of turnover from all products/service that carry information about:

	As a percentage of total turnover
Environmental and social parameters relevant to the product	We have not calculated this information.
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2022-23 (Current Financial Year)		Remarks	FY 2021-22 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber-security	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive trade practices	0	0		0	0	
Unfair trade practices	0	0		0	0	
Other				0	0	

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	0	N.A.
Forced recalls	0	N.A.

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

   Yes, Arvind has an Information Security and Data Privacy Policy. The purpose of this policy is to state the organisation's directive towards data confidentiality and to ensure adequate safeguards to prevent misuse or loss of information. Arvind has taken adequate precautions for the protection of data and has ensured that information related to its employees is secure. Appropriate controls are in place to prevent unauthorised disclosure or modification.

   Under this policy, Cybersecurity Grievance Team has set a mechanism to handle such incidents once they are reported to the team. The policy also includes details of various security incidents that needs to be reported, and also has a Cybersecurity Incident Response Plan. The Response Plan has four major components which include: Preparation, Detection and Analysis, Response and Remediation, and Recovery.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

   No such incident related to the mentioned topics has been reported.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

   The information can be accessed through our website, the link is https://www.arvind.com.

   In addition to this we also have an internal portal for our customer where they can access the information about the products.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

   Not applicable, since we are a B2B business. We don't directly engage with the end consumers, as most of our interactions are with organisations such as brands & retailers. However, we engage with them to educate about our products.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

   Yes, as part of our ERP system, contact details such as email addresses and phone numbers are maintained. We can use this information to intimate them about any risk of disruption or discontinuation of services.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

   No

5. Provide the following information relating to data breaches:

   a. Number of instances of data breaches along with impact

   b. Percentage of data breaches involving personally identifiable information of customers

No instance of data breach has been reported.

Independent Auditor's Report

To The Members of Arvind Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Arvind Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the 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 standalone 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, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Revenue recognition – cut off** Revenue is one of the key profit drivers and is therefore susceptible to misstatement. Cut-off is the key assertion in so far as revenue recognition is concerned. There is a risk that revenue is recognized on sale of goods around the year and without substantial transfer of control and is not in accordance with Ind AS-115 "Revenue from Contracts with Customers"	**Principal audit procedures performed:** Our audit process consisted testing of the design and operating effectiveness of the internal controls and substantive testing performed by us are as follows: • We obtained an understanding of process and evaluated the design, implementation and operating effectiveness of management's internal controls in relation to revenue recognition from sale of goods. We tested the Company's control over timing of revenue recognition around year end. • At the year end, we have performed the cut off testing for late cut off to test that the revenue is recorded in appropriate period. We have traced sales with proof of delivery (PoD) to confirm the recognition of sales.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS 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 the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. 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, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone 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 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) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

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

   In our opinion and to the best of our information and according to the explanations given to us, the 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 has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer note 30 to the standalone financial statements.

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer note 32 to the standalone financial statements.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

      iv. (a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 45 to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), 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 by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      (b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the note 45 to the financial statements, 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.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. As stated in note 49 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No.
117366W/W-100018)

Kartikeya Raval
Partner
(Membership No. 106189)
(UDIN: 23106189BGVOQS2816)

Place: Ahmedabad
Date: May 18, 2023

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Arvind Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone financial statements 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. 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. 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 with reference to standalone financial statements 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, 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 judgement, 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 with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements 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 with reference to standalone financial statements 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 with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to standalone financial statements 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 **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No.
117366W/W-100018)

Kartikeya Raval
Partner
(Membership No. 106189)

Place: Ahmedabad
Date: May 18, 2023

Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress, investment properties and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) Some of the Property, Plant and Equipment, capital work-in-progress, investment properties and right-of-use assets were physically verified during the year by the Management in accordance with programme of verification, which in our opinion provides for physical verification of all the Property, Plant and Equipment, capital work-in-progress, investment properties and right-of-use assets at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) With respect to immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment, capital work-in-progress and investment property and non-current assets held for sale, according to the information and explanation given to us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date, except for the following:

(₹ in Crores)

Description of property	As at the Balance sheet date		Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being in name of Company
	Gross carrying value	Carrying value in the financial statements				
Freehold Land	53.56	53.56	**Merged Companies-**Rohit Mills Limited, Arvind Brands Limited, Dholka Textile Park Private Limited, Arvind Fashions Limited and Arvind Cotspin Limited. **Other Parties-**Ganga Co-Operative Housing Society Limited,Mahendra C Shah, Anokhee Parikh, Neenaben Parikh, Aneri Parikh and Ketan Maliaya	No	Various dates since October 1, 1998	**Merged Companies-** The title deeds are in the name of Companies which were merged with the Arvind Limited under scheme of amalgamation sanctioned by National Company Law Tribunal. **Other Parties-** The Company is in process to register title deed in its name.
Freehold Acquired Building	2.07	1.70	**Merged Companies-** Arvind Brands and Retail Limited **Other Parties-** Anagram Finance	No	Various dates since October 1, 1997	
Capital Work-in-Progress	4.00	4.00	Mahendra C. Shah	No	Various dates since March 2010	The Company is in process to register title deed in its name.
Investment Property – Land	5.77	5.77	Mahendra C Shah, Anokhee Parikh, Neenaben Parikh and Sanabhai Patel	No	Various dates Since April 1999	

Immovable properties of land and buildings whose title deeds have been pledged as security for loans are held in the name of the Company based on the confirmation directly received by us from lenders / custodians.

(d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories except for stocks held with third parties and Goods in Transit, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end and for Goods in Transit, written confirmations have been obtained. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/alternate procedures performed as applicable, when compared with the books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us including the revised submissions made by the Company to its lead bankers based on closure of books of accounts at the year end, the revised quarterly returns or statements comprising stock statements, book debt statements and other stipulated financial information filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.

(iii) The Company has not given any advances in the nature of loans during the year. The Company has made investments in, provided guarantee and granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:

(a) The Company has provided loans and stood guarantee during the year and details of which are given below:

(₹ in Crores)

Particulars	Loans	Guarantees
A. Aggregate amount granted / provided during the year:		
- Subsidiaries	152.72	206.09
- Joint Ventures/ Associate	-	-
- Others	1.35	-
B. Balance outstanding as at balance sheet date in respect of above cases*#		
- Subsidiaries	215.70	95.01
- Joint Ventures/ Associate	0.02	-
- Others	24.48	-

* The amounts reported are at gross amounts, without considering provisions made.

\# Includes amounts invested in Perpetual / optionally convertible debentures of Subsidiaries and Joint Venture.

(b) The investments made, guarantees provided and the terms and conditions of the grant of all the above mentioned loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) The Company has granted loans payable on demand. In our opinion, the repayments of principal amounts (when demanded) and receipts of interest are regular.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) None of the loans granted by the Company have fallen due and not repaid during the year.

(f) The Company has granted Loans which are repayable on demand or without specifying any terms or period of repayment, details of which are given below:

(₹ in Crores)

Particulars	All Parties (Including related parties)	Related Parties
Aggregate amount loans:	240.20	215.72
- Repayable on demand (A)	144.52	120.70
- Agreement does not specify any terms or period of repayment (B)#	95.02	95.02
Total (A+B)	**239.54**	**215.72**
Percentage of loans	99.73%	100%

\# Perpetual / optionally convertible debentures, classified under the note of Investments in the financial statements, has been considered as loans without repayment terms for the purpose of above reporting.

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees, and securities provided, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2014, as amended, would apply. Accordingly, clause (v) of paragraph 3 of the Order is not applicable to the Company.

(vi) The maintenance of cost records has been specified by the Central Government under section 148 (1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Custom Duty, Professional Tax and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities however there have been few delays in respect of remittance of Employees' State Insurance and Professional Tax dues.

There were no undisputed amounts payable in respect of Provident Fund, Income Tax, Customs Duty, Employees' State Insurance, Goods & Service Tax and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

Name of Statute	Nature of the Dues	Amount involved and unpaid (₹ In crores)	Period to which amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	1.01	2004-05, 2015-16, 2019-20	Commissioner of Income Tax Appeal
		4.92	2005-06, 2011-12, 2012-13	Income Tax Appellate Tribunal
		0.12	2005-06	High Court
The Central Excise Act, 1944	Excise Duty	9.18	1999-00, 2000-01	Commissioner
		1.06	2000-01, 2001-02, 2002-03, 2003-04	The Honourable High Court
		0.47	2008-09	Assistant Commissioner
The Customs Act,1962	Custom Duty	2.88	2012-13	Customs, Excise and Service Tax Appellate Tribunal
The Finance Act, 1994	Service Tax	1.80	2004-05 to 2007-08, 2012-13 to 2015-16	Assistant Commissioner
		0.03	2005-06	Commissioner
		0.40	2017-18	Commissioner (Appeal)
		5.74	2003-04 to 2017-18	Customs, Excise and Service Tax Appellate Tribunal
Gujarat Value Added Tax Act, 2003	Value added tax	3.87	2006-07, 2007-08	Joint Commissioner (Appeal)
Central Sales Tax, 1956	Central Sales Tax	0.62	2007-08	Joint Commissioner (Appeal)
		0.60	2005-06	Deputy Commissioner
GST Act, 2017	Goods & Service Tax	0.76	2017-18	Commissioner (Appeal)
		7.11	2017-18, 2018-19	Additional Commissioner

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

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

(c) The Company has not taken any term loan during the year and there are no unutilized term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, joint ventures and Associate.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures and Associate.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year and up to the date of this report and provided to us, when performing our audit.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the Company during the year and till date, for the period under audit.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of it's subsidiary company, associate company or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable. Further the group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing, expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

Chartered Accountants
For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)
Kartikeya Raval
Partner
(Membership No. 106189)

Place: Ahmedabad
Date: May 18, 2023

Standalone Balance Sheet

As at March 31, 2023

(₹ in Crores)

Particulars	Note	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
(a) Property, plant and equipment	5	**2,940.74**	2,966.93
(b) Capital work-in-progress	5 (a)	**76.74**	41.47
(c) Investment properties	6	**169.18**	168.99
(d) Intangible assets	7	**22.53**	39.09
(e) Intangible assets under development	7 (a)	**1.14**	0.14
(f) Right of Use Assets	38	**44.24**	51.16
(g) Financial assets			
(i) Investments	8 (a)	**386.95**	451.59
(ii) Loans	8 (c)	**0.51**	0.75
(iii) Other financial assets	8 (f)	**21.22**	24.40
(h) Other non-current assets	9	**22.39**	18.90
Total non-current assets (A)		**3,685.64**	3,763.42
Current assets			
(a) Inventories	10	**1,474.23**	2,004.04
(b) Financial assets			
(i) Trade receivables	8 (b)	**853.10**	1,068.06
(ii) Cash and cash equivalents	8 (d)	**29.49**	36.76
(iii) Bank balance other than (ii) above	8 (e)	**8.99**	8.32
(iv) Loans	8 (c)	**52.34**	68.97
(v) Other financial assets	8 (f)	**20.20**	59.12
(c) Current tax assets (net)	11	**13.92**	22.38
(d) Other current assets	9	**259.89**	381.93
Total current assets (B)		**2,712.16**	3,649.58
TOTAL ASSETS (A) + (B)		**6,397.80**	7,413.00
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	12	**261.50**	260.59
(b) Other equity	13	**3,034.86**	2,750.76
Total equity (A)		**3,296.36**	3,011.35
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	14 (a)	**362.91**	735.90
(ii) Lease Liabilities	38	**46.46**	55.52
(iii) Other financial liabilities	14 (c)	**0.70**	1.78
(b) Long-term provisions	15	**22.71**	19.89
(c) Deferred tax liabilities (net)	28	**10.21**	39.85
(d) Government grants	16	**72.02**	65.48
Total non-current liabilities (B)		**515.01**	918.42
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	14 (a)	**997.33**	977.50
(ii) Lease Liabilities	38	**13.45**	13.59
(iii) Trade payables			
- Total Outstanding dues of Micro Enterprises and Small Enterprises	14 (b)	**61.03**	121.99
- Total Outstanding dues other then Micro Enterprises and Small Enterprises	14 (b)	**1,030.25**	1,989.33
(iv) Other financial liabilities	14 (c)	**179.59**	132.31
(b) Short-term provisions	15	**12.17**	16.97
(c) Government grants	16	**8.80**	7.64
(d) Other current liabilities	17	**283.81**	223.90
Total current liabilities (C)		**2,586.43**	3,483.23
TOTAL EQUITY AND LIABILITIES (A) + (B) + (C)		**6,397.80**	7,413.00

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Kartikeya Raval
Partner
Place: Ahmedabad
Date: May 18, 2023

For and on behalf of the Board of Directors of Arvind Limited

Sanjay S. Lalbhai
Chairman & Managing Director
DIN: 00008329

Jayesh K. Shah
Director & Group Chief Financial Officer
DIN: 00008349

R. V. Bhimani
Company Secretary

Place: Ahmedabad
Date: May 18, 2023

Standalone Statement of Profit and Loss

For the year ended March 31, 2023

(₹ in Crores)

Particulars	Note	Year Ended March 31, 2023	Year Ended March 31, 2022
I INCOME			
(a) Revenue from operations	18	**7,722.69**	7,435.71
(b) Other income	19	**51.41**	63.70
TOTAL INCOME		**7,774.10**	7,499.41
II EXPENSES			
(a) Cost of raw materials and accessories consumed	20	**3,917.70**	4,190.51
(b) Purchase of stock-in-trade	21	**156.87**	104.02
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	22	**87.45**	(511.19)
(d) Project expenses		**36.32**	163.78
(e) Employee benefits expense	23	**757.11**	663.86
(f) Finance costs	24	**154.56**	166.70
(g) Depreciation and amortisation expense	25	**208.49**	203.24
(h) Other expenses	26	**2,069.93**	2,054.16
TOTAL EXPENSES		**7,388.43**	7,035.08
III PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX FROM CONTINUING OPERATIONS (I-II)		**385.67**	464.33
IV Exceptional items	27	**(28.51)**	241.37
V PROFIT BEFORE TAX FROM CONTINUING OPERATIONS (III-IV)		**414.18**	222.96
VI Tax expense	28		
(a) Current tax		**90.88**	20.00
(b) Short provision related to earlier years		**9.13**	13.82
(c) Deferred tax (Credit)/ charge		**(37.78)**	111.99
Total tax expense		**62.23**	145.81
VII PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS (V-VI)		**351.95**	77.15
VIII LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS	46	**(7.54)**	(28.15)
IX Tax Credit of Discontinued Operations		**1.50**	10.30
X LOSS FROM DISCONTINUED OPERATIONS AFTER TAX (VIII+IX)		**(6.04)**	(17.85)
XI PROFIT BEFORE TAX FROM CONTINUING AND DISCONTINUED OPERATIONS (V+VIII)		**406.64**	194.81
XII Tax Expense of Continuing and Discontinued Operations (VI-IX)		**60.73**	135.51
XIII Profit for the period (XI-XII)		**345.91**	59.30
XIV Other comprehensive income/(Loss)			
A Items that will not be reclassified to Profit and Loss			
(i) Equity Instruments through Other Comprehensive Income (FVOCI)		**0.13**	-
(ii) Remeasurement gain/(loss) of defined benefit plans		**4.53**	(0.57)
(iii) Income tax related to items no. (i) & (ii) above		**(1.14)**	0.20
Net other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods		**3.52**	(0.37)
B Items that will be reclassified to Profit and Loss			
(i) Effective portion of gain on cash flow hedges		**(24.29)**	5.69
(ii) Income tax related to items no. (i) above		**6.11**	(1.99)
Net other comprehensive income/(loss) that will be reclassified to profit or loss in subsequent periods		**(18.18)**	3.70
TOTAL OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF TAX (XIV) = (A+B)		**(14.66)**	3.33
XV TOTAL COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX (XIII+XIV)		**331.25**	62.63
XVI Earning per equity share [nominal value per share ₹ 10]	36		
Continuing Operations :			
- Basic		**13.49**	2.97
- Diluted		**13.46**	2.96
Discontinued Operations :			
- Basic		**(0.23)**	(0.69)
- Diluted		**(0.23)**	(0.69)
Continuing and Discontinued Operations :			
- Basic		**13.26**	2.28
- Diluted		**13.23**	2.27

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Kartikeya Raval
Partner
Place: Ahmedabad
Date: May 18, 2023

For and on behalf of the Board of Directors of Arvind Limited

Sanjay S. Lalbhai
Chairman & Managing Director
DIN: 00008329

Jayesh K. Shah
Director & Group Chief Financial Officer
DIN: 00008349

R. V. Bhimani
Company Secretary

Place: Ahmedabad
Date: May 18, 2023

Standalone Statement of Cash Flows

For the year ended March 31, 2023

(₹ in Crores)

	Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
A	**Cash Flow from Operating activities**				
	Profit after taxation		**345.91**		59.30
	Adjustments to reconcile profit after tax to net cash flows:				
	Depreciation and Amortization expense	**210.95**		213.44	
	Interest Income	**(12.70)**		(18.65)	
	Tax Expense	**67.35**		52.64	
	Finance Costs	**154.63**		166.70	
	Dividend Income	**(4.50)**		(4.00)	
	Receivable other than trade write off	**-**		6.96	
	Bad Debts Written off	**1.04**		0.49	
	Sundry Debits Written off	**1.21**		1.22	
	Share of Loss from LLP	**30.38**		0.67	
	Provision for Non moving inventory	**28.99**		28.25	
	Foreign Exchange Gain	**(5.59)**		(0.41)	
	Profit on Sale of Property, plant and equipment	**(4.09)**		(7.67)	
	Gain on Termination/Transfer of Leases	**(0.42)**		-	
	Excess Provision written back	**(0.27)**		-	
	Share based payment expense	**1.79**		2.11	
	Government grant income	**(8.91)**		(7.54)	
	Gain of Mark to market of derivative financial instruments	**(0.36)**		(0.76)	
	Provision/(Reversal of provision) for Diminution in Value of Investments	**(0.09)**		261.21	
	Allowances for doubtful loan	**23.92**		52.45	
	Investment written off	**10.18**		-	
	Loss on Sale of Investments	**52.53**		1.39	
	Financial guarantee commission income	**(1.17)**		(1.07)	
	Profit on Sale of Undertaking	**(152.06)**		-	
			392.81		747.43
	Operating Cash Flow before Working Capital Changes		**738.72**		806.73
	Adjustments for changes in working capital :				
	(Increase) / Decrease in Inventories	**500.82**		(911.09)	
	(Increase) / Decrease in trade receivables	**211.60**		(134.56)	
	(Increase) / Decrease in other financial assets	**7.75**		22.47	
	(Increase) / Decrease in other current assets	**122.16**		(147.77)	
	Increase / (Decrease) in trade payables	**(1,020.65)**		789.03	
	Increase / (Decrease) in other financial liabilities	**23.80**		11.02	
	Increase / (Decrease) in other current liabilities	**59.93**		111.42	
	Increase / (Decrease) in provisions	**2.54**		3.06	
	Net Changes in Working Capital		**(92.05)**		(256.42)
	Cash Generated from Operations		**646.67**		550.31
	Direct Taxes Paid (Net)		**(83.56)**		(29.90)
	Net Cash Flow from Operating Activities (A)		**563.11**		520.41
B	**Cash Flow from Investing Activities**				
	Purchase of Property, plant and equipment and intangible assets	**(181.33)**		(183.00)	
	Proceeds from disposal of Property, plant and equipment	**24.85**		39.02	
	Purchase of Investments	**(34.76)**		(144.22)	
	Proceeds from disposal of Investments	**108.36**		12.06	
	Changes in other bank balances not considered as cash and cash equivalents	**(1.26)**		0.55	
	Loans Repaid/(Given) (Net)	**(1.46)**		136.19	
	Dividend Received	**4.50**		4.00	
	Interest Received	**21.85**		20.24	
	Net Cash Flow used in Investing Activities (B)		**(59.25)**		(115.16)

Standalone Statement of Cash Flows

For the year ended March 31, 2023 (Contd.)

(₹ in Crores)

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
C Cash Flow from Operating activities				
Proceeds from Issue of Share Capital	**3.28**		5.62	
Proceeds from long term Borrowings	**-**		100.00	
Repayment of long term borrowings	**(287.26)**		(498.00)	
Proceeds/(Repayment) from short term borrowings (Net)	**(59.67)**		197.62	
Repayment towards Lease Liabilities	**(19.83)**		(21.70)	
Interest Paid	**(147.65)**		(160.53)	
Net Cash Flow used in Financing Activities (C)		**(511.13)**		(376.99)
Net Increase/(Decrease) in cash and cash equivalents (A)+(B)+(C)		**(7.27)**		28.26
Cash and Cash equivalent at the beginning of the year		**36.76**		8.50
Cash and Cash equivalent at the end of the year		**29.49**		36.76

Reconciliation of cash and cash equivalents

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Cash and cash equivalents :		
Cash on Hand	**0.00**	0.00
Balances with Banks	**29.49**	36.76
Cash and cash equivalents as per Cash flow Statement	**29.49**	36.76

See accompanying notes forming part of the financial statements

Disclosure under Para 44A as set out in Ind AS 7 on cash flow statements under Companies (Indian Accounting Standards) Rules, 2015 (as amended)

Particulars of liabilities arising from financing activity	Note No.	As at March 31, 2022	Net cash flows	Non Cash Changes		As at March 31, 2023
				Other changes*	Impact due to IndAS 116	
Borrowings :						
Long term borrowings	14 (a)	915.22	(287.26)	(6.23)	-	621.73
Short term borrowings	14 (a)	798.18	(59.67)	-	-	738.51
Interest accrued on borrowings	14 (c)	8.64	(8.64)	7.94	-	7.94
Lease Liabilities	38	69.11	(19.83)	-	10.63	59.91
Total		**1,791.15**	**(375.40)**	**1.71**	**10.63**	**1,428.09**

* The same relates to amount charged in statement of profit and loss.

Notes:

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.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Kartikeya Raval
Partner

Place: Ahmedabad
Date: May 18, 2023

For and on behalf of the Board of Directors of Arvind Limited

Sanjay S. Lalbhai
Chairman & Managing Director
DIN: 00008329

Jayesh K. Shah
Director & Group Chief Financial Officer
DIN: 00008349

R. V. Bhimani
Company Secretary

Place: Ahmedabad
Date: May 18, 2023

Standalone Statement of Changes in Equity

For the year ended March 31, 2023

(₹ in Crores)

A. Equity share capital

Particulars	Balance at the beginning of the reporting year	Changes in Equity Share Capital during the year	Balance at the end of the reporting year
For the year ended March 31, 2022	258.92	1.67	260.59
For the year ended March 31, 2023	260.59	0.91	261.50

B. Other equity

Particulars	Reserves and Surplus							Items of Other Comprehensive Income		Total other equity
	Capital Reserve	Share based payment reserve	Capital Redemption Reserve	Securities premium	Amalg-amation Reserve	General Reserve	Retained Earnings	Effective portion of gain or loss on cash flow hedges	Equity Instru-ments through Other Compr-ehensive Income (FVOCI)	
Balance as at April 1, 2021	**(29.30)**	**11.89**	**69.50**	**563.03**	**34.20**	**85.65**	**1,938.27**	**8.35**	**0.49**	**2,682.08**
Profit for the year	-		-	-	-	-	59.30	-	-	59.30
Other comprehensive income for the year	-	-	-	-	-	-	(0.37)	3.70	-	3.33
Total Comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**58.93**	**3.70**	**-**	**62.63**
Add: Issue of Shares under Employee Stock Option Scheme	-	2.10	-	3.95	-	-	-	-	-	6.05
Add / (Less) : Transfer from share based payment reserve	-	-	-	2.23	-	-	-	-	-	2.23
Add / (Less) : Transfer to securities premium	-	(2.23)	-	-	-	-	-	-	-	(2.23)
Balance as at March 31, 2022	**(29.30)**	**11.76**	**69.50**	**569.21**	**34.20**	**85.65**	**1,997.20**	**12.05**	**0.49**	**2,750.76**
Balance as at April 1, 2022	**(29.30)**	**11.76**	**69.50**	**569.21**	**34.20**	**85.65**	**1,997.20**	**12.05**	**0.49**	**2,750.76**
Profit for the year	-	-	-	-		-	345.91	-	-	345.91
Other comprehensive income for the year	-	-	-	-		-	3.39	(18.18)	0.13	(14.66)
Total Comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**349.30**	**(18.18)**	**0.13**	**331.25**
Add: Issue of Shares under Employee Stock Option Scheme	-	1.78	-	2.37	-	-	-	-	-	4.15
Add / (Less) : Transfer from share based payment reserve	-	-	-	1.63	-	10.77	-	-	-	12.40
Add / (Less) : Transfer to securities premium	-	(1.63)	-	-	-	-	-	-	-	(1.63)
Add / (Less) : Transfer to general reserve	-	(10.77)	-	-	-	-	-	-	-	(10.77)
Add / (Less) : Loss on sale of Investments (Refer Note 13)	(51.30)	-	-	-	-		-	-	-	(51.30)
Balance as at March 31, 2023	**(80.60)**	**1.14**	**69.50**	**573.21**	**34.20**	**96.42**	**2,346.50**	**(6.13)**	**0.62**	**3,034.86**

See accompanying notes forming part of the financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Kartikeya Raval
Partner
Place: Ahmedabad
Date: May 18, 2023

For and on behalf of the Board of Directors of Arvind Limited

Sanjay S. Lalbhai
Chairman & Managing Director
DIN: 00008329

Jayesh K. Shah
Director & Group Chief Financial Officer
DIN: 00008349

R. V. Bhimani
Company Secretary

Place: Ahmedabad
Date: May 18, 2023

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

1. CORPORATE INFORMATION

Arvind Limited ('the Company') is one of India's leading vertically integrated textile company with the presence of almost eight decades in this industry. It is among the largest denim manufacturers in the world. It also manufactures a range of cotton shirting, denim, knits and bottom weights (Khakis) fabrics and Jeans and Shirts Garments. The Company also has the presence in Telecom business directly and through its subsidiaries and joint venture companies. The Company has made foray into Technical Textiles on its own and in joint venture with leading global players.

The Company is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 2013 ("the Act" erstwhile Companies Act, 1956) applicable in India. Its equity shares are listed on the National Stock Exchange ("NSE") and the BSE Limited. The registered office of the Company is located at Naroda Road, Ahmedabad - 380025.

The financial statements have been considered and approved by the Board of Directors at their meeting held on May 18, 2023.

2. Statement of Compliance and Basis of Preparation:

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.

These financial statements comprising of Balance Sheet, Statement of Profit and Loss 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 Ind AS as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Rounding of amounts

The financial statements are presented in Indian Rupee ("INR") and all values are rounded to the nearest crore as per the requirement of Schedule III, except when otherwise indicated. Figures less than ₹ 50,000 which are required to be shown separately, have been shown actual in brackets.

3. Summary of Significant Accounting Policies

3.1. Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the 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 after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

Non-Current Assets classified as held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

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.

Following are significant estimates (For details refer note 4.1)

- Taxes
- Useful life of Property, plant and equipment and Intangible Assets
- Provisions and contingencies
- Defined benefit plans

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. Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Company entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent to its settlement is accounted for within equity.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit and loss statement. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

Business Combination under Common Control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory. The transactions between entities under common control are specifically covered by Appendix C of Ind AS 103. Such transactions are accounted for using the pooling-of-interest method. The assets and liabilities of the acquired entity are recognised at their carrying amounts of the parent entity's consolidated financial statements with the exception of certain income tax and deferred tax assets. No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies. The components of equity of the acquired companies are added to the same components within the Company's equity. The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to other equity and is presented separately from other capital reserves. The Company's shares issued in consideration for the acquired companies are recognized from the moment the acquired companies are included in these financial statements and the financial statements of the commonly controlled entities would be combined, retrospectively, as if the transaction had occurred at the beginning of the earliest reporting period presented.

3.4. Foreign currencies

The Company's functional and presentation currency is Indian Rupee. Transactions in foreign currencies are initially recorded by the Company's functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement of such transaction and on translation of monetary assets and liabilities denominated in foreign

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For the year ended March 31, 2023

currencies at year end exchange rate are recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

3.5. Fair value measurement

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

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

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company’s management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and for non-recurring measurement, such as asset held for sale.

External valuers are involved for valuation of significant assets, such as properties. Involvement of external valuers is decided upon annually by the management after discussion with and approval by the Company’s Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Management decides, after discussions with the Company’s external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company’s accounting policies. For this analysis, management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

Management, in conjunction with the Company’s external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable on yearly basis.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

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This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Significant accounting judgements, estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Property, plant and equipment & Intangible assets measured at fair value on the date of transition
- Investment properties
- Financial instruments (including those carried at amortised cost)

3.6. Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of Property, plant and equipment are required to be replaced at intervals, the company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

The Company adjusts exchange differences arising on translation difference / settlement of long-term foreign currency monetary items outstanding as at March 31, 2016, pertaining to the acquisition of a depreciable asset, to the cost of asset and depreciates the same over the remaining life of the asset.

Borrowing cost relating to acquisition / construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Capital work-in-progress comprises cost of fixed assets that are not yet installed and ready for their intended use at the balance sheet date.

De-recognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is de-recognised.

Depreciation

The carrying value of the property, plant and equipment as on April 1, 2014 are depreciated over remaining useful life of the assets based on independent technical evaluation carried out by external valuer.

Depreciation on property, plant and equipment is provided so as to write off the cost of assets less residual values over their useful lives of the assets, using the straight line method as prescribed under Part C of Schedule II to the Companies Act 2013 except for Plant and Machinery (other than Lab equipment, Power generation plant, Electrical installations, Wind power generation plant and Engineering Equipments which are depreciated as per schedule II of the Companies act, 2013) and Leasehold Improvements.

When parts of an item of property, plant and equipment have different useful life, they are accounted for as separate items (Major Components) and are depreciated over their useful life or over the remaining useful life of the principal assets whichever is less.

Depreciation on Plant and Machinery (other than Lab equipment, Power generation plant, Electrical installations, Wind power generation plant and Engineering Equipments) and Leasehold Improvements are provided on straight-line basis over the useful lives of the assets as estimated by management based on technical assessment of the assets, the estimated usage of the assets, nature of assets, operating condition of the assets, maintenance supports and anticipated technological changes required in the assets. The management estimates the useful lives as follows

Particulars	Useful Life
Plant and Machinery (other than Lab equipment, Power generation plant, Electrical installations, Wind power generation plant and Engineering Equipments)	10 to 30 Years
Leasehold Improvements	Over the period of agreement

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The management believes that the useful life as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II to the Companies Act 2013.

Depreciation for assets purchased/sold during a period is proportionately charged for the period of use.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.7. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right of use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term. The right of use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments are fixed payments. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

3.8. Borrowing cost

Borrowing cost includes interest expense as per Effective Interest Rate (EIR) and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. Where funds are borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance a project, the income generated from such current investments is

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deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the company during the year. Capitalisation of borrowing costs is suspended and charged to profit and loss during the extended periods when the active development on the qualifying assets is interrupted.

All other borrowing costs are expensed in the period in which they occur.

3.9. Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

An investment property is derecognised on disposal or on permanently withdrawal from use or when no future economic benefits are expected from its disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

Transfers are made to (or from) investment property only when there is a change in use. Transfers between investment property, owner-occupied property and inventories are at carrying amount of the property transferred. Depreciation on Investment property is provided on the straight line method over useful lives of the assets as prescribed under Part C of Schedule II to the Companies Act 2013.

3.10. Intangible Assets

Intangible Assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially:

- for assets acquired in a business combination at fair value on the date of acquisition
- for separately acquired assets, at cost comprising the purchase price and directly attributable costs to prepare the asset for its intended use.

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are charged to the Statement of Profit and Loss unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalised.

Following initial recognition, Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is recognised in the Statement of Profit and Loss in the period in which expenditure is incurred.

The useful lives of intangible assets are assessed as finite.

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Amortisation

Software is amortized over management estimate of its useful life of 5 years or License Period whichever is lower and Patent/Knowhow is amortized over its useful validity period. Website is amortized over 5 years.

3.11. Inventories

Inventories of Raw material, Work-in-progress, Finished goods and Stock-in-trade are valued at the lower of cost and net realisable value. However, Raw material and other items held for use in the production of inventories are not written

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down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- **Raw materials and accessories:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- **Finished goods and work in progress:** cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.
- **Traded goods:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

All other inventories of stores, consumables, project material at site are valued at cost. The stock of waste is valued at net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

3.12. Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Company. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecasts which are prepared separately for each of the Company's CGU to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses, including impairment on inventories, are recognised in the Statement of Profit and Loss in those expense categories consistent with the function of the impaired asset, except for a property previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

3.13. Revenue Recognition

Revenue from contracts with customers is recognised on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration

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is estimated base on the expected value of outflow. Revenue (net of variable consideration) is recognised only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Revenue from sale of products is recognised when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

Sale of goods – customer loyalty programme (deferred revenue)

The Company operates a loyalty points programme which allows customers to accumulate points when they purchase the products. The points can be redeemed for free products, subject to a minimum number of points being obtained. Consideration received is allocated between the product sold and the points issued, with the consideration allocated to the points equal to their fair value. Fair value of the points is determined by applying a statistical analysis. The fair value of the points issued is deferred and recognised as revenue when the points are redeemed.

Export Incentive

Export incentives under various schemes notified by government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Interest Income

Interest income from debt instruments are recorded using the effective interest rate (EIR) and accrued on timely basis. The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss.

Dividend Income

Dividend income from investments is recognised when the Company's right to receive is established which generally occurs when the shareholders approve the dividend.

Profit or loss on sale of Investments

Profit or Loss on sale of investments are recorded on transfer of title from the Company, and is determined as the difference between the sale price and carrying value of investment and other incidental expenses.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms except in the case where incremental lease reflects inflationary effect and rental income is accounted in such case by actual rent for the period.

Insurance claims

Insurance claims are accounted for to the extent the Company is reasonably certain of their ultimate collection.

3.14. Financial instruments – initial recognition and subsequent measurement

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments. For recognition and measurement of financial assets and financial liabilities, refer policy as mentioned below:

Initial recognition of financial assets and financial liabilities:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Subsequent measurement of financial assets:

For purposes of subsequent measurement, financial assets are classified in four categories:

(a) Financial assets at amortised cost

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

(c) Financial assets at fair value through profit or loss (FVTPL)

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(d) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

(a) Financial assets at amortised cost:

A financial asset is measured at amortised cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss.

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

A financial asset is measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting 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 payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets included within the FVTOCI category are measured at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI financial asset is reported as interest income using the EIR method.

(c) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable of financial assets at fair value through profit or loss are immediately recognised profit or loss.

The Company may elect to designate a financial asset, which otherwise meets amortized cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

(d) Equity instruments:

All equity investments in scope of Ind AS 109 other than Investment in subsidiaries, Joint Ventures and Associates are measured at fair value. Equity instruments which are held for trading, are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Equity Investment in subsidiaries, Joint Ventures and Associates are measured at cost as per Ind AS 27 - Separate Financial Statements.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Impairment of financial assets

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses (ECL) are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECL are measured

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at an amount equal to the 12 months ECL, unless there has been significant increase in credit risk from initial recognition in which case these are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in Statement of Profit and Loss.

Derecognition of financial assets

Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership.

Concomitantly, if the asset is one that is measured at:

(a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;

(b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Reclassification

When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

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

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit or Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received, net of direct issue costs.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

Derivatives and Hedge Accounting

Derivatives are initially recognised at fair value and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gains / losses is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of recognition in profit or loss / inclusion in the initial cost of non-financial asset depends on the nature of the hedging relationship and the nature of the hedged item.

The Company complies with the principles of hedge accounting where derivative contracts are designated as hedge instruments. At the inception of the hedge relationship, the Company documents the relationship between the hedge instrument and the hedged item, along with the risk management objectives and its strategy for undertaking hedge transaction, which can be a fair value hedge or a cash flow hedge.

(i) Fair value hedges

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in fair value of the hedged item attributable to the hedged risk are recognised in the Statement of Profit and Loss in the line item relating to the hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

(ii) Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income and accumulated as 'Cash Flow Hedging Reserve'. The gains / losses relating to the ineffective portion is recognised in the Statement of Profit and Loss.

Amounts previously recognised and accumulated in other comprehensive income are reclassified to profit or loss when the hedged item affects the Statement of Profit and Loss. However, when the hedged item results in the recognition of a non-financial asset, such gains / losses are transferred from equity (but not as reclassification adjustment) and included in the initial measurement cost of the non-financial asset.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gains/losses recognised in other comprehensive income and accumulated in equity at that time remains in equity and is reclassified when the underlying transaction is ultimately recognised. When an underlying transaction is no longer expected to occur, the gains / losses accumulated in equity is recognised immediately in the Statement of Profit and Loss.

3.15. Cash and cash equivalent

Cash and cash equivalent in the balance sheet includes cash on hand, at banks 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 cash flows statement, cash and cash equivalents includes cash, short-term deposits, as defined above, other short-term and highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value adjusted

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

for outstanding bank overdrafts as they are considered an integral part of the Company's cash management. Bank Overdrafts are shown within Borrowings in current liabilities in the balance sheet.

3.16. Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised in Statement of Profit or Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset by equal annual installments.

3.17. Taxes

Tax expense comprises of current income tax and deferred tax.

Current income tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.18. Employee Benefits

(a) Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. and the same are recognised in the period in which the employee renders the related service.

(b) Post-Employment Benefits

(i) Defined contribution plan

The Company's approved provident fund scheme, superannuation fund scheme, employees' state insurance fund scheme and Employees' pension scheme are defined contribution plans. The Company has no obligation, other than the contribution paid/payable under such schemes. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the related service.

(ii) Defined benefit plan

The employee's Gratuity fund scheme and Compensatory Pension Scheme are Company's defined benefit plans.

The present value of the obligation under Defined benefit schemes is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on the net basis.

(c) Other long term employment benefits

The employee's long term compensated absences are Company's defined benefit plans. The present value of the obligation is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation, to recognise the obligation on the net basis.

(d) Termination Benefits

Termination benefits such as compensation under voluntary retirement scheme are recognised in the year in which termination benefits become payable.

3.19. Share-based payments

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Cash-settled transactions

In case of cash-settled transactions, a liability is recognised for the fair value of cash-settled transactions. The fair value is measured initially and at each reporting date up to and including the settlement date, with changes in fair value recognised in employee benefits expense. The fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The fair value is determined with the assistance of an external valuer.

3.20. Earnings per share (EPS)

Basic EPS is computed by dividing the net profit / loss for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is computed by dividing the net profit / loss attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year adjusted for the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the standalone financial statements by the Board of Directors.

3.21. Dividend

The Company recognises a liability (including tax thereon) to make cash or non-cash distributions to equity shareholders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the Statement of Profit and Loss.

3.22. Provisions and Contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When the Company expects some or all of a provision to be reimbursed from third parties, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

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 recognised as a finance cost.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

3.23. Non-current assets held for sale/ distribution to owners and discontinued operations

The Company classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

An impairment loss is recognised for any initial or subsequent write-down of the assets to fair value less cost to sell. A gain is recognised for any subsequent increases in the fair value less cost to sell of an assets but not in excess of the cumulative impairment loss previously recognised, A gain or loss previously not recognised by the date of sale of the non-current assets is recognised on the date of de-recognition.

Property, plant and equipment and intangible assets once classified as held for sale/ distribution to owners are not depreciated or amortised.

A discontinued operation qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- Is a subsidiary acquired exclusively with a view to resale

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

3.24. Segment Reporting

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

3.25. Research and Development

Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets. Internally

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

generated brands and customer lists are not recognised as intangible assets.

4. Critical accounting 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

(a) Taxes

The Company has ₹ NIL crores (March 31, 2022: ₹ 36.20 crores) of tax credits carried forward. The Company has taxable temporary difference and tax planning opportunities available that could partly support the recognition of these credits as deferred tax assets. On this basis, the Company has determined that it can recognise deferred tax assets on the tax credits carried forward.

Further details on taxes are disclosed in note 28.

(b) Useful life of Property, plant and equipment and Intangible Assets

Property, plant and equipment represent a significant proportion of the asset base of the Company. The depreciation charge with respect to such assets is derived based on the estimated useful life of the asset and its residual value. The useful life and residual value of an asset is reviewed at the end of each reporting period.

(c) Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS. A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

The Company has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability (Refer note 15 and 30).

(d) Defined benefit plans

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

Further details about defined benefit obligations are provided in note 34.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 5 : Property, plant and equipment

Particulars	Freehold land	Leasehold land	Building	Plant & Machinery	Furniture & fixture	Vehicles	Lease hold Improve ments	Office Equipment	Computer, server & network	Total
Gross Carrying Amount										
As at April 1, 2021	**1,135.84**	**182.66**	**592.69**	**1,963.92**	**82.05**	**45.07**	**30.94**	**34.57**	**47.69**	**4,115.43**
Additions	47.37	-	24.68	126.28	0.90	12.95	-	0.73	1.52	214.43
Transfer from Investment Properties	2.24	-	6.59	-	-	-	-	-	-	8.83
Transfer to Investment Properties	60.09	-	-	-	-	-	-	-	-	60.09
Transferr to Assets Held for Sale	15.07	-	-	-	-	-	-	-	-	15.07
Transfer to Stock In Trade (Refer note 3 below)	122.49	-	-	-	-	-	-	-	-	122.49
Deductions	-	-	2.11	14.17	2.70	6.54	2.20	0.75	2.64	31.11
As at April 1, 2022	**987.80**	**182.66**	**621.85**	**2,076.03**	**80.25**	**51.48**	**28.74**	**34.55**	**46.57**	**4,109.93**
Additions	1.44	-	3.17	147.34	1.50	16.79	0.53	1.36	3.39	175.52
Transfer from Investment Properties	-	-	0.52	-	-	-	-	-	-	0.52
Deletion due to Slump Sale (Refer note 46)	-	-	-	-	0.49	0.09	0.06	1.39	5.14	7.17
Deductions	-	-	1.27	21.53	3.97	6.13	-	0.13	0.06	33.09
As at March 31, 2023	**989.24**	**182.66**	**624.27**	**2,201.84**	**77.29**	**62.05**	**29.21**	**34.39**	**44.76**	**4,245.71**
Accumulated Depreciation and Impairment										
As at April 1, 2021	**-**	**-**	**136.78**	**699.40**	**39.16**	**19.09**	**26.59**	**26.12**	**34.65**	**981.79**
Depreciation for the year	-	-	25.62	132.63	7.16	5.28	1.89	2.71	3.97	179.26
Transfer from Investment Properties	-	-	0.42	-	-	-	-	-	-	0.42
Deductions	-	-	0.29	7.96	1.44	3.58	2.04	0.70	2.46	18.47
As at April 1, 2022	**-**	**-**	**162.53**	**824.07**	**44.88**	**20.79**	**26.44**	**28.13**	**36.16**	**1,143.00**
Depreciation for the year	-	-	26.23	139.75	6.73	5.96	0.47	2.05	2.98	184.17
Transfer from Investment Properties	-	-	0.09	-	-	-	-	-	-	0.09
Deletion due to Slump Sale (Refer note 46)	-	-	-	-	0.30	0.09	0.06	1.32	4.33	6.10
Deductions	-	-	0.21	9.68	2.68	3.45	-	0.12	0.05	16.19
As at March 31, 2023	**-**	**-**	**188.64**	**954.14**	**48.63**	**23.21**	**26.85**	**28.74**	**34.76**	**1,304.97**
Net Carrying Amount										
As at March 31, 2023	**989.24**	**182.66**	**435.63**	**1,247.70**	**28.66**	**38.84**	**2.36**	**5.65**	**10.00**	**2,940.74**
As at April 1, 2022	987.80	182.66	459.32	1,251.96	35.37	30.69	2.30	6.42	10.41	2,966.93

Notes :

1. Buildings includes ₹ 1.03 crores (Previous year ₹ 1.56 crores) in respect of ownership flats in Co-Operative Housing Society and ₹ 500/- (Previous year ₹ 500/-) in respect of shares held in Co-Operative Housing Society.

2. For Properties pledged as security, refer note 14 (a).

3. During the year , Freehold Land of ₹ NIL Crores (Previous Year ₹ 122.49 Crores) is transferred to Stock In Trade.

4. During the previous year, the Company has purchased car for two of the directors for various business purposes. For the sake of convenience and administrative purposes, the Company requested the directors to allow their name to be used for vehicle registration only. The Company has not paid or compensated the directors for allowing use of their name. The purchase consideration will be paid by the Company and the Company shall enjoy all the benefits and shall claim the depreciation on the said car in its books.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 5 : Property, plant and equipment (Contd)

5. Title deeds of immovable properties not held in the name of the company.

Particulars	Gross Value of property	Title deed held in the name of	Wheter Promoter, director or their relative or employee	Property held since	Reason for not being held in the name of the company
As at March 31, 2023					
Land	53.56	**Merged Companies**-Rohit Mills Limited, Arvind Brands Limited, Dholka Textile Park Private Limited, Arvind Fashions Limited and Arvind Cotspin Limited. **Other Parties-**Ganga Co-Operative Housing Society Limited, Mahendra C Shah, Anokhee Parikh. Neenaben Parikh, Aneri Parikh and Ketan Maliaya	No	Various dates Since October 1, 1998	**Merged Companies-** The title deeds are in the name of Companies which were merged with the Arvind Limited under scheme of amalgamation sanctioned by National Company Law Tribunal. **Other Parties-** The Company is in process to register title deed in its name.
Building	1.70	**Merged Companies-** Arvind Brands and Retail Limited **Other Parties-** Anagram Finance	No	Various dates Since October 1, 1997	

Note 5 (a) : Ageing of Capital Work-in-progress

Particulars	< 1 year	>1 year but < 2 years	>2 year but < 3 years	more than 3 years	Total
As at March 31, 2023					
Project in Progress	71.61	1.13	-	4.00	76.74
	71.61	**1.13**	**-**	**4.00**	**76.74**
As at March 31, 2022					
Project in Progress	36.84	0.63	-	4.00	41.47
	36.84	**0.63**	**-**	**4.00**	**41.47**

1. Company is in process to execute deeds for the following lands in the name of the company as at March 31, 2023.

Particulars	Gross Value of property	Title deed held in the name of	Wheter Promoter, director or their relative or employee	Property held since	Reason for not being held in the name of the company
Land	4.00	Mahendra C. Shah	No	Various dates Since March 2010	The Company is in process to register title deed in its name.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 6 : Investment properties

Particulars	Land	Building	Total
Gross Carrying Amount			
As at April 1, 2021	**21.44**	**9.89**	**31.33**
Transfer from Property, plant and equipment (Refer Note 5)	60.09	-	60.09
Transfer from Assets held for sale	87.09	-	87.09
Transfer to Property, plant and equipment (Refer Note 5)	2.24	6.59	8.83
As at April 1, 2022	**166.38**	**3.30**	**169.68**
Additions	0.69	0.03	0.72
Transfer to Property, plant and equipment (Refer Note 5)	-	0.52	0.52
As at March 31, 2023	**167.07**	**2.81**	**169.88**
Accumulated Depreciation			
As at April 1, 2021	**-**	**0.80**	**0.80**
Depreciation for the year	-	0.31	0.31
Transfer to Property, plant and equipment (Refer Note 5)	-	0.42	0.42
As at April 1, 2022	**-**	**0.69**	**0.69**
Depreciation for the year	-	0.10	0.10
Transfer to Property, plant and equipment (Refer Note 5)	-	0.09	0.09
As at March 31, 2023	**-**	**0.70**	**0.70**
Net Carrying Amount			
As at March 31, 2023	**167.07**	**2.11**	**169.18**
As at April 1, 2022	166.38	2.61	168.99

Notes :

(1) Information regarding income and expenditure of Investment property

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rental income derived from Investment properties	**2.35**	2.80
Less: Direct operating expenses (including repairs and maintenance)	**0.07**	0.02
Profit arising from investment properties before depreciation	**2.28**	2.78
Less : Depreciation	**0.10**	0.31
Profit arising from investment properties	**2.18**	2.47

(2) Fair value of the Investment properties

Fair value of the Investment properties are as under.

Particulars	Land	Building	Total
Balance as at April 1, 2021	27.98	12.57	40.55
Add : Fair value difference for the year	1.46	0.36	1.82
Asset transfer to Property, plant and equipment	2.90	5.86	8.76
Asset transfer from Property, plant and equipment	345.54	-	345.54
Balance as at March 31, 2022	**372.08**	**7.07**	**379.15**
Balance as at April 1, 2022	372.08	7.07	379.15
Add : Fair value difference for the year	96.74	(1.02)	95.72
Asset transfer to Property, plant and equipment	-	0.96	0.96
Balance as at March 31, 2023	**468.82**	**5.09**	**473.91**

The fair value of the properties are based on report of Government Approved Valuer.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 6 : Investment properties (Contd)

(3) Title deeds of Investment properties not held in the name of the company as at March 31, 2023.

Particulars	Gross Value of property	Title deed held in the name of	Wheter Promoter, director or their relative or employee	Property held since	Reason for not being held in the name of the company
Land	5.77	Mahendra C Shah, Anokhee Parikh. Neenaben Parikh and Sanabhai Patel	No	Various dates Since April 1999	The Company is in process to register title deed in its name.

(4) Building Includes ₹ NIL Crores (Previous Year ₹ 0.12 Crores) in respect of ownership flats in Co-Operative Housing Society.

(5) For Properties pledged as security, refer note 14 (a)

Note 7 : Intangible assets

Particulars	Computer Software	Patent & Technical Know How	Distribution Netwok	Website (Refer note (i))	Total
Gross Carrying Amount					
As at April 1, 2021	**100.34**	**25.91**	**-**	**71.36**	**197.61**
Additions	0.70	-	14.92	-	15.62
Deductions	1.62	-	-	-	1.62
As at March 31, 2022	**99.42**	**25.91**	**14.92**	**71.36**	**211.61**
Additions	0.83	-	-	-	0.83
Deletion due to Slump Sale (Refer note 46)	7.79	-	-	71.36	79.15
Deductions	0.84	-	-	-	0.84
As at March 31, 2023	**91.62**	**25.91**	**14.92**	**-**	**132.45**
Accumulated Depreciation					
As at April 1, 2021	**66.58**	**24.95**	**-**	**61.90**	**153.43**
Amortisation for the year	12.63	0.16	0.21	7.71	20.71
Deductions	1.62	-	-	-	1.62
As at March 31, 2022	**77.59**	**25.11**	**0.21**	**69.61**	**172.52**
Amortisation for the year	10.19	0.16	2.49	1.77	14.61
Deletion due to Slump Sale (Refer note 46)	5.03	-	-	71.38	76.41
Deductions	0.80	-	-	-	0.80
As at March 31, 2023	**81.95**	**25.27**	**2.70**	**-**	**109.92**
Net Carrying Amount					
As at March 31, 2023	**9.67**	**0.64**	**12.22**	**-**	**22.53**
As at April 1, 2022	21.83	0.80	14.71	1.75	39.09

Note : (i) Website consist of development cost capitalised being an internally generated intangible asset.
(ii) For Properties pledged as security, refer note 14 (a)

Note 7 (a) : Ageing of Intangible assets under development

Particulars	< 1 year	>1 year but < 2 years	>2 year but < 3 years	more than 3 years	Total
As at March 31, 2023					
Project in Progress	1.14	-	-	-	1.14
	1.14	**-**	**-**	**-**	**1.14**
As at March 31, 2022					
Project in Progress	0.14	-	-	-	0.14
	0.14	**-**	**-**	**-**	**0.14**

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 8 : Financial assets

8 (a) Investments

Particulars	Face Value per Share (in ₹ unless otherwise stated)	No. of Shares/unit		Amount	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
(a) Investment in equity shares (fully paid up):					
I. Subsidiaries - measured at cost (unquoted) :					
Syntel Telecom Limited	10	**50,000**	50,000	**0.05**	0.05
Arvind Envisol Limited (Formerly known as 'Arvind Accel Limited')*	10	**2,10,000**	2,10,000	**11.96**	11.52
Arvind Worldwide Inc., Delaware (Shares without par value)		**502**	502	**0.08**	0.08
Arvind Worldwide(M) Inc., Mauritius	100 USD	**54,840**	54,840	**0.01**	0.01
Less: Provision for Impairment				**(0.01)**	(0.01)
				-	-
Arvind Spinning Limited (Shares without par value)		**8,24,099**	8,24,099	**0.08**	0.08
Less: Provision for Impairment				**(0.08)**	(0.08)
				-	-
Arvind Overseas (M) Inc., Mauritius	100 Mau	**23,85,171**	23,85,171	**0.24**	0.24
Less: Provision for Impairment				**(0.24)**	(0.24)
				-	-
Arvind Lifestyle Apparel Manufacturing Plc	1,000 ETB	**9,60,772**	9,60,772	**260.07**	260.07
Less: Provision for Impairment (Refer note 27)				**(230.37)**	(199.00)
				29.70	61.07
Arvind Indigo Foundation	10	**10,000**	10,000	**0.01**	0.01
Arvind Envisol Plc	1,000 ETB	**46**	46	**0.01**	0.01
Less: Provision for Impairment (Refer note 27)				**(0.01)**	-
				-	0.01
Arvind Foundation	10	**10,000**	10,000	**0.01**	0.01
Arvind Internet Limited (Refer note 46)	10	**-**	3,30,55,600	**-**	33.48
Arvind Sports Fashion Private Limited (Formerly known as 'Arvind Ruf and Tuf Limited')	10	**8,55,000**	8,55,000	**12.70**	12.70
Less: Provision for Impairment				**(12.70)**	(12.70)
				-	-
Arvind Polymer Textiles Limited (Formerly known as 'Arvind True Blue Limited')	10	**1,429**	1,429	**0.01**	0.01
Less: Provision for Impairment (Refer note 27)				**(0.01)**	-
				-	0.01
Arvind Premium Retail Limited	10	**10,409**	10,409	**0.01**	0.01
Less: Provision for Impairment				**(0.01)**	(0.01)
				-	-
Arvind BKP Berolina Private Limited (Formerly known as 'Arvind Transformational Solutions Private Limited')	10	**10,000**	10,000	**0.01**	0.01
Arvind Smart Textiles Limited*	10	**-**	24,85,000	**-**	100.82
Arvind Suit Manufacturing Private Limited (Formerly known as 'Arvind Goodhill Suit Manufacturing Private Limited')	10	**-**	41,73,000	**-**	4.17
Less: Provision for Impairment (Refer note 27)				**-**	(4.17)
				-	-

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(₹ in Crores)

Note 8 : Financial assets

8 (a) Investments (Contd.)

Particulars	Face Value per Share (in ₹ unless otherwise stated)	No. of Shares/unit		Amount	
		As at March 31, 2023	As at March 31, 2022	**As at March 31, 2023**	As at March 31, 2022
Arvind OG Nonwovens Private Limited	10	**26,80,710**	26,80,710	**26.71**	26.71
Arvind PD Composites Private Limited	10	**1,60,451**	1,60,451	**15.04**	15.04
Arvind Engineered Composite Panels Private Limited(Formerly known as Arvind Polser Engineered Composite Panels Private Limited)	10	**4,81,495**	2,88,897	**8.88**	6.98
Less: Provision for Impairment (Refer note 27)				**-**	(4.00)
				8.88	2.98
Arya Omnitalk Wireless Solutions Private Limited*	10	**10,02,500**	10,02,500	**1.72**	1.54
Arvind Niloy Exports Private Limited	100 Taka	**1,61,265**	1,61,265	**1.24**	1.24
Less: Provision for Impairment				**(1.24)**	(1.24)
				-	-
Westech Advanced Materials Limited (Shares without par value)		**-**	28,28,363	**-**	10.23
Less: Provision for Impairment (Refer note 27)				**-**	(9.50)
				-	0.73
Arvind Technical Products Private Limited	10	**10,000**	-	**0.01**	-
Arvind Norm CBRN Systems Private Limited	10	**5,000**	5,000	**0.01**	0.01
Arvind Enterprise FZC	1000 AED	**133**	133	**0.23**	0.23
Total (I)				**94.42**	254.31
II. Joint Ventures - measured at cost (unquoted) :					
Arya Omnitalk Radio Trunking Services Private Limited	10	**10,05,000**	10,05,000	**6.06**	6.06
Adient Arvind Automotive Fabrics India Private Limited	10	**81,42,750**	81,42,750	**8.14**	8.14
Less: Provision for Impairment (Refer note 27)				**(8.14)**	(8.14)
				-	-
PVH Arvind Manufacturing PLC	1,000 ETB	**18,177**	18,177	**5.33**	5.33
Less: Provision for Impairment				**(5.33)**	(5.33)
				-	-
Clean Max Kratos Private Limited	10	**-**	260	**-**	(₹ 2,600/-)
Arudrama Development Private Limited	100	**50,000**	50,000	**2.05**	2.05
Total (II)				**8.11**	8.11
III. Associates - measured at cost (unquoted) :					
Renew Green (GJ Eight) Private Limited	10	**2,04,96,000**	-	**20.50**	-
Total (III)				**20.50**	-
IV. Limited Liability Partnerships:					
(a) Subsidiaries - measured at cost (unquoted)					
Enkay Converged Technologies LLP*				**0.06**	0.04
Maruti and Ornet Infrabuild LLP				**4.66**	22.69
(b) Joint ventures - measured at cost (unquoted)					
Arvind and Smart Value Homes LLP				**62.77**	62.77
Total (IV)				**67.49**	85.50

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 8 : Financial assets

8 (a) Investments (Contd.)

Particulars	Face Value per Share (in ₹ unless otherwise stated)	No. of Shares/unit		Amount	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
V. Others - Fair value through Other Comprehensive Income:					
(i) Unquoted					
Bigfoot Retail Solutions Private Limited**	10	**37,044**	-	**126.06**	-
Amazon Textile Private Limited**	10	**-**	1,18,000	**-**	0.01
Abeer Textiles Private Limited**	10	**-**	22,42,000	**-**	2.09
Ahmedabad Cotton Merchants' Co-operative Shops and Warehouses Society Limited**	250	**-**	140	**-**	(₹ 35,000/-)
Gujarat Cloth Dealers Co-operative Shops and Warehouses Society Limited**	100	**10**	10	**(₹ 1,000/-)**	(₹ 1,000/-)
Total (V)				**126.06**	2.10
Total Equity Investments ((I) + (II) + (III) + (IV)+ (V)) Total (a)				**316.58**	350.02
(b) Investment in debentures - measured at amortised cost (Unquoted)*:**					
9% Optionally Convertible Debentures of Arya Omnitalk Radio Trunking Services Private Limited	10	**2,500**	2,500	**0.02**	0.02
8% Perpetual Debentures of Arvind Smart Textiles Limited	10	**6,50,00,000**	6,50,00,000	**65.00**	65.00
8% Perpetual Debentures of Arvind Suit Manufacturing Private Limited (Formerly known as 'Arvind Goodhill Suit Manufacturing Private Limited')	10	**-**	4,50,00,000	**-**	45.00
Less: Provision for Impairment (Refer note 27)				**-**	(16.00)
				-	29.00
8% Perpetual Debentures of Arvind Polymer Textiles Limited (Formerly known as 'Arvind True Blue Limited')	10	**3,00,00,000**	3,00,00,000	**30.00**	30.00
Less: Provision for Impairment (Refer note 27)				**(24.65)**	(22.45)
				5.35	7.55
Total (b)				**70.37**	101.57
(c) Investment in government securities - measured at amortised cost:					
National Saving Certificates (Lodged with Sales Tax and Government Authorities)				**(₹ 23,000/-)**	(₹ 23,000/-)
Total (c)				**(₹ 23,000/-)**	(₹ 23,000/-)
Total Investments (a)+(b)+(c)				**386.95**	451.59
Aggregate amount of unquoted investments				**386.95**	451.59
Aggregate amount of impairment in value of investment				**282.79**	282.87

Disclosure in respect of Partnership Firms

Name of the Firm	Name of the Partner	Share in partnership	Capital as at	
			March 31, 2023	March 31, 2022
Arvind and Smart Value Homes LLP	Arvind Limited	50%	**62.77**	62.77
	Tata Value Homes Limited	50%	**62.77**	62.77
Enkay Converged Technologies LLP	Arvind Limited	1%	**0.06**	0.04
	Syntel Telecom Limited	99%	**1.48**	1.48
Maruti and Ornet Infrabuild LLP	Arvind Limited	99%	**4.66**	22.69
	Arvind Internet Limited (Upto June 27, 2022)	1%	**-**	11.50
	Arvind Sports Fashion Private Limited (from June 28, 2022)	1%	**0.01**	-

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 8 : Financial assets

8 (a) Investments (Contd.)

* Increase in the cost of investment during the period includes recognition of notional commission on fair valuation of financial guarantee provided for loan taken by direct and indirect subsidiaries. The same is detailed below :

Subsidiaries / Joint ventures	Nature of transaction	Impact of notional commission on fair valuation of financial guarantee	
		2022-23	2021-22
Arya Omnitalk Wireless Solutions Private Limited	Financial guarantee given	**0.18**	0.18
Arvind Envisol Limited	Financial guarantee given	**0.44**	0.53
Enkay Converged Technologies LLP	Financial guarantee given	**0.02**	0.02
Arvind Smart Textiles Limited	Financial guarantee given	**0.18**	-

** The management has assessed that carrying value of the investments approximate to their fair value.
*** Investment in Perpetual Non-convertible Debenture/Perpetual Debt is redeemable/payable at issuer's option and can be deferred indefinitely.

8 (b) Trade receivables - Current

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Unsecured, considered good	**853.10**	1068.06
Total Trade receivables	**853.10**	1068.06
Receivables from Directors or from firm / Private company where director is interested (Refer note 35 for further details)	**19.33**	14.62

Trade receivables are non-interest bearing and are generally on terms of 7 to 180 days.
Trade Receivables are given as security for borrowings as disclosed under note 14(a).

Ageing of Trade Receivables from due date of payments as at March 31, 2023 and March 31, 2022 are as follows:

Particulars	Not Due	< 6 months	>6 months but < 1 year	>1 year but < 2 years	>2 year but < 3 years	More than 3 years	Total
Year ended March 31, 2023							
Undisputed Trade Receivables - Considered Good	534.06	305.19	11.71	0.35	0.30	1.49	853.10
	534.06	**305.19**	**11.71**	**0.35**	**0.30**	**1.49**	**853.10**
Year ended March 31, 2022							
Undisputed Trade Receivables - Considered Good	609.47	443.66	2.29	4.37	7.97	0.30	1,068.06
	609.47	**443.66**	**2.29**	**4.37**	**7.97**	**0.30**	**1,068.06**

8 (c) Loans

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good unless otherwise stated		
Non-current		
Loans to employees	**0.51**	0.75
Total Non-current Loans (A)	**0.51**	0.75
Current		
Loans to		
- Related parties (Refer note 35)	**28.37**	46.20
- Employees	**0.15**	0.30
- Others	**23.82**	22.47
	52.34	68.97
Considered Doubtful		
Loans to related parties (Refer note 35)	**92.33**	68.41
Less : Allowance for doubtful loan	**(92.33)**	(68.41)
	-	-
Total Current Loans (B)	**52.34**	68.97
Total (A) + (B)	**52.85**	69.72

Loans to Directors or to firm / Private company where director is interested (Refer note 35 for further details)

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 8 : Financial assets

8 (c) Loans (Contd.)

Loans to Related Parties that are repayable on Demand :

Type of Borrower	Year ended March 31, 2023		Year ended March 31, 2022	
	Loan Outstanding	Loan Outstanding (%)	Loan Outstanding	Loan Outstanding (%)
Related Partiest	**28.37**	**53.68%**	46.20	66.27%

8 (d) Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	**(₹ 21,124/-)**	(₹ 11,577/-)
Balance with Banks		
In Current accounts and debit balance in cash credit accounts	**29.49**	36.76
Total cash and cash equivalents	**29.49**	36.76

8 (e) Other bank balance

Particulars	As at March 31, 2023	As at March 31, 2022
Unpaid dividend accounts	**2.29**	2.88
Deposits held as Margin Money*	**6.70**	5.44
Total other bank balances	**8.99**	8.32

* Under lien with bank as Security for Guarantee given by the bankers

8 (f) Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good unless otherwise stated		
Non-current		
Security deposits	**20.39**	21.83
Bank deposits with maturity of more than 12 months	**0.83**	1.43
Foreign Currency Derivative contracts (Cash flow hedge)	**-**	1.14
Share Application Money	**1.49**	1.49
Less : Allowance for doubtful share application money	**(1.49)**	(1.49)
	-	-
Total Other Non-current Financial Asset (A)	**21.22**	24.40
Current		
Interest Subsidy Receivable	**3.72**	12.84
Security deposits	**7.94**	2.75
Interest Accrued on financial assets measured at amortised cost	**3.76**	18.50
Foreign Currency Derivative contracts (Cash flow hedge)	**4.71**	21.98
Income receivable	**0.07**	3.05
Total Other Current Financial Asset (B)	**20.20**	59.12
Total (A) + (B)	**41.42**	83.52

Other current financial assets are given as security for borrowings as disclosed under note 14(a).

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 9 : Other assets

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Capital advances	**22.32**	18.70
Pre-paid expense	**0.07**	0.20
Advances to suppliers, Doubtful	**0.69**	0.74
Less : Provision for doubtful advances	**(0.69)**	(0.74)
	-	-
Total Other Non-current Asset (A)	**22.39**	18.90
Current		
Advance to suppliers		
To Related Parties (Refer note 35)	**2.67**	2.90
To Others	**61.22**	44.24
Balance with Government Authorities (Refer note (i) below)	**136.55**	185.51
Export incentive receivable	**24.40**	130.84
Pre-paid expense	**22.02**	15.18
Pre-paid Gratuity (Refer Note 34)	**8.87**	-
Other Advances	**4.16**	3.26
Total Other Current Asset (B)	**259.89**	381.93
Total (A) + (B)	**282.28**	400.83
Advance to Directors or to firm / Private company where director is interested (Refer note 35 for further details)	**0.03**	0.48

(i) Balance with Government Authorities mainly consists of input credit availed.

Other current assets are given as security for borrowings as disclosed under note 14(a).

Note 10 : Inventories (At lower of cost and net realisable value)

Particulars	As at March 31, 2023	As at March 31, 2022
Raw materials		
- Raw materials and components	**352.82**	768.19
- Raw materials in transit	**0.17**	-
Fuel	**7.87**	7.30
Land plots and materials at site	**253.67**	218.37
Stores and spares	**62.12**	89.85
Work-in-progress	**431.69**	486.96
Finished goods	**355.18**	419.38
Waste	**0.36**	1.98
Stock-in-trade	**10.35**	12.01
Total	**1,474.23**	2,004.04

Inventory write downs are accounted, considering the nature of inventory, ageing and net realisable value for ₹ 28.99 Crores (March 31, 2022 ₹ 28.25 Crores). The changes in write downs are recognised as an expense in the Statement of Profit and Loss.

Inventories are hypothecated as security for borrowings as disclosed under note 14(a).

Note 11 : Current Tax Assets (Net)

Particulars	As at March 31, 2023	As at March 31, 2022
Tax Paid in Advance (Net of Provision)	**13.92**	22.38
Total	**13.92**	22.38

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

Note 12 : Equity share capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
Authorised share capital				
Equity shares of ₹ 10 each	**57,45,00,000**	**574.50**	57,45,00,000	574.50
Preference shares of ₹ 100 each	**1,00,00,000**	**100.00**	1,00,00,000	100.00
Issued, subscribed and paid-up share capital				
Equity shares of ₹ 10 each	**26,14,97,474**	**261.50**	26,05,85,819	260.59
Add : Forfeited shares	**900**	**(₹ 4,500/-)**	900	(₹ 4,500/-)
Total	**26,14,98,374**	**261.50**	26,05,86,719	260.59

(i) Reconciliation of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
Outstanding at the beginning of the year	**26,05,85,819**	**260.59**	25,89,24,069	258.92
Add : Shares allotted pursuant to exercise of Employee Stock Option Scheme	**9,11,655**	**0.91**	16,61,750	1.67
Outstanding at the end of the year	**26,14,97,474**	**261.50**	26,05,85,819	260.59

(ii) Rights, Preferences and Restrictions attached to equity shares:

The Company has one class of shares having par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(iii) Details of shareholder holding more than 5% Shares in the Company:

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	% of share holding	No. of shares	% of share holding
Aura Securities Private Limited	**9,37,30,590**	**35.84**	9,37,30,590	35.97

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

Note 12 : Equity share capital (Contd)

(iv) Details of shareholding of promoters in the Company:

Name of the Promoter	As at March 31, 2023			As at March 31, 2022		
	No. of shares	'% of shareholding	% change during the year	No. of shares	'% of shareholding	% change during the year
Sanjaybhai Shrenikbhai Lalbhai	1,564	0.00%	0.00%	1,564	0.00%	0.00%
Jayshreeben Sanjaybhai Lalbhai	345	0.00%	0.00%	345	0.00%	0.00%
Punit Sanjaybhai	3,714	0.00%	0.00%	3,714	0.00%	0.00%
Hansa Niranjanbhai	11,396	0.00%	0.00%	11,396	0.00%	0.00%
Swati S Lalbhai	9,712	0.00%	0.00%	9,712	0.00%	0.00%
Sunil Siddharth Lalbhai	5,437	0.00%	0.00%	5,437	0.00%	0.00%
Vimla S Lalbhai	4,590	0.00%	0.00%	4,590	0.00%	0.00%
Taral S Lalbhai	4,074	0.00%	0.00%	4,074	0.00%	0.00%
Astha Lalbhai	1,925	0.00%	0.00%	1,925	0.00%	0.00%
Sunil Siddharth HUF	18	0.00%	0.00%	18	0.00%	0.00%
Kalpana Shripal Morakhia	12	0.00%	0.00%	12	0.00%	0.00%
Aura Securities Private Limited	9,37,30,590	35.84%	0.00%	9,37,30,590	35.97%	(0.70%)
Aura Business Ventures LLP	69,60,988	2.66%	0.00%	69,60,988	2.67%	(0.33%)
Aml Employee Welfare Trust	-	-	0.00%	-	-	(2.43%)
Atul Limited	41,27,471	1.58%	0.00%	41,27,471	1.58%	0.00%
Aagam Holdings Private Limited	18,76,258	0.72%	0.00%	18,76,258	0.72%	0.00%
Lalbhai Realty Finance Private Limited	4,55,000	0.17%	0.00%	4,55,000	0.17%	0.00%
Akshita Holdings Private Limited	1,50,000	0.06%	0.00%	1,50,000	0.06%	0.00%
Anusandhan Investments Limited	1,15,000	0.04%	0.00%	1,15,000	0.04%	0.00%
Aayojan Resources Private Limited	96,000	0.04%	0.00%	96,000	0.04%	0.00%
Adhinami Investments Private Limited	78,500	0.03%	0.00%	78,500	0.03%	0.00%
Aura Business Enterprise Private Limited	100	0.00%	0.00%	100	0.00%	0.00%
Aura Merchandise Private Limited	100	0.00%	0.00%	100	0.00%	0.00%
Aura Securities Private Limited (As a partner of the Partnership Firm i.e. Aura Venture)	100	0.00%	0.00%	100	0.00%	0.00%

(v) Shares reserved for issue under options and contracts:

Refer note 37 for details of shares to be issued under employee stock option Scheme (ESOS 2008 and ESOS 2021).

(vi) In the period of five years immediately preceding March 31, 2023:

i) The Company has not allotted any equity shares as fully paid up without payment being received in cash.

ii) The Company has not allotted any equity shares by way of bonus issue.

iii) The Company has not bought back any equity shares.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(₹ in Crores)

Note 13 : Other Equity

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Capital reserve		
Balance as per last financial statements	**(29.30)**	(29.30)
Less: Loss on Sale of Investment	**(51.30)**	-
Balance at the end of the year	**(80.60)**	(29.30)
(b) General reserve		
Balance as per last financial statements	**85.65**	85.65
Add: Transfer from Share based payment reserve	**10.77**	-
Balance at the end of the year	**96.42**	85.65
(c) Amalgamation reserve		
Balance as per last financial statements	**34.20**	34.20
Balance at the end of the year	**34.20**	34.20
(d) Securities premium account		
Balance as per last financial statements	**569.21**	563.03
Add: Received during the year	**2.37**	3.95
Add: Transfer from share based payment reserve	**1.63**	2.23
Balance at the end of the year	**573.21**	569.21
(e) Capital redemption reserve		
Balance as per last financial statements	**69.50**	69.50
Balance at the end of the year	**69.50**	69.50
(f) Share based payment reserve (Refer note 37)		
Balance as per last financial statements	**11.76**	11.89
Add: Addition during the year	**1.78**	2.10
Less: Transfer to General Reserve	**(10.77)**	-
Less: Transfer to Securities Premium Account	**(1.63)**	(2.23)
Balance at the end of the year	**1.14**	11.76
(g) Retained earnings		
Balance as per last financial statements	**1,997.20**	1,938.27
Add: Profit for the year	**345.91**	59.30
Add: Other comprehensive income/(loss) arising from remeasurement of defined benefit obligation (net of tax)	**3.39**	(0.37)
Balance at the end of the year	**2,346.50**	1,997.20
Items of Other comprehensive income		
(i) Equity Instruments through OCI (net of tax)		
Balance as per last financial statements	**0.49**	0.49
Add: Addition during the year	**0.13**	-
Balance at the end of the year	**0.62**	0.49
(ii) Cash Flow hedge reserve		
Balance as per last financial statements	**12.05**	8.35
Add/(Less): Addition during the year	**(24.29)**	5.69
Add/(Less): Tax impact on additions	**6.11**	(1.99)
Balance at the end of the year	**(6.13)**	12.05
Total Other equity	**3,034.86**	2,750.76

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

Note 13 : Other Equity (Contd.)

The description of the nature and purpose of each reserve within equity is as follows

(a) Capital reserve

Capital Reserve includes forfeiture of application money received on issue of share warrants and Capital Reserves on amalgamation/ Business Combinations.

During the current year, the Company has sold its investment in equity shares of its subsidiary Arvind Smart Textiles Limited, to its another subsidiary Arvind Sports Fashion Private Limited (formerly known as Arvind Ruf and Tuf Private Limited), for a consideration of ₹ 49.70 crores. Resulting loss of ₹ 51.30 crores on such sale is accounted for in "Capital Reserve", this being in the nature of common control business combination.

(b) General reserve

General Reserve is a free reserve created by the Company by transfer from Retained earnings for appropriation purposes.

(c) Amalgamation reserve

The reserve was created pursuant to scheme of amalgamation in earlier years. Amalgamation Reserve is a reserve which arose pursuant to the scheme of amalgamation and shall not be considered to be a reserve created by the Company.

(d) Securities premium account

Securities premium reserve is created due to premium on issue of shares. This reserve is utilised in accordance with the provisions of the Companies Act.

(e) Capital redemption reserve

Capital Redemption Reserve is created for redemption of preference shares from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the preference shares redeemed. Capital Redemption Reserve may be applied by the Company in paying up unissued shares of the Company to be issued to shareholders of the Company as fully paid bonus shares.

(f) Share based payment reserve

This reserve relates to share options granted by the Company to its employee stock option scheme. Further information about share-based payments to employees is set out in note 37.

(g) Equity instruments through OCI

The Company has elected to recognise changes in the fair value of certain investment in equity instrument in other comprehensive income. This amount will be reclassified to retained earnings on derecognition of equity instrument.

(h) Cash flow hedge reserve

The cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on the changes of the fair value of the designated portion of the hedging instruments that are recognised and accumulated under the cash flow hedge reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 14 : Financial liabilities

14 (a) Borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
A. Long-term Borrowings		
(Secured)(at amortised cost)		
(ai) Term loan		
- from Banks	**288.22**	537.38
- from others	**74.69**	124.46
(aii) Non-convertible Debentures	**-**	74.06
Total long-term borrowings (A)	**362.91**	735.90
B. Short-term Borrowings		
(Secured)(at amortised cost)		
(bi) Working Capital Loans repayable on demand from Banks	**738.51**	798.18
(bii) Current maturity of long term borrowings		
Term loan		
- from Banks	**133.96**	179.32
- from others	**50.00**	-
Non convertible Debentures	**74.86**	-
Total short-term borrowings (B)	**997.33**	977.50
Total borrowings (A+B)	**1,360.24**	1,713.40

Notes :

Nature of security:

Term loan of ₹ 546.87 Crores and NCD of ₹ 74.86 Crores

Loans and NCD amounting to ₹ 208.69 Crores (March 31, 2022 ₹ 376.21 Crores) are secured by (a) first pari passu charge on all the Immovable Properties, Movable Properties, Intangible Properties and General Assets of the Company presently relating to the Textile Plants and Garment Division at Bangalore; and all Immovable Properties, Movable Properties, Intangible Properties and General Assets acquired by the Company at any time after execution of and during the continuance of the Indenture of Mortgage; (b) Secured by second pari passu charge on all the Company's Current Assets presently relating to the Textile Plants and Garment Division and all the current assets aquired by the Company at any time in future.

Loans amounting to ₹ NIL Crores (March 31, 2022 ₹ 76.60 Crores) are secured by (a) first pari passu charge on all the Immovable Properties, Movable Properties, Intangible Properties and General Assets of the Company presently relating to the Textile Plants and Garment Division at Bangalore; and all Immovable Properties, Movable Properties, Intangible Properties and General Assets acquired by the Company at any time after execution of and during the continuance of the Indenture of Mortgage; (b) Pledge of shares of Arvind Envisol Limited, wholly own subsidiary of the company ; (c) Secured by second pari passu charge on all the Company's Current Assets presently relating to the Textile Plants and Garment Division and all the current assets aquired by the Company at any time in future .

Loans amounting to ₹ 47.06 Crores (March 31, 2022 ₹ 47.19 Crores) are secured by (a) exclusive charge on some of the Immovable properties at Dholka; (b) first pari passu charge on all the Immovable Properties, Movable Properties, Intangible Properties and General Assets of the Company presently relating to the Textile Plants and Garment Division at Bangalore; and all Immovable Properties, Movable Properties, Intangible Properties and General Assets acquired by the Company at any time after execution of and during the continuance of the Indenture of Mortgage; (c) Secured by second pari passu charge on all the Company's Current Assets presently relating to the Textile Plants and Garment Division and all the current assets aquired by the Company at any time in future .

Loans amounting to ₹ 241.28 Crores (March 31, 2022 ₹ 290.42 Crores) are secured by (a) exclusive charge on Immovable properties of Ankur division; (b) first pari passu charge on all the Immovable Properties, Movable Properties, Intangible Properties and General Assets of the Company presently relating to the Textile Plants and Garment Division at Bangalore; and all Immovable Properties, Movable Properties, Intangible Properties and General Assets acquired by the Company at any time after execution of and during the continuance of the Indenture of Mortgage; (c) Secured by second pari passu charge on all the Company's Current Assets presently relating to the Textile Plants and Garment Division and all the current assets aquired by the Company at any time in future .

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 14 : Financial liabilities

14 (a) Borrowings (Contd.)

Loans amounting to ₹ 124.69 Crores (March 31, 2022 ₹ 124.73 Crores) are secured by (a) exclusive charge on some of the Immovable properties at Asarwa; (b) first pari passu charge on all the Immovable Properties, Movable Properties, Intangible Properties and General Assets of the Company presently relating to the Textile Plants and Garment Division at Bangalore; and all Immovable Properties, Movable Properties, Intangible Properties and General Assets acquired by the Company at any time after execution of and during the continuance of the Indenture of Mortgage.

Loans of ₹ 0.01 Crores (March 31, 2022 ₹ 0.07 Crores) are secured by hypothecation of related vehicles.

Rate of Interest and Terms of Repayment

Particulars	₹ in Crores	Range of Interest (%)	Terms of Repayment from Balance sheet date
From Banks			
(a) Term Loan			
(I) Secured Rupee Loans	422.17	7.60% to 9.10%	Repayable in quarterly instalments ranging between 2 to 10.
(II) Secured Vehicle Loan	0.01	8.45% to 8.85%	Monthly payment of Equated Monthly Instalments beginning from the month subsequent to taking the loans.
(b) Non-Convertible Debentures	74.86	8.50%	Repayable in June 2023.
From Others			
(I) Secured Rupee Loans	124.69	11.65%	Repayable in 10 quarterly instalments.

Nature of Security

Cash Credit and Other Facilities from Banks

(a) Secured by first pari passu charge on all the Company's Current Assets presently relating to the Manufacturing Locations and all the Current Assets acquired by the Company at any time after the execution of and during the continuance of the Indenture of Mortgage.

(b) Secured by a second pari passu charge over all the Immovable Properties relating to Textile Plants, Movable Properties presently relating to the Company and all the movable properties aquired by the Company at any time in future after execution of and during the continuance of the Indenture of Mortgage.

Rate of Interest

i. Working Capital Loans from banks carry interest rates ranging from 5.31% to 7.80% per annum.

14 (b) Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
Acceptances	**314.45**	322.80
Other trade payables (Refer note below)		
- Total Outstanding dues of Micro Enterprises and Small Enterprises	**61.03**	121.99
- Total Outstanding dues other then Micro Enterprises and Small Enterprises	**715.80**	1,666.53
Total	**1,091.28**	2,111.32

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 14 : Financial liabilities

14 (b) Trade payables (Contd.)

Note :

(i) Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and Schedule III of the Companies Act, 2013 for the year ended March 31, 2023. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by auditors.

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act)		
- Principal amount due to micro and small enterprise	**60.94**	121.46
- Interest due on above	**0.09**	0.53
(ii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	**-**	-
(iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	**-**	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	**0.09**	0.53
(v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	**0.09**	0.53

(ii) Ageing of Trade Payables from due date of payments as at March 31, 2023 and March 31, 2022 are as follows:

Particulars	Not Due	< 1 year	>1 year but < 2 years	>2 year but < 3 years	More than 3 years	Total
Year ended March 31, 2023						
(i) Micro Enterprises and Small Enterprises	53.06	7.78	0.16	-	0.03	61.03
(ii) Other then Micro Enterprises and Small Enterprises	888.81	131.69	2.50	3.13	4.12	1,030.25
	941.87	**139.47**	**2.66**	**3.13**	**4.15**	**1,091.28**
Year ended March 31, 2022						
(i) Micro Enterprises and Small Enterprises	27.52	94.44	-	0.03	-	121.99
(ii) Other then Micro Enterprises and Small Enterprises	1,469.21	502.64	9.70	6.64	1.14	1,989.33
	1,496.73	**597.08**	**9.70**	**6.67**	**1.14**	**2,111.32**

(iii) For amount payable to related parties, refer Note 35.

14 (c) Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Financial guarantee contract	**0.70**	0.93
Foreign Currency Derivative Contracts (Cash flow hedge)	**-**	0.85
Total Other Non-current financial liabilities (A)	**0.70**	1.78
Current		
Interest accrued but not due		
- On Borrowings	**7.94**	8.64
- On Others	**0.07**	0.60
Payable to employees	**122.46**	99.26
Deposits from customers and others	**6.42**	5.90
Financial guarantee contract	**0.24**	0.21
Foreign Currency Derivative Contracts (Cash flow hedge)	**10.48**	4.09
Unpaid dividends	**2.29**	2.88
Payable for Capital Goods	**29.69**	10.53
Other Payables	**-**	0.20
Total Other Current financial liabilities (B)	**179.59**	132.31
Total (A) + (B)	**180.29**	134.09

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 15 : Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Long-term		
Provision for employee benefits (Refer note 34)		
Provision for leave encashment	**21.32**	18.23
Provision for compensatory pension*	**1.39**	1.66
Total Long term Provisions (A)	**22.71**	19.89
Short-term		
Provision for employee benefits (Refer note 34)		
Provision for gratuity	**-**	4.43
Provision for leave encashment	**10.55**	10.58
Provision for superannuation	**1.06**	1.34
Provision for compensatory pension*	**0.56**	0.62
Total Short-term provisions (B)	**12.17**	16.97
Total (A) + (B)	**34.88**	36.86

* Including ₹ 0.48 Crores (March 31, 2022 : ₹ 0.75 Crores) pertaining to employees for which the liability of the Company is crystalised. Hence, it is a liability towards defined contribution plan.

Note 16 : Government grants

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Deferred income	**72.02**	65.48
Total Non-current Government Grants (A)	**72.02**	65.48
Current		
Deferred income	**8.80**	7.64
Total Current Government Grants (B)	**8.80**	7.64
Total (A) + (B)	**80.82**	73.12

Government grants

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	**73.12**	75.08
Received during the year (net)	**16.61**	5.58
Released to statement of profit and loss (net) (Refer note 19)	**(8.91)**	(7.54)
Balance at the end of the year	**80.82**	73.12

Note 17 : Other current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Advance from customers	**263.01**	200.86
Statutory dues (provident fund and tax deducted at source etc.)	**17.09**	17.84
Other liabilities	**3.71**	5.20
Total	**283.81**	223.90

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 18 : Revenue from operations

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Sale of products	**7,464.25**	7,024.41
Sale of services	**14.23**	12.42
Other Operating income		
Waste sale	**116.31**	100.98
Gain/(Loss) on derivative contracts	**(60.45)**	39.94
Export incentives	**139.82**	190.21
Foreign exchange fluctuation on vendors and customers (Net)	**48.22**	69.09
Others	**0.31**	(1.34)
Total	**7,722.69**	7,435.71

Disaggregation of Revenue from contracts with customers

Revenue based on Geography

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Domestic	**4,472.85**	3,764.95
Export	**3,249.84**	3,670.76
Revenue from Operations	**7,722.69**	7,435.71

Revenue based on business segment

The Company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration. There are no contracts for sale of services wherein, performance obligation is unsatisfied to which transaction period has been allocated.

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Textile	**6,484.64**	6,451.07
Advanced Material	**1,128.84**	902.89
Others	**109.21**	81.75
Revenue from Operations	**7,722.69**	7,435.71

Reconciliation of revenue from operation with contract price

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from contract with customers as per the contract price	**7,919.91**	7,632.66
Less : Adjustment made to contract price on account of:		
a) Discounts and Rebates	**84.18**	58.23
b) Sales Return	**97.86**	115.36
c) Bonus / incentive	**15.14**	23.58
d) Customer loyalty programme	**0.04**	(0.22)
Revenue from Operations	**7,722.69**	7,435.71

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

(₹ in Crores)

Note 19 : Other income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest income on financial assets measured at amortized cost		
- Fixed Deposits	**0.36**	0.33
- Loans and Advances	**10.03**	17.51
- Others	**2.31**	0.81
Scrap income	**14.62**	15.67
Dividend income	**4.50**	4.00
Government grants (Refer note 16)	**8.91**	7.54
Financial guarantee commission	**1.17**	1.07
Rent	**2.35**	2.86
Share of Profit/(Loss) from LLP	**0.01**	(0.67)
Profit on sale of Property, plant and equipment (Net)	**4.09**	7.66
Miscellaneous income	**3.06**	6.92
Total	**51.41**	63.70

Note 20 : Cost of raw materials and accessories consumed

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Inventory at the beginning of the year	**768.19**	322.87
Add : Purchases during the year	**3,502.50**	4,635.83
	4,270.69	4,958.70
Less : Inventory at the end of the year	**352.99**	768.19
Total	**3,917.70**	4,190.51

Note 21 : Purchases of stock-in-trade

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Purchase of stock-in-trade	**156.87**	104.02
Total	**156.87**	104.02

Note 22 : Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Inventories at the end of the year		
Finished goods	**355.18**	419.38
Inventories-in-trade	**10.35**	12.01
Work-in-Progress	**431.69**	486.96
Project work-in-progress	**253.67**	218.37
Waste	**0.36**	1.98
(A)	**1,051.25**	1,138.70
Inventories at the beginning of the year		
Finished goods	**419.38**	249.30
Inventories-in-trade	**12.01**	22.98
Work-in-Progress	**486.96**	297.78
Project work-in-progress	**218.37**	55.18
Waste	**1.98**	2.27
(B)	**1,138.70**	627.51
Total (Increase) / Decrease in Inventories (B-A)	**87.45**	(511.19)

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 23 : Employee benefits expense

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, Wages, Gratuity, Bonus and Commission (Refer note 34)	**684.25**	595.79
Contribution to provident and other funds (Refer note 34)	**53.51**	49.72
Staff welfare and training expenses	**17.56**	16.24
Share based payment to employees (Refer note 37)	**1.79**	2.11
Total	**757.11**	663.86

Note 24 : Finance costs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest expense on Financial Liabilities measured at amortised cost		
- Loans	**128.78**	124.33
- Debentures	**7.18**	7.12
- Lease Liabilities (Refer note 38)	**5.74**	5.73
- Others	**2.91**	0.97
Exchange differences regarded as an adjustment to borrowing costs	**9.95**	28.54
Other borrowing cost	**-**	0.01
Total	**154.56**	166.70

Note 25 : Depreciation and amortization expense

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on Property, plant and equipment (Refer note 5)	**184.08**	179.19
Depreciation on Investment properties (Refer note 6)	**0.10**	0.31
Amortization of Intangible assets (Refer note 7)	**14.61**	20.71
Depreciation on right of use assets (Refer note 38)	**12.16**	13.23
Adjustment due to Discontinued Operations (Refer note 46)	**(2.46)**	(10.20)
Total	**208.49**	203.24

Note 26 : Other expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Power and fuel	**609.05**	549.74
Stores consumed	**572.39**	593.59
Processing charges	**231.48**	324.90
Miscellaneous Labour charges	**116.16**	109.15
Rent (Refer note 38)	**12.35**	2.89
Insurance	**15.53**	14.37
Printing, stationery and communication	**16.59**	12.42
Commission and Brokerage	**34.04**	24.67
Rates and taxes	**9.07**	8.62
Repairs :		
To Building	**6.53**	3.59
To Machineries (including spares consumption)	**117.01**	106.71
To others	**10.77**	7.25
Freight, insurance and clearing charge	**125.04**	173.48
Advertisement and publicity	**36.64**	12.31
Software Expenses	**3.46**	3.56
Legal and Professional charges	**31.78**	23.73
Conveyance and Travelling expenses	**27.76**	12.61
Director's sitting fees	**0.07**	0.08
Sundry advances written off	**1.21**	1.19
Bad Debts Written off	**1.04**	0.49
Auditor's remuneration (Refer note (i) below)	**2.08**	1.68

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 26 : Other expenses (Contd.)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Bank charges	**22.79**	18.24
Corporate Social Responsibility expenses (Refer note 39)	**5.06**	3.80
Loss on sale of Investment	**-**	1.39
Miscellaneous expenses (Refer note (ii) below)	**62.03**	43.70
Total	**2,069.93**	2,054.16

(i) Break up of Auditor's remuneration

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Payment to Auditors as		
Auditors	**1.70**	1.55
For Other Services (Including certification fees)	**0.29**	0.08
For reimbursement of expenses	**0.09**	0.05
Total	**2.08**	1.68

(ii) The Company made a contribution to an electoral bond of ₹ 9.00 crores and ₹ NIL crores for the years ended March 31, 2023 and March 31, 2022 respectively, which is included in Miscellaneous expenses.

Note 27 : Exceptional items

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a) Provision for impairment of investments and loans	**23.83**	313.66
(b) Investment write off	**10.18**	-
(c) Loss of Limited Liability Partership	**30.39**	-
(d) Loss on Sale of Investments	**52.53**	-
(e) Interest on Stamp Duty on Demerger	**-**	3.62
(f) Receivable other than trade write off	**-**	6.96
(g) Profit on Sale of Undertaking	**(152.06)**	-
	(35.13)	324.24
Tax Impact on above	**6.62**	(82.87)
Total	**(28.51)**	241.37

Note 28 : Income tax

The major component of income tax expense for the years ended March 31, 2023 and March 31, 2022 are as follows:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Statement of Profit and Loss		
Current income tax	**90.88**	20.00
Short provision related to earlier years		
-Current Tax	**(0.01)**	0.01
-Deferred tax charge	**9.14**	13.81
	9.13	13.82
Deferred tax Charge/(Credit)		
- Continuing Business	**(37.78)**	111.99
- Discontinued Business	**(1.50)**	(10.30)
- Exceptional Items	**6.62**	(82.87)
	(32.66)	18.82
Income tax expense in the Statement of Profit and Loss	**67.35**	52.64
Statement of other comprehensive income (OCI)		
Current income tax	**1.14**	(0.20)
Deferred tax charge/(credit)	**(6.11)**	1.99
Income tax expense/(credit) recognised in OCI	**(4.97)**	1.79

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended March 31, 2023 and March 31, 2022.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 28 : Income tax (Contd.)

A. Current tax

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Accounting profit before tax	**406.64**	194.81
Less : Tax on Exceptional Items	**(6.62)**	82.87
	413.26	111.94
Tax Rate	**25.168%**	34.944%
Current tax expenses on Profit before tax expenses at the enacted income tax rate in India	**104.01**	39.12
Adjustment		
On account of reassessment of factory land (Refer note (a) below)	**-**	(26.73)
On account of revaluation of tax base of non-depreciable assets (due to indexation benefit)	**(1.83)**	(3.29)
Utilisation of Capital Loss	**3.32**	3.10
Profit on sale of undertaking	**(38.27)**	-
Expenditure not deductible for tax/not liable to tax	**24.44**	1.37
Change in deferred tax balance due to change in income tax rate	**(66.90)**	-
Short Provision of the earlier years	**(0.01)**	0.01
MAT credit utilised for tax liabilities pertaining to earlier years	**9.14**	13.81
Mat Credit written off	**27.06**	-
On account of Loss on sale of Investment and other adjustments	**6.39**	25.25
Total income tax expense	**67.35**	52.64
Effective tax rate	**16.56**	27.02

B. Deferred tax

The Company has accrued significant amounts of deferred tax. The majority of the deferred tax (assets) and liability represents accelerated tax relief for the depreciation of property, plant and equipment and unused long-term capital loss carried forward. Significant components of Deferred tax (assets) and liabilities recognized in the financial statements of the Company are as follows:

Particulars	Balance Sheet as at		Statement of Profit and Loss and OCI for the year ended on	
	March 31, 2023	March 31, 2022	**March 31, 2023**	March 31, 2022
Accelerated depreciation for tax purposes	**173.87**	239.86	**(65.99)**	0.63
Impact of fair valuation of Land	**8.83**	10.66	**(1.83)**	(30.02)
Provision for doubtful loan	**(24.24)**	(25.33)	**1.09**	(18.50)
Expenditure allowable on payment basis	**(8.89)**	(13.84)	**4.95**	3.14
Expenditure allowable over the period (Section 35D / 35DD)	**(1.03)**	(4.23)	**3.20**	4.78
Unused long-term capital loss	**(47.16)**	(36.04)	**(11.12)**	3.10
Unused tax credit available for offsetting against future taxable income (MAT Credit Entitlement)	**-**	(36.20)	**36.20**	127.46
Others	**(91.17)**	(95.03)	**3.86**	(55.98)
Deferred tax expense/(income)			**(29.64)**	34.61
Net deferred tax liabilities	**10.21**	39.85		
Reflected in the balance sheet as follows				
Deferred tax liabilities	**182.70**	250.52		
Deferred tax assets	**(172.49)**	(210.67)		
Deferred tax liabilities (net)	**10.21**	39.85		

There are certain income-tax related legal proceedings which are pending against the Company. Potential liabilities, if any have been adequately provided for, and the Company does not currently estimate any probable material incremental tax liabilities in respect of these matters. (Refer note 30).

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

The Company has unused tax capital losses amounting to ₹ 466.53 crores as at March 31, 2023 (March 31, 2022: ₹ 373.86 crores). Out of the same, tax credits on losses of ₹ 264.09 crores have not been recognised on the basis that recovery is not probable in the foreseeable future. Unrecognised tax capital losses will expire on March 31, 2025 & March 31,2029, if unutilized, based on the year of origination.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 28 : Income tax (Contd.)

Note (a):

During the year ended March 31, 2022, the Company had reassessed the expected manner of recovery of the carrying value of all land parcels and had determined that a number of such land parcels would not be delinked from the business as they either form an integral part of the business operations or are proximate to the factory premises. Consequently, the Company expects that in the event of disposal of most of the land parcels in future, these would only be disposed off along with the business and in a slump sale arrangement thereby resulting in no temporary difference between the accounting position and position as per tax laws upon such future disposal.

Accordingly, the Company had reversed deferred tax liability amounting to ₹ 26.73 crores pertaining to such land parcels in the Statement of Profit and loss during the year ended March 31, 2022.

Note 29 : Disclosure in respect of Construction / Job work Contracts

Particulars	As at March 31, 2023	As at March 31, 2022
Amount of Contract Revenue recognized	-	-
Amount of Advance Received from Customers	228.81	154.07

Note 30 : Contingent liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Contingent liabilities not provided for		
(i) Claims against Company not acknowledged as debts	10.89	11.84
(ii) Disputed demands in respect of		
Excise and Customs duty	13.73	13.73
Value added tax and Central sales tax	5.57	5.57
Goods and Service Tax	7.91	-
Income tax (Refer note (d) below)	-	-
Service tax	17.23	8.35

Notes :

(a) It is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

(b) The Company does not expect any reimbursements in respect of the above contingent liabilities.

(c) The Company believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

(d) During the previous year, the Company had reassessed the position of its contingent liability pertaining to Income tax matters as at March 31, 2022. Based on the advice received from its tax counsel, the company had created a provision amounting to ₹ 13.82 crores in the books of accounts in lieu of the uncertainties involved in the income tax proceedings and the possibility of occurrence of event as probable and possible. Majority of the issues are uncovered by judgment of respective judicial authorities in Company's own case in different assessment years or for other assessee.

Note 31 : Capital commitment and other commitments

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Capital commitments Estimated amount of Contracts remaining to be executed on capital account and not provided for (Net of advances)	52.31	71.49
(b) Other commitments Export obligations against the import licenses taken for import of capital goods under the Export Promotion Capital Goods Scheme which is to be fulfilled over the period of next six years. If the Company is unable to meet these obligations, its liability would be ₹ 26.42 crores (March 31, 2022: ₹ 7.98 crores) which will reduce in proportion to actual exports. The Company is reasonably certain to meet its export obligations and expects no outflow, hence it does not anticipate a loss with respect to these obligations and accordingly has not made any provision in its financial statements.	158.51	47.85

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

Note 32 : Foreign Exchange Derivatives and Exposures not hedged

The Company holds derivative financial instruments such as foreign currency forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for these contracts is generally a bank.

All derivative financial instruments are recognized as assets or liabilities on the balance sheet and measured at fair value. The accounting for changes in the fair value of a derivative instrument depends on the intended use of the derivative and the resulting designation.

The fair values of all derivatives are separately recorded in the balance sheet within current and non-current assets and liabilities depending upon the maturity of the derivatives.

The use of derivative instruments is subject to limits, authorities and regular monitoring by appropriate levels of management. The limits, authorities and monitoring systems are periodically reviewed by management and the Board. The market risk on derivatives is mitigated by changes in the valuation of the underlying assets, liabilities or transactions, as derivatives are used only for risk management purposes.

Cash Flow Hedges

The Company also enters into forward exchange contracts for hedging highly probable forecast transaction and account for them as cash flow hedges and states them at fair value. Subsequent changes in fair value are recognized in equity until the hedged transaction occurs, at which time, the respective gain or losses are reclassified to the statement of profit or loss. These hedges have been effective for the year ended March 31, 2023 and March 31, 2022.

The Company uses foreign exchange contracts from time to time to optimize currency risk exposure on its foreign currency transactions.

The cash flow hedges are taken out by the Company during the year for hedging the foreign exchange rate of highly probable forecast transactions.

The cash flows related to above are expected to occur during the year ended March 31, 2023 and consequently may impact the statement of profit or loss for that year depending upon the change in the foreign exchange rates movements.

A. Foreign Exchange Derivatives

Nature of instrument	Currency	As at March 31, 2023				As at March 31, 2022			
		Average Exchange Rate (in equivalent ₹)	Amount in Foreign currency (In Millions)	Nominal Amount (₹ in Crores)	MTM Value (₹ in Crores)	Average Exchange Rate (in equivalent ₹)	Amount in Foreign currency (In Millions)	Nominal Amount (₹ in Crores)	MTM Value (₹ in Crores)
Cash Flow Hedges (Routed through OCI)									
Forward Sales Contracts									
Maturing less than 3 months	USD	**82.17**	**46.53**	**382.32**	**(1.26)**	76.45	68.06	520.34	1.51
Maturing between 3 to 6 months	USD	**82.51**	**33.62**	**277.39**	**(1.18)**	77.36	51.76	400.41	2.04
Maturing between 6 to 9 months	USD	**81.94**	**10.28**	**84.24**	**(1.35)**	78.23	24.00	187.76	1.19
Maturing between 9 to 12 months	USD	**80.13**	**3.00**	**24.04**	**(1.06)**	78.66	18.70	147.10	0.49
Maturing after 12 months	USD	**-**	**-**	**-**	**-**	80.13	12.00	96.15	(0.05)
Total	**USD**		**93.43**	**767.99**	**(4.85)**		174.52	1,351.76	5.18
Option contracts									
Maturing less than 3 months	USD	**-**	**-**	**-**	**0.20**	-	-	-	7.05
Maturing between 3 to 6 months	USD	**-**	**-**	**-**	**0.08**	-	-	-	4.33
Maturing between 6 to 9 months	USD	**-**	**-**	**-**	**(0.34)**	-	-	-	1.96
Maturing between 9 to 12 months	USD	**-**	**-**	**-**	**(0.86)**	-	-	-	(0.33)
Maturing after 12 months	USD	**-**	**-**	**-**	**-**	-	-	-	0.34
Total	**USD**		**-**	**-**	**(0.92)**		-	-	13.35
Other Hedges (Routed through Profit and Loss)									
Forward Purchase Contracts									
Maturing less than 3 months	USD	**-**	**-**	**-**	**-**	76.26	56.88	433.76	(0.08)
Maturing between 3 to 6 months	USD	**-**	**-**	**-**	**-**	76.81	22.10	169.76	0.07
Maturing between 6 to 9 months	USD	**-**	**-**	**-**	**-**	78.72	3.83	30.15	(0.35)
Total	**USD**		**-**	**-**	**-**		82.81	633.67	(0.36)

All derivative contracts stated above are for the purpose of hedging the underlying foreign currency exposure.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

Note 32 : Foreign Exchange Derivatives and Exposures not hedged (Contd.)

B. Exposure Not Hedged

Nature of instrument	Currency	As at March 31, 2023		As at March 31, 2022	
		FC In Mn	₹ in Crores	FC In Mn	₹ in Crores
Receivables	USD	**21.77**	**178.92**	20.78	157.48
	EUR	**0.78**	**7.00**	0.85	6.92
	GBP	**-**	**-**	0.02	0.21
	AUD	**0.13**	**0.72**	0.04	0.24
	AED	**0.04**	**0.10**	-	-
Payable towards borrowings	USD	**-**	**-**	0.02	0.17
Receivable towards loans	USD	**3.06**	**25.13**	4.82	36.55
Payable to creditors	USD	**3.47**	**28.49**	7.61	57.69
	EUR	**1.47**	**13.17**	0.44	3.71
	GBP	**0.06**	**0.63**	0.07	0.65
	AUD	**(AUD 4,371)**	**0.02**	(AUD 4,371)	0.02
	JPY	**4.36**	**0.27**	5.82	0.36
	CHF	**0.02**	**0.14**	0.02	0.15
	HKD	**0.01**	**0.01**	0.01	0.01

Note 33 : Segment Reporting

Identification of Segments:

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the company.

Operating Segments:

(a) Textiles : Fabrics, Garments and Fabric Retail.

(b) Advanced Material : Human Protection fabric & garments, Industrial Products, Advance Composites and Automotive fabrics.

(c) Others : E-commerce, Agriculture Produce, EPABX and One to Many Radio, Developing of Residential Units and Others.

Segment revenue and results:

Revenue and expenses directly attributable to segments are reported under each reportable segment. The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocable income). Unallocated expenditure consists of common expenditure incurred for all the segments and expenses incurred at corporate level.

Segment assets and Liabilities:

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipment, trade receivables, Inventories and other operating assets. Segment liabilities primarily includes trade payable and other liabilities excluding borrowings.

Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets / liabilities.

Inter Segment transfer:

Inter Segment revenues are recognised at sales price. The same is based on market price and business risks. Profit or loss on inter segment transfer are eliminated at the company level.

The accounting policies of the reportable segments are the same as the Company's accounting policies described in Note 3. The Company's financing (including finance costs and finance income) and income taxes are reviewed on an overall basis and are not allocated to operating segments.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 33 : Segment Reporting (Contd.)

Geographical segment

Geographical segment is considered based on sales within India and rest of the world.

Summarised segment information for the years ended March 31, 2023 and March 31, 2022 are as follows:

Particulars	For the Year ended/As at March 31, 2023					
	Textiles	Advanced Material	Others	Internet#	Elimi-nation	Total
REVENUE						
External Revenue	6,484.64	1,128.84	109.21	6.33	-	7,729.02
Inter segment Revenue	1.16	0.13	-	-	(1.29)	-
Enterprise revenue	**6,485.80**	**1,128.97**	**109.21**	**6.33**	**(1.29)**	**7,729.02**
RESULT						
Segment Result Before Finance cost	467.75	122.71	(20.18)	(7.47)	-	562.81
Less: Finance Cost						(154.63)
Less: Unallocable expenses (net of income)						(1.54)
Less: Tax expense						(60.73)
Net profit/(loss) after tax	**467.75**	**122.71**	**(20.18)**	**(7.47)**	**-**	**345.91**
Segment Assets	4,174.38	611.99	345.78	-	-	5,132.15
Unallocated Assets						1,265.65
Total Assets	**4,174.38**	**611.99**	**345.78**	**-**	**-**	**6,397.80**
Segment Liabilities	1,244.79	148.01	291.58	-	-	1,684.38
Unallocated Liabilities						56.82
Total Liabilities	**1,244.79**	**148.01**	**291.58**	**-**	**-**	**1,741.20**
Depreciation and amortisation expense	168.13	19.25	2.34	2.46	-	192.18
Unallocated Depreciation and amortisation expense						18.77
Total Depreciation and amortisation expense	**168.13**	**19.25**	**2.34**	**2.46**	**-**	**210.95**
Capital Expenditure	143.70	56.66	5.48	7.13	-	212.97
Unallocated Capital Expenditure						19.09
Total Capital Expenditure (Refer note (a))	**143.70**	**56.66**	**5.48**	**7.13**	**-**	**232.06**
Material non-cash items other than Depreciation and amortisation	22.41	15.15	(0.10)	-	-	37.46
Unallocated Material non-cash items other than Depreciation and amortisation						22.92
Total Material non-cash items other than Depreciation and amortisation	**22.41**	**15.15**	**(0.10)**	**-**	**-**	**60.38**

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 33 : Segment Reporting (Contd.)

Particulars	For the Year ended/As at March 31, 2022					
	Textiles	Advanced Material	Others	Internet#	Elimi-nation	Total
REVENUE						
External Revenue	6,451.07	902.89	81.75	23.86	-	7,459.57
Inter segment Revenue	0.61	0.04	-	-	(0.65)	-
Enterprise revenue	**6,451.68**	**902.93**	**81.75**	**23.86**	**(0.65)**	**7,459.57**
RESULT						
Segment Result Before Finance cost	**596.86**	**95.81**	**(14.44)**	**(28.15)**	**-**	**650.08**
Less: Finance Cost						(166.70)
Less: Unallocable expenses (net of income)						(288.57)
Add: Tax credit						(135.51)
Net profit/(loss) after tax	**596.86**	**95.81**	**(14.44)**	**(28.15)**	**-**	**59.30**
Segment Assets	5,201.62	553.76	275.84	17.09	-	6,048.31
Unallocated Assets						1,364.69
Total Assets	**5,201.62**	**553.76**	**275.84**	**17.09**	**-**	**7,413.00**
Segment Liabilities	2,244.88	179.25	193.60	9.39	-	2,627.12
Unallocated Liabilities						61.13
Total Liabilities	**2,244.88**	**179.25**	**193.60**	**9.39**	**-**	**2,688.25**
Depreciation and amortisation expense	166.14	17.30	1.99	10.20	-	195.63
Unallocated Depreciation and amortisation expense						17.81
Total Depreciation and amortisation expense	**166.14**	**17.30**	**1.99**	**10.20**	**-**	**213.44**
Capital Expenditure	173.07	26.54	6.16	0.38	-	206.15
Unallocated Capital Expenditure						1.51
Total Capital Expenditure (Refer note (a))	**173.07**	**26.54**	**6.16**	**0.38**	**-**	**207.66**
Material non-cash items other than Depreciation and amortisation	19.66	11.01	-	-	-	30.67
Unallocated Material non-cash items other than Depreciation and amortisation						319.79
Total Material non-cash items other than Depreciation and amortisation	**19.66**	**11.01**	**-**	**-**	**-**	**350.46**

Internet Business has been discontinued with effect from June 30, 2022. Refer note 46 for details of discontinued operations.

(a) Capital expenditure consists of additions to property, plant and equipment, intangible assets, investment properties, capital work-in-progress and Right of Use assets.

(b)

Particulars	Year ended/as at March 31, 2023	Year ended/as at March 31, 2022
Segment Revenue*		
(a) In India	**4,479.18**	3,788.81
(b) Rest of the world	**3,249.84**	3,670.76
Total	**7,729.02**	7,459.57
Carrying Cost of Segment Non Current Assets@		
(a) In India	**3,276.96**	3,286.68
(b) Rest of the world	**-**	-
Total	**3,276.96**	3,286.68

* Based on location of Customers

@ Other than financial assets.

(c) Information about major customers:

Considering the nature of business of company in which it operates, the company deals with various customers including multiple geographics. No single customer has accounted for more than 10% of the company's revenue for the years ended March 31, 2023 and 2022.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 34 : Disclosure pursuant to Employee benefits

A. Defined contribution plans:

Amount of ₹ 51.91 Crores (March 31, 2022: ₹ 38.36 Crores) is recognised as expenses and included in note no. 23 "Employee benefit expense".

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(i) Contribution to Provident Fund [note (a)]	**31.74**	17.76
(ii) Contribution to Pension Fund [note (a)]	**12.24**	13.37
(iii) Contribution to Superannuation Fund [note (b)]	**1.51**	1.40
(iv) Contribution to Employees' State Insurance [note (c)]	**6.42**	5.83
Total	**51.91**	38.36

Note

(a) Employees of the Company receive benefits from a provident fund, which is a defined contribution plan.The eligible employees and the company make monthly contributions to the provident fund plan equal to a specified percentage of the employees' salary. Amounts collected under the provident fund plan are deposited in a government administered provident fund. The remaining portion is contributed to the government-administered pension fund. The company has no further obligation to the plan beyond its monthly contributions. Such contributions are accounted for as defined contribution plans and are recognised as employee benefits expenses when they are due in the Statement of profit and loss.

(b) The Company's Superannuation Fund is administered by approved Trust. The Company is required to contribute the specified amount to the Trust for the eligible employees. The Company has no further obligations to the plan beyond its contribution to a Trust Fund.

(c) The Company's Employee State Insurance Fund, for all eligible employees, is administered by ESIC Corporation. The Company is required to contribute specified amount to ESIC Corporation and has no further obligations to the same beyond its contribution.

B. Defined benefit plans:

The Company has following post employment benefit plans which are in the nature of defined benefit plans:

(a) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days (30 days for the employees joined before March 31, 2000 with the grade of M2 and above from the date they are in Grade M2 and above) salary multiplied for the number of years of service. The Gratuity plan is a Funded plan administered by a recognised Trust in India.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method. The Company fully contributes all ascertained liabilities to the Arvind Limited Employees' Gratuity Fund Trust (the Trust). Trustees administer contributions made to the Trusts and contributions are invested in a scheme as permitted by Indian law.

The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligations recognized in other comprehensive income.

(b) Compensatory Pension Scheme

The Company operates a post retirement pension scheme, which is discretionary in nature for certain cadres of employees who have joined before June 30, 1983 and who have rendered not less than 31 years of service before their retirement. The plan is unfunded. Employees do not contribute to the plan.

Liabilities with regard to the Compensatory Pension Scheme are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method.

The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

Note 34 : Disclosure pursuant to Employee benefits (Contd.)

Changes in defined benefit obligation and plan assets as at March 31, 2023:

(₹ in Crores)

Particulars	As at April 1, 2022	Charged to statement of profit and loss			Empl-oyees' contr-ibution	Emp-loyer's contr-ibution	Tra-nsfer In	Benefit paid	Remeasurement gains/(losses) in other comprehensive income						As at March 31, 2023
		Service cost	Net interest expense/ (income)	Sub-total included in state-ment of profit and loss (note 23)					Return on plan assets (excluding amounts included in net interest income)	Actuarial changes arising from changes in demog-raphic asssump-tions	Actuarial changes arising from changes in financial asssump-tions	Actu arial changes arising from changes in Expe-rience adjustm-ents	Tran-sfer of Oblig-ations & Ass-ets	Sub-total incl-uded in OCI	
Gratuity															
Defined benefit obligation	123.00	8.48	6.30	14.78	-	-	-	(14.26)	-	0.36	(10.82)	4.97	-	(5.49)	118.03
Fair value of plan assets	(118.57)	-	(6.08)	(6.08)	-	(4.43)	-	1.05	1.13	-	-	-	-	1.13	(126.90)
Net Benefit liability/ (asset)	**4.43**	**8.48**	**0.22**	**8.70**	**-**	**(4.43)**	**-**	**(13.21)**	**1.13**	**0.36**	**(10.82)**	**4.97**	**-**	**(4.36)**	**(8.87)**
Compensatory Pension Scheme															
Defined benefit obligation	1.53	0.03	0.08	0.11	-	-	-	-	-	-	(0.03)	(0.14)	-	(0.17)	1.47
Net Benefit liability/ (asset)	**1.53**	**0.03**	**0.08**	**0.11**	**-**	**-**	**-**	**-**	**-**	**-**	**(0.03)**	**(0.14)**	**-**	**(0.17)**	**1.47**
Total benefit liability/ (asset)	**5.96**	**8.51**	**0.30**	**8.81**	**-**	**(4.43)**	**-**	**(13.21)**	**1.13**	**0.36**	**(10.85)**	**4.83**	**-**	**(4.53)**	**(7.40)**

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

Note 34 : Disclosure pursuant to Employee benefits (Contd.)

Changes in defined benefit obligation and plan assets as at March 31, 2022:

(₹ in Crores)

Particulars	As at April 1, 2021	Charged to statement of profit and loss			Employees' contribution	Employer's contribution	Transfer In	Benefit paid	Remeasurement gains/(losses) in other comprehensive income						As at March 31, 2022
		Service cost	Net interest expense/ (income)	Sub-total included in statement of profit and loss (note 23)					Return on plan assets (excluding amounts included in net interest income)	Actuarial changes arising from changes in demographic asssumptions	Actuarial changes arising from changes in financial asssumptions	Actuarial changes arising from changes in Experience adjustments	Transfer of Obligations & Assets	Sub-total included in OCI	
Gratuity															
Defined benefit obligation	113.86	10.45	6.81	17.26	-	-	-	12.31	-	2.12	2.06	0.01	-	4.19	123.00
Fair value of plan assets	(120.35)	-	(7.20)	(7.20)	-	-	-	(12.31)	(3.33)	-	-	-	-	(3.33)	(118.57)
Net Benefit liability/ (asset)	**(6.49)**	**10.45**	**(0.39)**	**10.06**	**-**	**-**	**-**	**-**	**(3.33)**	**2.12**	**2.06**	**0.01**	**-**	**0.86**	**4.43**
Provident Fund Scheme*															
Defined benefit obligation	418.66	9.75	28.28	38.03	27.41	-	9.77	(67.56)	-	-	-	-	(426.31)	(426.31)	-
Fair value of plan assets	(427.96)	-	(28.28)	(28.28)	(27.41)	(9.75)	(9.77)	67.56	(14.62)	-	-	-	440.93	426.31	(9.30)
Deficit/(Surplus)	**(9.30)**	**9.75**	**-**	**9.75**	**-**	**(9.75)**	**-**	**-**	**(14.62)**	**-**	**-**	**-**	**14.62**	**-**	**(9.30)**
Effects of asset ceiling, if any**	9.30	-	-	-	-	-	-	-	-	-	-	-	-	-	9.30
Net Benefit liability/ (asset)	**-**	**9.75**	**-**	**9.75**	**-**	**(9.75)**	**-**	**-**	**(14.62)**	**-**	**-**	**-**	**14.62**	**-**	**-**
Compensatory Pension Scheme															
Defined benefit obligation	1.68	0.04	0.10	0.14	-	-	-	-	-	-	0.02	(0.31)	-	(0.29)	1.53
Net Benefit liability/ (asset)	**1.68**	**0.04**	**0.10**	**0.14**	**-**	**-**	**-**	**-**	**-**	**-**	**0.02**	**(0.31)**	**-**	**(0.29)**	**1.53**
Total benefit liability/ (asset)	**(4.81)**	**20.24**	**(0.29)**	**19.95**	**-**	**(9.75)**	**-**	**-**	**(17.95)**	**2.12**	**2.08**	**(0.30)**	**14.62**	**0.57**	**5.96**

*With effect from March 1, 2022, the company has surrendered its exemption granted under Section 17(1)(a) of EPF & MP Act, 1952. The assets and liabilities of The Arvind Mills Employees' Provident Fund Trust as on the date of surrender of exemption have been transferred to Employees Provident Fund Organisation, Ministry of Labour of Employment, Government of India. Hence, there is no outstanding obligation of the company towards provident Fund Plan as on March 31, 2022.

**The Company has an obligation to make good the shortfall, if any.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 34 : Disclosure pursuant to Employee benefits (Contd.)

The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows:

Particulars	As at March 31, 2023 (%) of total plan assets	As at March 31, 2022 (%) of total plan assets
Central Government Securities	**0.00%**	0.00%
Public Sector/Financial Institutional Bonds	**0.00%**	0.00%
Portfolio with Insurance Companies	**99.99%**	99.99%
Others (including bank balances)	**0.01%**	0.01%
(%) of total plan assets	**100%**	100%

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate	**7.29%**	5.15%
Future salary increase	**6.00%**	6.00%
Expected rate of return on plan assets	**7.29%**	5.15%
Attrition rate		
- For service 4 years and below	**44.00%**	30.00%
- For service 5 years to 10 years	**25.00%**	30.00%
- For service above 11 years	**11.00%**	30.00%
Morality rate during employment	**Indian assured lives Mortality 2012-14 (Urban)**	Indian assured lives Mortality 2012-14 (Urban)

A quantitative sensitivity analysis for significant assumption is as shown below for the defined benefit plan:

Particulars	Sensitivity level	Increase / (decrease) in defined benefit obligation (Impact)	
		Year ended March 31, 2023	Year ended March 31, 2022
Gratuity			
Discount rate	1% increase	**(4.30)**	(2.26)
	1% decrease	**4.75**	2.40
Salary increase	1% increase	**4.77**	2.36
	1% decrease	**(4.39)**	(2.26)
Attrition rate	1% increase	**0.24**	(0.24)
	1% decrease	**(0.28)**	0.24
Compensatory Pension Scheme			
Discount rate	1% increase	**(0.02)**	(0.03)
	1% decrease	**0.03**	0.03

The above sensitivity analysis may not be representative of the actual benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 34 : Disclosure pursuant to Employee benefits (Contd.)

Maturity analysis (Expected undiscounted future benefit payments for the defined benefit plan)

Particulars	As at March 31, 2023	As at March 31, 2022
Gratuity		
Within the next 12 months	32.76	47.40
From 2 to 5 years	53.15	64.79
From 6 to 10 years	38.43	20.43
Compensatory Pension Scheme		
Within the next 12 months	0.34	0.34
From 2 to 5 years	1.36	1.36

Weighted average duration of defined plan obligation (based on discounted cash flows)

Particulars	As at March 31, 2023	As at March 31, 2022
Gratuity	5	3
Compensatory Pension Scheme	2	2

The Company does not have any contributions expected towards planned assets for the next year.

C. Other Long term employee benefit plans:

Leave encashment

The Company has a policy on leave encashment which are both accumulating and non-accumulating in nature. The expected cost of accumulating leave encashment is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

The Company has recognised following as expenses and included in note no. 23 "Employee benefit expense".

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Leave Encashment	**12.31**	10.77
Total	**12.31**	10.77

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

Note 35 : Disclosure of Related Party Transactions in accordance with Ind AS 24 - Related Party Disclosures

(a)	Name of Related Parties and Nature of Relationship :	
(I)	**Subsidiaries**	
1	Arvind Envisol Limited	
2	Arvind Smart Textiles Limited	
3	Syntel Telecom Limited	
4	Arvind Internet Limited	upto June 30, 2022
5	Arvind Suit Manufacturing Private Limited (Formerly known as 'Arvind Goodhill Suit Manufacturing Private Limited')	
6	Arvind Sports Fashion Private Limited (Formerly Known as Arvind Ruf & Tuf Private Limited)	
7	Arvind PD Composites Private Limited	
8	Arvind OG Nonwovens Private Limited	
9	Arvind BKP Berolina Private Limited (Formerly known as Arvind Transformational Solutions Private Limited)	
10	Arvind Premium Retail Limited	
11	Arvind Polymer Textiles Limited (Formerly. known as Arvind True Blue Limited)	
12	Arya Omnitalk Wireless Solutions Private Limited	
13	Arvind Engineered Composite Panels Private Limited (Formerly known as Arvind Polser Engineered Composite Panels Private Limited)	
14	Arvind Lifestyle Apparel Manufacturing PLC, Ethiopia	
15	Arvind Enterprise FZC	
16	Arvind Worldwide Inc., USA	
17	Arvind Envisol PLC	
18	AJ Environmental Solutions Company	upto January 18, 2023
19	Westech Advance Materials Limited	upto February 28, 2023
20	Brillaire Inc	upto October 25, 2021
21	Arvind Textile Mills Limited, Bangladesh	
22	Arvind Niloy Exports Private Limited, Bangladesh	
23	Arvind Worldwide(M) Inc., Mauritius	
24	Arvind Overseas (M) Inc., Mauritius	
25	Arvind Spinning Limited	
26	Maruti Ornet and Infrabuild LLP	
27	Enkay Converged Technologies LLP	
28	Arvind Foundation	
29	Arvind Indigo Foundation	w.e.f. June 28, 2021
30	Arvind Norm CBRN Systems Private Limited	w.e.f. March 4, 2022
31	Arvind Technical Products Private Limited	w.e.f. February 8, 2023
(II)	**Joint Ventures and Associates**	
1	Arya Omnitalk Radio Trunking Services Private Limited	
2	Arvind Norm CBRN Systems Private Limited	upto March 3, 2022
3	Adient Arvind Automotive Fabrics India Private Limited	
4	Arudrama Developers Private Limited	
5	Arvind and Smart Value Homes LLP	
6	PVH Arvind Manufacturing PLC, Ethiopia	
7	Clean Max Kratos Private Limietd	upto June 20, 2022
8	Renew Green (GJ Eight) Private Limited	w.e.f. January 26, 2023
(III)	**Key Management Personnel**	
1	Mr. Sanjay S. Lalbhai	Chairman and Managing Director
2	Mr. Jayesh K. Shah	Director & Group Chief Financial Officer*
3	Mr. Punit S. Lalbhai	Executive Director
4	Mr. Kulin S. Lalbhai	Executive Director
5	Mr. Swayam Saurabh	Chief Financial Officer (upto January 25, 2023)
6	Mr. Bakul Harshadrai Dholakia	Non-Executive Director
7	Mr. Dileep Chinubhai Choksi	Non-Executive Director
8	Ms. Renuka Ramnath	Non-Executive Director (upto May 18, 2022)
9	Mr. Nilesh Dhirajlal Shah	Non-Executive Director
10	Mr. Arpit Kantilal Patel	Non-Executive Director
11	Ms. Ismet Tehmesp Khambatta	Non-Executive Director (w.e.f August 1, 2022)

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

Note 35 : Disclosure of Related Party Transactions in accordance with Ind AS 24 - Related Party Disclosures (Contd.)

(a)	Name of Related Parties and Nature of Relationship :	
(IV)	**Relatives of Key Management Personnel**	
1	Mrs. Jayshree S Lalbhai	
2	Mrs. Poorva P Lalbhai	
3	Mrs. Jaina K Lalbhai	
(V)	**Enterprise over which Key Management personnel are able to exercise significant influence**	
1	Aura Securities Private Limited	
2	Amplus Capital Advisors Private Limited	
3	Arvind Smartspaces Limited	
4	The Anup Engineering Limited	
5	Arvind Fashions Limited	
6	Arvind Lifestyle Brands Limited	
7	Arvind Beauty Brands Retail Private Limited	
8	PVH Arvind Fashion Private Limited (Formerly known as Calvin Klein Arvind Fashion Private Limited)	
9	Arvind Youth Brands Private Limited	
10	White Ocean Business Ventures LLP	
11	Aura Business Enterprise Private Limited	
12	Aura Business Ventures LLP	
13	Style Audit LLP	
14	Animesh Holdings Private Limited	
15	Endor Properties LLP	
16	Morpheus Properties LLP	
17	Amber Apparels LLP	
18	Tesla Properties LLP	
19	Multiples Private Equity Fund II LLP	
20	Crusade Properties LLP	
21	Value Fashion Retail Limited	
22	Firenze Properties and Investments Private Limited	
23	Centerac Emarket Places Private Limited	
24	Amplus Ahmedabad Projects LLP	
25	AIC-LMCP Foundation	
26	Able Investments Private Limited	
27	Shruti Trade Link Private Limited	
(VI)	**Trusts and Others**	
1	Arvind Mills Employees' Provident Fund	
2	Arvind Mills Employees' Gratuity Fund	
3	Lalbhai Group of Companies Officers' Superannuation Fund	

*The Company has appointed Mr. Jayesh Shah, Whole Time Director as Chief Financial Officer (KMP) of the Company w.e.f. January 26, 2023.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

Note 35 : Disclosure of Related Party Transactions in accordance with Ind AS 24 - Related Party Disclosures(Contd.)

(₹ in Crores)

(b) Disclosure in respect of Related Party Transactions :

Particulars	Subsidiaries		Joint Ventures and Associates		Key Management Personnel and relatives		Trusts		Company under the control of Key Managerial Personnel		Total	
	Year ended / as at		Year ended / as at		Year ended / as at		Year ended / as at		Year ended / as at		Year ended / as at	
	March 31, 2023	March 31, 2022	**March 31, 2023**	March 31, 2022	**March 31, 2023**	March 31, 2022	**March 31, 2023**	March 31, 2022	**March 31, 2023**	March 31, 2022	**March 31, 2023**	March 31, 2022
(I) Transactions during the year												
Purchase of Goods	**181.12**	72.01	**-**	0.04	**-**	-	**-**	-	**0.15**	2.08	**181.27**	74.13
Purchase of Property, plant and equipment	**20.67**	6.67	**-**	-	**-**	-	**-**	-	**-**	-	**20.67**	6.67
Purchase of Intengible assets	**-**	14.92	**-**	-	**-**	-	**-**	-	**-**	-	**-**	14.92
Sales of Goods	**317.24**	218.49	**-**	0.01	**-**	-	**-**	-	**28.84**	58.36	**346.08**	276.86
Sale of Property, plant and equipment	**1.01**	-	**-**	-	**-**	-	**-**	-	**-**	-	**1.01**	-
Services Rendered	**1.04**	0.74	**-**	-	**-**	-	**-**	-	**1.93**	8.73	**2.97**	9.47
Rent Income	**2.12**	2.58	**-**	-	**-**	-	**-**	-	**0.11**	0.11	**2.23**	2.69
Expenses Recovered	**17.22**	9.95	**1.24**	2.08	**-**	-	**-**	-	**6.27**	5.17	**24.73**	17.20
Remuneration	**-**	-	**-**	-	**26.06**	10.94	**-**	-	**-**	-	**26.06**	10.94
Sitting Fees paid to Non-Executive Directors	**-**	-	**-**	-	**0.07**	0.08	**-**	-	**-**	-	**0.07**	0.08
Commission to Non-Executive Directors	**-**	-	**-**	-	**0.35**	0.37	**-**	-	**-**	-	**0.35**	0.37
Services Received	**91.48**	91.35	**-**	0.02	**-**	-	**-**	-	**8.62**	14.62	**100.10**	105.99
Donation Given	**3.30**	2.60	**-**	-	**-**	-	**-**	-	**-**	-	**3.30**	2.60
Contribution Given for Employee Benefit Plans	**-**	-	**-**	-	**-**	-	**5.85**	22.07	**-**	-	**5.85**	22.07
Share of Profit from LLP	**(30.39)**	(0.03)	**0.01**	(0.64)	**-**	-	**-**	-	**-**	-	**(30.38)**	(0.67)
Dividend Income	**4.01**	2.00	**0.49**	2.00	**-**	-	**-**	-	**-**	-	**4.50**	4.00
Interest Income	**8.60**	16.10	**-**	-	**-**	-	**-**	-	**-**	-	**8.60**	16.10
Guarantee Commission Income	**1.16**	1.07	**-**	-	**-**	-	**-**	-	**-**	-	**1.16**	1.07
Provision / (Reversal) of impairment in value of investments	**(0.09)**	258.07	**-**	3.14	**-**	-	**-**	-	**-**	-	**(0.09)**	261.21
Impairment in value of Loan	**23.92**	52.45	**-**	-	**-**	-	**-**	-	**-**	-	**23.92**	52.45
Loan Given	**119.02**	374.24	**-**	-	**-**	-	**-**	-	**-**	-	**119.02**	374.24
Receipt towards Loan Given	**115.37**	511.38	**-**	-	**-**	-	**-**	-	**-**	-	**115.37**	511.38
Investment made	**167.40**	194.91	**20.51**	-	**-**	-	**-**	-	**-**	-	**187.91**	194.91
Sale of Investment	**258.90**	1.41	**(₹ 2,600)**	-	**-**	0.10	**-**	-	**-**	-	**258.90**	1.51
Withdrawal of capital Contribution	**-**	4.08	**-**	0.64	**-**	-	**-**	-	**-**	-	**-**	4.72
Investment written off	**10.18**	-	**-**	-	**-**	-	**-**	-	**-**	-	**10.18**	-
Profit on Sale of undertaking	**152.06**	-	**-**	-	**-**	-	**-**	-	**-**	-	**152.06**	-
Investment Received back	**-**	7.89	**-**	-	**-**	-	**-**	-	**-**	-	**-**	7.89
(II) Balances as at year end												
Guarantees	**80.79**	89.29	**-**	-	**-**	-	**-**	-	**-**	-	**80.79**	89.29
Trade Receivables	**70.87**	141.64	**0.34**	0.29	**-**	-	**-**	-	**34.51**	23.26	**105.72**	165.19
Investments	**438.80**	647.99	**104.87**	84.36	**-**	-	**-**	-	**-**	-	**543.67**	732.35
Provision for Impairment of Investment	**(269.92)**	(269.40)	**(13.47)**	(13.47)	**-**	-	**-**	-	**-**	-	**(283.39)**	(282.87)
Share Application Money	**-**	-	**1.49**	1.49	**-**	-	**-**	-	**-**	-	**1.49**	1.49
Provision for Impairment of Share Application Money	**-**	-	**(1.49)**	(1.49)	**-**	-	**-**	-	**-**	-	**(1.49)**	(1.49)
Loan Given	**120.70**	114.61	**-**	-	**-**	-	**-**	-	**-**	-	**120.70**	114.61
Allowance for Doubtful Loan	**(92.33)**	(68.41)	**-**	-	**-**	-	**-**	-	**-**	-	**(92.33)**	(68.41)
Other Current Assets	**1.46**	1.97	**-**	0.09	**-**	-	**8.87**	-	**1.21**	0.79	**11.54**	2.85
Other Current Financial Assets	**2.31**	9.52	**-**	-	**-**	-	**-**	-	**-**	-	**2.31**	9.52
Other Non Current Assets	**-**	-	**0.50**	-	**-**	-	**-**	-	**0.25**	0.25	**0.75**	0.25
Trade Payable	**34.44**	100.28	**-**	-	**0.31**	0.33	**-**	-	**12.98**	13.78	**47.73**	114.39
Other Current Liabilities	**0.81**	3.00	**-**	-	**-**	-	**-**	-	**-**	-	**0.81**	3.00
Other Current Financial Liabilities	**8.39**	3.21	**-**	-	**-**	-	**-**	-	**-**	-	**8.39**	3.21
Short Term Porvision	**-**	-	**-**	-	**-**	-	**1.06**	5.77	**-**	-	**1.06**	5.77

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 35 : Disclosure of Related Party Transactions in accordance with Ind AS 24 - Related Party Disclosures(Contd.)

(c) Disclosures pursuant to the Regulation 34(3) read with para A of Schedule V to the SEBI (Listing obligations and disclosure requirements) Regulations, 2015 read with section 186(4) of the Companies Act, 2013.

Loans and Advances in the nature of loans

List of Related Parties	Purpose	Balance as at	
		March 31, 2023	'March 31, 2022
Loans and Advances			
Arvind Worldwide (M) Inc.	General Business Purpose	**5.23**	5.23
Less : Allowance for doubtful loan		**(5.23)**	(5.23)
		-	-
Arvind Premium Retail Limited	General Business Purpose	**12.49**	11.65
Less : Allowance for doubtful loan		**(12.49)**	(11.65)
		-	-
Arvind Sports Fashion Private Limited (Previously Known as Arvind Ruf & Tuf Private Limited)	General Business Purpose	**74.60**	51.53
Less : Allowance for doubtful loan		**(74.60)**	(51.53)
		-	-
Enkay Converged Technologies LLP	General Business Purpose	**-**	4.87
Arvind Internet Limited	General Business Purpose	**-**	0.26
Arvind Polymer Textiles Limited (Previously known as Arvind True Blue Limited)	General Business Purpose	**4.93**	-
Arvind BKP Berolina Private Limited (Previously known as Arvind Transformational Solutions Private Limited)	General Business Purpose	**0.01**	0.01
Arvind Engineered Composite Panels Private Limited(Previously known as Arvind Polser Engineered Composite Panels Private Limited)	General Business Purpose	**-**	5.21
Arvind Lifestyle Apparel Manufacturing PLC, Ethiopia	General Business Purpose	**23.43**	21.07
Arvind Enterprise FZC	General Business Purpose	**-**	14.78
Total(A)		**28.37**	46.20
Corporate Guarantee given on behalf of			
Arvind Envisol Limited	Facilitate Trade Finance	**41.77**	28.81
Arvind Smart Textiles Limited	Facilitate Trade Finance	**19.73**	33.63
Enkay Converged Technologies LLP	Facilitate Trade Finance	**1.20**	2.10
Arya Omnitalk Wireless Solutions Private Limited	Facilitate Trade Finance	**18.09**	24.75
Total(B)		**80.79**	89.29
Total(A+B)		**109.16**	135.49

List of Related Parties	Purpose	Maximum Outstanding During	
		2022-23	2021-22
Loans and Advances			
Arvind Worldwide (M) Inc.	General Business Purpose	**5.23**	5.23
Arvind Lifestyle Apparel Manufacturing PLC, Ethiopia	General Business Purpose	**23.60**	21.07
Arvind Enterprise FZC, Sharjah	General Business Purpose	**18.34**	16.77
Arvind Envisol Limited	General Business Purpose	**6.50**	53.91
Syntel Telecom Limited	General Business Purpose	**-**	26.41
Arvind Internet Limited	General Business Purpose	**0.26**	0.26
Enkay Converged Technologies LLP	General Business Purpose	**4.87**	25.12
Arvind Sports Fashion Private Limited (Previously Known as Arvind Ruf & Tuf Private Limited)	General Business Purpose	**126.84**	93.07
Arvind Premium Retail Limited	General Business Purpose	**12.49**	11.65
Arvind Polymer Textiles Limited (Previously known as Arvind True Blue Limited)	General Business Purpose	**6.28**	30.35
Arvind Engineered Composite Panels Private Limited(Previously known as Arvind Polser Engineered Composite Panels Private Limited)	General Business Purpose	**5.78**	5.32
Arvind Smart Textiles Limited	General Business Purpose	**-**	78.69
Arvind BKP Berolina Private Limited (Previously known as Arvind Transformational Solutions Private Limited)	General Business Purpose	**0.01**	0.01

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 35 : Disclosure of Related Party Transactions in accordance with Ind AS 24 - Related Party Disclosures(Contd.)

(d) Terms and conditions of transactions with related parties

(1) Outstanding balances other than loan given and taken and fair value of financial guarantee contract, at the year-end are unsecured and interest free and settlement occurs in cash.

(2) Loans in INR given to the related party carries interest rate of 8.00% (March 31, 2022: 8.00%). Loans in USD given to the related party carries an interest rate of 6.20% (March 31, 2022 : 2.50%).

(3) Financial guarantee given to Bank on behalf of subsidiaries carries no charge and are unsecured.

(4) No repayment schedule has been fixed in case of above mentioned Loans in the nature of loans given to Subsidiary Companies and are repayable on demand.

(e) Commitments with related parties

The Company has provided commitment of ₹ 1.89 Crores to the related party as at March 31, 2023 (March 31, 2022: ₹ 10.13 Crores).

(f) Transactions with key management personnel

The remuneration of key management personnel during the year was as follows :

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Short-term employee benefits	**25.63**	10.61
Post employment benefits	**0.38**	0.39
Other long-term employment benefits	**0.06**	0.08
Others - Contribution towards Provident Fund	**0.41**	0.31
Total compensation paid to key management personnel	**26.48**	11.39

Note 36 : Earning per share

Particulars		Year ended March 31, 2023	Year ended March 31, 2022
Earing per share (Basic and Diluted)			
Continuing Operation			
Profit attributable to ordinary equity holders	₹ in Crores	**351.95**	77.15
Weighted average number of equity shares for basic EPS (a)	No.	**26,09,10,131**	25,96,95,044
Effect of potential Ordinary shares on outstanding Employee Stock Options (b)	No.	**41,251**	11,19,173
Weighted average number of Ordinary shares in computing diluted earnings per share (a) + (b)	**No.**	**26,09,51,382**	26,08,14,217
Nominal value of equity shares	₹	**10**	10
Basic earning per share	₹	**13.49**	2.97
Diluted earning per share	₹	**13.46**	2.96
Discontinued Operation			
Loss attributable to ordinary equity holders	₹ in Crores	**(6.04)**	(17.85)
Weighted average number of equity shares for basic EPS (a)	No.	**26,09,10,131**	25,96,95,044
Effect of potential Ordinary shares on outstanding Employee Stock Options (b)	No.	**41,251**	11,19,173
Weighted average number of Ordinary shares in computing diluted earnings per share (a) + (b)	**No.**	**26,09,51,382**	26,08,14,217
Nominal value of equity shares	₹	**10**	10
Basic earning per share	₹	**(0.23)**	(0.69)
Diluted earning per share	₹	**(0.23)**	(0.69)
Continuing and Discountinued Operation			
Profit attributable to ordinary equity holders	₹ in Crores	**345.91**	59.30
Weighted average number of equity shares for basic EPS (a)	No.	**26,09,10,131**	25,96,95,044
Effect of potential Ordinary shares on outstanding Employee Stock Options (b)	No.	**41,251**	11,19,173
Weighted average number of Ordinary shares in computing diluted earnings per share (a) + (b)	**No.**	**26,09,51,382**	26,08,14,217
Nominal value of equity shares	₹	**10**	10
Basic earning per share	₹	**13.26**	2.28
Diluted earning per share	₹	**13.23**	2.27

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

Note 37 : Share based payments

(A). The Company has instituted Employee Stock Option Scheme 2008 (ESOS 2008) and AL – Employee Stock Option Scheme 2021 (ESOS 2021), pursuant to the approval of the shareholders of the company at their extra ordinary general meeting held on October 23, 2007 and annual general meeting held on August 18, 2021 respectively. Under both the schemes, the Company has granted options convertible into equal number of equity shares of the face value of ₹10 each to its certain employees. The following table sets forth the particulars of the options outstanding as on March 31, 2023 under ESOS 2008 and ESOS 2021:

Scheme	ESOS 2008	ESOS 2021			
Date of grant	No options outstanding at the year end under this scheme	March 22, 2022	August 5, 2022	August 5, 2022	August 5, 2022
Vesting Date		Step vesting in 4 tranches from March 31, 2023 to March 31, 2026	Step vesting in 4 tranches from March 31, 2023 to March 31, 2026	Step vesting in 4 tranches from March 31, 2023 to March 31, 2026	Vesting date August 31, 2024
Number of options granted		1,00,000	50,000	50,000	1,08,000
Number of options outstanding		1,00,000	50,000	50,000	1,08,000
Exercise price per option		₹ 116.70	₹ 10.00	₹ 96.20	₹ 10.00
Fair Value of option on Grant date		₹49.72	₹34.10	₹ 34.10	₹ 87.47
Vesting period		Over a period of 1 to 4 years from the date of grant			
Vesting requirements		On continued employment with the company and fulfilment of performance parameters.			
Exercise period		3 years from the date of vesting			
Method of settlement		Through allotment of one equity share for each option granted.			

B. Movement in Stock Options during the year :

The following reconciles the share option outstanding at the beginning and at the end of the year :

Particulars	Year Ended March 31, 2023		Year Ended March 31, 2022	
	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price
ESOS 2008				
Outstanding at the beginning of the year	**23,37,655**	**61.94**	39,37,750	50.89
Vested during the year	**9,11,655**	**35.99**	16,61,750	33.83
Granted during the year	**-**	**-**	61,655	10.00
Lapsed/Forfeited during the year	**14,26,000**	**78.53**	-	-
Exercised during the year	**9,11,655**	**35.99**	16,61,750	33.83
Outstanding at the end of the year	**-**	**-**	23,37,655	61.94
Exercisable at the end of the year	**-**	**-**	14,26,000	78.53
ESOS 2021				
Outstanding at the beginning of the year	**3,50,000**	**125.27**	-	-
Vested during the year	**-**	**-**	-	-
Granted during the year	**2,08,000**	**29.80**	3,50,000	125.27
Lapsed/Forfeited during the year	**2,00,000**	**128.70**	-	-
Exercised during the year	**-**	**-**	-	-
Expired during the year	**-**	**-**	-	-
Outstanding at the end of the year	**3,58,000**	**67.88**	3,50,000	125.27
Exercisable at the end of the year	-	-	-	-

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

Note 37 : Share based payments (Contd.)

C. Share Options Exercised during the year:

Option Series	No. of Options	Exercise Date	Weighted Average Share Price at Exercise Date
Options exercised during the year	2,50,000	June 6, 2022	100.45
	61,655	August 6, 2022	99.03
	2,00,000	February 8, 2023	83.93
	1,50,000	February 8, 2023	83.93
	2,50,000	February 17, 2023	84.10

D. Share Options Outstanding at the end of the year:

ESOS 2008 - There are no options outstanding at the end of the year in this scheme.

ESOS 2021 - The share options outstanding at the end of the year had a weighted average exercise price of ₹ 67.88 (as at March 31, 2022: ₹ 125.27) and a weighted average remaining contractual life of 4.24 Years (as at March 31,2022: 5.74 years). The range of exericse price is from ₹10.00 to ₹ 128.70.

E. Significant Assumptions of Valuation on New Grant:

Weighted Average Information:

	ESOS 2021
(i) Share price (₹)	96.20
(ii) Exercise price (₹)	29.80
(iii) Expected volatility	53.16%
(iv) Risk-free interest rate	6.52%
(v) Any other inputs to the model	None
(vi) Method used and the assumptions made to incorporate effects of expected early exercise	Binomial Option Pricing Model
(vii) How expected volatility was determined, including an explanation of the extent of to which expected volatility was based on historical volatility	The volatility of the Company's stock price on stock exchanges over the expected life of the options has been considered.
(viii) Whether any or how any other features of option grant were incorporated into the measurement of fair value, such as market condition.	None

F. Expense arising from share- based payment transactions

Total expenses arising from share- based payment transactions recognised in profit or loss as part of employee benefit expense were as follows :

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Share Based Payment to Employees	**1.79**	2.11

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 38 : Leases

A. The Company has taken land, factory buildings, godowns, offices, plant and machinaries and other facilities on lease.

Disclosures as per Ind AS 116 - Leases are as follows:

B. The changes in the carrying value of ROU assets for the year ended on March 31, 2023 are as follows :

Particulars	Land and Building	Others	Total
Balance at the beginning of the year	**51.16**	**-**	**51.16**
Additions during the year	15.08	-	15.08
Deletions/cancellation/modification during the year	(9.84)	-	(9.84)
Depreciation (Refer note 25)	(12.16)	-	(12.16)
Balance at the end of the year	**44.24**	**-**	**44.24**

The changes in the carrying value of ROU assets for the year ended on March 31, 2022 are as follows :

Particulars	Land and Building	Others	Total
Balance at the beginning of the year	43.93	5.48	49.41
Additions during the year	22.54	-	22.54
Deletions/cancellation/modification during the year	(4.37)	(3.19)	(7.56)
Depreciation (Refer note 25)	(10.94)	(2.29)	(13.23)
Balance at the end of the year	**51.16**	**-**	**51.16**

The aggregate depreciation expense on ROU assets is included under depreciation expense in the Statement of Profit and Loss.

C. The movement in lease liabilities are as follows :

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	**69.11**	71.65
Additions during the year	**15.08**	22.54
Deletions/cancellation/modification during the year	**(10.26)**	(9.11)
Finance cost accrued during the year (Refer note 24 and 38F)	**5.81**	5.73
Payment of lease labilities	**(19.83)**	(21.70)
Balance at the end of the year	**59.91**	69.11

The break-up of current and non-current lease liabilities is as under :

Particulars	As at March 31, 2023	As at March 31, 2022
Current	**13.45**	13.59
Non Current	**46.46**	55.52
Total	**59.91**	69.11

D. The details of contractual maturities of lease liabilities on discounted basis are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Less than one year	**13.45**	13.59
One to five years	**35.25**	44.72
More than five years	**11.21**	10.80
Total	**59.91**	69.11

E. The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 38 : Leases (Contd.)

F. The amount recognised in the statement of profit or loss are as follows:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Continuing Operation		
Depreciation expense of right of use assets (Refer note 25)	**12.00**	13.16
Interest expense on lease liabilities (Refer note 24)	**5.74**	5.73
Rent expense - short-term lease and leases of low value assets (Refer note 26)	**12.35**	2.90
Total	**30.09**	21.79
Discontinued Operation		
Depreciation expense of right of use assets (Refer note 46)	**0.16**	0.07
Interest expense on lease liabilities (Refer note 46)	**0.07**	-
Rent expense - short-term lease and leases of low value assets (Refer note 46)	**1.09**	3.77
Total	**1.32**	3.84
Continuing and Discontinued Operation		
Depreciation expense of right of use assets	**12.16**	13.23
Interest expense on lease liabilities	**5.81**	5.73
Rent expense - short-term lease and leases of low value assets	**13.44**	6.67
Total	**31.41**	25.63

Note 39 : Corporate Social Responsibility (CSR) Activities:

(a) The Company is required to spend ₹ 4.97 Crores (March 31, 2022 : ₹ 3.78 Crores) on CSR activities under section 135 of the Act.

(b) Amount spent during the year towards CSR activities are as follows:

	Particulars	Year ended March 31, 2023			'Year ended March 31, 2022		
		In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
(i)	Construction/acquisition of any asset	-	-	-	-	-	-
(ii)	Contribution to various Trusts / NGOs / Societies / Agencies and utilization thereon	**5.06**	-	**5.06**	3.80	-	3.80
(iii)	Expenditure on Administrative Overheads for CSR	-	-	-	-	-	-

(c) Arvind Limited through its CSR policy aims to work for social, economic, educational, infrastructural, environmental, health, inner wellbeing and cultural advancement of the people and thereby positively impact their quality of life. The broad thematic areas are Educational Advancement, Rural Advancement, Environmental Advancement, Health Advancement and Cultural Advancement.

The CSR initiatives are being carried out by company promoted organizations – Arvind Indigo Foundation, Arvind Foundation (AF) and other Organizations.

(d) Amount spent towards CSR activities includes amount contributed to related party during the year ended on March 31, 2023 was ₹ 3.30 Crores (March 31, 2022 : ₹ 2.60 Crores).

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 40: Financial Instruments by category

(i) Financial assets by category

Particulars	As at March 31, 2023					As at March 31, 2022				
	Cost	Fair value through Profit and Loss (FVTPL)	Fair value through Other Compre-hensive Income (FVT OCI)	Amortised cost	Total	Cost	Fair value through Profit and Loss (FVTPL)	Fair value through Other Compre-hensive Income (FVT OCI)	Amortised cost	Total
Investments										
- Equity shares (including share application money pending allotment)	**123.03**	**-**	**126.06**	**-**	**249.09**	262.42	-	2.10	-	264.52
- Preference Shares	**-**	**-**	**-**	**-**	**-**	-	-	-	-	-
- Debentures	**-**	**-**	**-**	**70.37**	**70.37**	-	-	-	101.57	101.57
- Government securities	**-**	**-**	**-**	**(₹ 23,000/-)**	**(₹ 23,000/-)**	-	-	-	(₹ 23,000/-)	(₹ 23,000/-)
- Limited liability partnership	**67.49**	**-**	**-**	**-**	**67.49**	85.50	-	-	-	85.50
Trade receivables	**-**	**-**	**-**	**853.10**	**853.10**	-	-	-	1068.06	1,068.06
Loans	**-**	**-**	**-**	**52.85**	**52.85**	-	-	-	69.72	69.72
Cash and cash equivalents	**-**	**-**	**-**	**29.49**	**29.49**	-	-	-	36.76	36.76
Other bank balances	**-**	**-**	**-**	**8.99**	**8.99**	-	-	-	8.32	8.32
Other financial assets	**-**	***4.71**	**-**	**41.42**	**46.13**	-	*23.12	-	83.52	106.64
Total Financial assets	**190.52**	**4.71**	**126.06**	**1,056.22**	**1,377.51**	347.92	23.12	2.10	1,367.95	1,741.09

*Derivative Instruments designated as Cash Flow Hedge

(ii) Financial liabilities by category

Particulars	As at March 31, 2023			As at March 31, 2022		
	Fair value through Profit and Loss (FVTPL)	Amortised cost	Total	Fair value through Profit and Loss (FVTPL)	Amortised cost	Total
Borrowings	**-**	**1,360.24**	**1,360.24**	-	1,713.40	1,713.40
Lease Liabilities	**-**	**59.91**	**59.91**	-	69.11	69.11
Trade payable	**-**	**1,091.28**	**1,091.28**	-	2,111.32	2,111.32
Other Financial Liabilities	***11.42**	**168.87**	**180.29**	*6.08	128.01	134.09
Total Financial liabilities	**11.42**	**2,680.30**	**2,691.72**	6.08	4,021.84	4,027.92

*Derivative Instruments designated as Cash Flow Hedge amounting to ₹ 10.48 Crores (March 31, 2022 ₹ 4.94 Crores).

For Financial instruments risk management objectives and policies, refer note 42.

Note 41 : Fair value disclosures for financial assets and financial liabilities

(a) Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Carrying amount		Fair value	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Financial assets				
- Investments measured at fair value through OCI	**126.06**	2.10	**126.06**	2.10
- Investments measured at amortised cost	**70.37**	101.57	**70.37**	101.57
Total	**196.43**	103.67	**196.43**	103.67

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Financial liabilities				
- Borrowings at amortised Cost	**1,360.24**	1,713.40	**1,360.24**	1,713.40
Total	**1,360.24**	**1,713.40**	**1,360.24**	1,713.40

Note 41 : Fair value disclosures for financial assets and financial liabilities (Contd.)

The management assessed that the fair values of cash and cash equivalents, other bank balances, loans, trade receivables, other current financial assets, trade payables and other current financial liabilities 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. The following methods and assumptions were used to estimate the fair values.

The fair value of borrowings is calculated by discounting future cash flows using rates currently available for debts on similar terms, credit risk and remaining maturities.

For financial assets and financial liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

(b) Fair value hierarchy

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

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2023 and March 31, 2022

Particulars	Fair value measurement using			
	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
As at March 31, 2023				
Assets measured at fair value				
Fair value through Other Comprehensive Income				
Investment in Equity shares	126.06	-	-	126.06
Fair value through Profit and Loss				
Foreign currency derivative contracts (Cash flow hedge)	4.71	-	4.71	-
As at March 31, 2022				
Assets measured at fair value				
Fair value through Other Comprehensive Income				
Investment in Equity shares	2.10	-	-	2.10
Fair value through Profit and Loss				
Foreign currency derivative contracts (Cash flow hedge)	23.12	-	23.12	-

Quantitative disclosures fair value measurement hierarchy for financial liabilities as at March 31, 2023 and March 31, 2022

Particulars	Fair value measurement using			
	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
As at March 31, 2023				
Liabilities measured at fair value through Profit and Loss				
Financial guarantee contract	0.94	-	-	0.94
Foreign Currency Derivative Contracts (Cash flow hedge)	10.48	-	10.48	-
As at March 31, 2022				
Liabilities measured at fair value through Profit and Loss				
Financial guarantee contract	1.14	-	-	1.14
Foreign Currency Derivative Contracts (Cash flow hedge)	4.09	-	4.09	-

Fair value hierarchy

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximize 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. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfer between level 1, 2 and 3 during the year.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Note 42 : Financial instruments risk management objectives and policies

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's risk management is carried out by a Treasury department under policies approved by the Board of directors. The Company's treasury identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The board provides written principles for overall risk.

(a) Market risk

Market risk refers to the possibility that changes in the market rates may have impact on the Company's profits or the value of its holding of financial instruments. The Company is exposed to market risks on account of foreign exchange rates, interest rates, underlying equity prices, liquidity and other market changes.

Future specific market movements cannot be normally predicted with reasonable accuracy.

(a1) Interest rate risk

Interest rate risk refers to the possibility that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate.

The Company is exposed to interest rate risk of short-term and long-term floating rate instruments. The Company's policy is to maintain a balance of fixed and floating interest rate borrowings and the proportion of fixed and floating rate debt is determined by current market interest rates. The borrowings of the Company are principally denominated in Indian Rupees and US dollars with mix of fixed and floating rates of interest. These exposures are reviewed by appropriate levels of management at regular interval.

As at March 31, 2023, approximately 5.53% of the Company's Borrowings are at fixed rate of interest (March 31, 2022 : 4.33%).

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings as follows:

Particulars	Effect on profit before tax	
	March 31, 2023	March 31, 2022
Increase in 50 basis points	**(6.40)**	(8.20)
Decrease in 50 basis points	**6.40**	8.20

(a2) Foreign currency risk

The Company's foreign currency risk arises from its foreign operations, investments in foreign subsidiaries, foreign currency transactions and foreign currency borrowings. The fluctuation in foreign currency exchange rates may have potential impact on the income statement and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Company. The major foreign currency exposures for the Company are denominated in USD and EURO.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 42 : Financial instruments risk management objectives and policies (Contd.)

Since a significant part of the Company's revenue is in foreign currency and major part of the costs are in Indian Rupees, any movement in currency rates would have impact on the Company's performance. Exposures on foreign currency sales are managed through the Company's hedging policy, which is reviewed periodically to ensure that the results from fluctuating currency exchange rates are appropriately managed. The Company strives to achieve asset liability offset of foreign currency exposures and only the net position is hedged. Consequently, the overall objective of the foreign currency risk management is to minimize the short term currency impact on its revenue and cash-flow in order to improve the predictability of the financial performance. The Company may use forward contracts and foreign exchange options towards hedging risk resulting from changes and fluctuations in foreign currency exchange rate. These foreign exchange contracts, carried at fair value, may have varying maturities varying depending upon the primary host contract requirements and risk management strategy of the company. Hedge effectiveness is assessed on a regular basis.

Foreign currency sensitivity

The foreign exchange rate sensitivity is calculated by the aggregation of the net foreign exchange rate exposure in USD and EURO with a simultaneous parallel foreign exchange rates shift in the currencies by 2% against the functional currency of the respective entities. The company's exposure to foreign currency changes for all other currencies is not material.

Particulars	Change in Currency rate	Effect on profit before tax	
		in USD rate	in EURO rate
March 31, 2023	+2%	3.51	(0.12)
	-2%	(3.51)	0.12
March 31, 2022	+2%	2.73	0.06
	-2%	(2.73)	(0.06)

The movement in the pre-tax effect is a result of a change in the fair value of financial instruments not designated in a hedge relationship. Although the financial instruments have not been designated in a hedge relationship, they act as an economic hedge and will offset the underlying transactions when they occur.

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Financial instruments that are subject to concentrations of credit risk materially consists of trade receivables, investments and derivative financial instruments.

The Company is exposed to credit risk from its operating activities (primarily trade receivables and also from its investing activities including deposits with banks, forex transactions and other financial instruments) for receivables, cash and cash equivalents, financial guarantees and derivative financial instruments.

All trade receivables are subject to credit risk exposure. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country, in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through established policies, controls relating to credit approvals and procedures for continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit. The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Company does not expect any material risk on account of non-performance by any of the Company's counterparties. The Company does not have significant concentration of credit risk related to trade receivables. No single third party customer contributes to more than 10% of outstanding accounts receivable (excluding outstanding from subsidiaries) as of March 31, 2023 and March 31, 2022.

Trade receivables are non-interest bearing and are generally on 7 days to 180 days credit term.

With respect to derivatives, the Company's forex management policy lays down guidelines with respect to exposure per counter party i.e. with banks with high credit rating, processes in terms of control and continuous monitoring. The fair value of the derivatives are credit adjusted at the period end.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 42 : Financial instruments risk management objectives and policies (Contd.)

(c) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company generates cash flows from operations to meet its financial obligations, maintains adequate liquid assets in the form of cash & cash equivalents and has undrawn short term line of credits from banks to ensure necessary liquidity. The Company closely monitors its liquidity position and deploys a robust cash management system.

During the year, the Company has been regular in repayment of principal and interest on borrowings on or before due dates. The Company did not have defaults of principal and interest as on reporting date.

The Company requires funds both for short-term operational needs as well as for long-term investment programmes mainly in growth projects.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Particulars	< 1 year	>1 year but < 3 years	>3 year but < 5 years	more than 5 years	Total
Year ended March 31, 2023					
Interest bearing borrowings*	1,043.16	388.29	10.19	-	1,441.64
Lease Liabilities	18.03	28.08	16.00	13.13	75.24
Trade payables	1,091.28	-	-	-	1,091.28
Other financial liabilities#	179.59	0.56	0.14	-	180.29
	2,332.06	**416.93**	**26.33**	**13.13**	**2,788.45**
Year ended March 31, 2022					
Interest bearing borrowings*	1,015.59	636.77	149.05	-	1,801.41
Lease Liabilities	13.59	24.75	19.97	10.80	69.11
Trade payables	2,111.32	-	-	-	2,111.32
Other financial liabilities#	132.31	1.35	0.43	-	134.09
	3,272.81	**662.87**	**169.45**	**10.80**	**4,115.93**

* Includes contractual interest payment based on interest rate prevailing at the end of the reporting period over the tenor of the borrowings.

Other financial liabilities includes interest accrued but not due and interest accrued and due of ₹ 8.01 Crores (March 31, 2022 : ₹ 9.24 Crores).

Note 43 : Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements to optimise return to our shareholders through continuing growth. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The funding requirements are met through a mixture of equity, internal fund generation and other non-current borrowings. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings less cash and short-term deposits (including other bank balance). The Company is not subject to any externally imposed capital requirements.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 43 : Capital management (Contd.)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Interest bearing loans and borrowings (note 14)	**1,360.24**	1,713.40
(b) Less: cash and bank balance (including other bank balance and book overdraft)	**(38.48)**	(45.08)
(c) Net debt (a) - (b)	**1,321.76**	1,668.32
(d) Equity share capital (note 12)	**261.50**	260.59
(e) Other equity (note 13)	**3,034.86**	2,750.76
(f) Total capital (d) + (e)	**3,296.36**	3,011.35
(g) Total capital and net debt (c) + (f)	**4,618.12**	4,679.67
(h) Gearing ratio (c)/(g)	**28.62%**	35.65%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any long term borrowing in the current period except for one loan. The Company has obtained letter from the lender before the date of adoption of financial statements for not accelerating the payment of this loan within one year from the balance sheet date subject to regularisation of the breach by end of March 31, 2024. Accordingly, the management has considered the classification of loan based upon the original repayment schedule.

No changes were made in the objectives, policies or processes for managing capital during the current period.

Note 44 : Financial Ratios

Sr. No.	Type of Ratio	Numerator	Denominator	2022-23	2021-22	Variance (in %)	Remarks for variance more than 25%
1	Current Ratio (In times)	Current Assets	Current Liabilities	**1.05**	1.05	-	Not Applicable
2	Debt-Equity Ratio (In times)	Total Debt	Total Equity	**0.41**	0.57	(28.07%)	Improvement in Ratio due to Reduction in Debt.
3	Debt Service Coverage Ratio (In times)	Earnings before Interest, Tax, Depreciation and amortisation	Debt Service	**1.69**	1.21	39.67%	Increase in ratio due to improvement in EBITDA and reduction in Debt.
4	Return on Equity Ratio (%)	Net Profit after Tax	Total Equity	**10.97%**	1.99%	451.26%	Increase in ratio due to improvement in Net Profit.
5	Inventory turnover Ratio (In times)	Revenue from Operations	Average Inventories	**4.44**	4.97	(10.66%)	Not Applicable
6	Trade Receivables turnover Ratio (In times)	Revenue from Operations	Average Trade Receivables	**8.05**	7.45	8.05%	Not Applicable
7	Trade Payables turnover Ratio (In times)	Purchase of Goods	Average Trade Payables	**2.70**	3.17	(14.83%)	Not Applicable
8	Net capital turnover Ratio (In times)	Revenue from Operations	Working Capital	**61.47**	44.84	37.09%	Improvement in Ratio due to Reduction in Working Capital.
9	Net profit Ratio (%)	Net Profit after Tax	Total Revenue	**4.48%**	0.79%	467.09%	Increase in ratio due to improvement in Net Profit.
10	Return on Capital employed (%)	Profit before Interest, Exceptional Items and Tax	Total Capital Employed	**11.35%**	12.64%	(10.21%)	Not Applicable
11	Return on investment (%)	Refer (a) below		**(26.22%)**	76.00%	134.50%	Impact of market dynamics

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

Note 44 : Financial Ratios (Contd.)

Note (a) : Return on Investment

$$\frac{(MV(T1)-MV(T0)-Sum[C(t)])}{(MV(T0)+Sum[W(t)*C(t)])}$$

Where,

T1 = End of time period

T0 = Begning of time period

t = Specific date falling between T1 and T0

MV(T1) = Market Value at T1

MV(T0) = Market Value at T0

C(t) = Casb inflow, cash outflow on specific date

W(t) = Weight of the net cashflow (i.e. either net inflow or net outflow) on day 't', calculated as (T1-t)/T1

Note 45 : Additional Regulatory Disclosures As Per Schedule III Of Companies Act, 2013

Additional Regulatory Information pursuant to Clause 6L of General Instructions for preparation of Balance Sheet as given in Part I of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the Financial Statements.

a. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

b. The Company has Fund-based and Non-fund-based limits of Working Capital from Banks and Financial institutions. For the said facility, the revised submissions made by the Company to its lead bankers based on closure of books of accounts at the year end, the revised quarterly returns or statements comprising stock statements, book debt statements, credit monitoring arrangement reports, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.

c. The Company has not been declared as a willful defaulter by any lender who has powers to declare a company as a willful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.

d. The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Company Act, 1956.

e. The Company has compiled with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.

f. 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;

   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.

g. The Company has not received any funds 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 to or on behalf of the Ultimate Beneficiaries.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 45 : Additional Regulatory Disclosures As Per Schedule III Of Companies Act, 2013 (Contd.)

h. The Company does not have any transactions which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

i. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

Note 46 : Discontinued Operation

(A) The Company has entered into agreement on July 19, 2022 to sell its Omuni Undertaking to Bigfoot Retail Solutions Private Limited. In order to execute this transaction, the Company has transferred its Internet division to its wholly owned subsidiary company, Arvind Internet Limited with effective date of June 30, 2022 at a consideration of ₹ 152.30 crores. Hence, the Company has considered business of Arvind Internet Undertaking as "Discontinued Operations" in accordance with Ind AS 105 and accordingly, re-classified the financial results for various periods presented. Company has presented gain on this transaction as an exceptional item in the financial results.

The Company has sold net assets worth ₹ 0.24 crores and booked gain of ₹ 152.06 crores on sale of Omuni undertaking. Post completion of all conditions subsequent to the transaction as on September 30, 2022, the Company has transferred its wholly owned subsidiary company Arvind Internet Limited to Bigfoot Retail Solutions Private Limited.

(B)

Sr. No.	Particulars	For the period April 1, 2022 to June 30, 2022	Year ended March 31, 2022
1	**Income**		
	(a) Revenue from Operations	**6.33**	23.86
	(b) Other Income	**-**	0.65
	Total Income	**6.33**	24.51
2	**Expenses**		
	(a) Cost of materials consumed	**0.01**	0.07
	(b) Employee benefits expense	**7.89**	28.68
	(c) Finance Costs	**0.07**	-
	(d) Depreciation and amortisation expense	**2.46**	10.20
	(e) Other Expenses	**3.44**	13.71
	Total Expenses	**13.87**	52.66
3	**Loss before tax (1-2)**	**(7.54)**	(28.15)
4	**Tax Expense:**		
	- Deferred Tax credit	**(1.50)**	(10.30)
	Total Tax credit	**(1.50)**	(10.30)
5	**Loss after tax (3-4)**	**(6.04)**	(17.85)

Note 47 : Code on Social Security, 2020

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Notes to the Standalone Financial Statements

For the year ended March 31, 2023

Note 48 : Standards issued but not yet effective

The Ministry of Corporate Affairs (MCA) notifyies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended Companies (Indian Accounting Standards) Amendment Rules, 2023, as below.

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statement.

Note 49 : 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.

The Board of Directors recommended a final dividend of ₹ 3.75 per equity share and one-time special dividend of ₹ 2.00 per equity share, totalling to a dividend of ₹ 5.75 per equity share of face value of ₹ 10 each, for the financial year ended March 31, 2023, subject to approval of shareholders in the ensuing Annual General Meeting.

For and on behalf of the Board of Directors of Arvind Limited

Sanjay S. Lalbhai
Chairman & Managing Director
DIN: 00008329

Jayesh K. Shah
Director & Group Chief Financial
DIN: 00008349

R. V. Bhimani
Company Secretary

Place: Ahmedabad
Date: May 18, 2023

Independent Auditor's Report

To The Members of Arvind Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Arvind Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which includes the Group's share of profit in its associate and joint ventures, which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated 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, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries and joint venture referred to in the Other Matters section below, the aforesaid consolidated 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 consolidated state of affairs of the Group as at 31 March 2023, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associate and joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated 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 obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraph (a) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the consolidated financial statements of the current period. This matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. We have determined the matter described below to be the key audit matter to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Revenue recognition – cut off** Revenue is one of the key profit drivers and is therefore susceptible to misstatement. Cut-off is the key assertion in so far as revenue recognition is concerned. There is a risk that revenue is recognized on sale of goods around the year and without substantial transfer of control and is not in accordance with Ind AS-115 "Revenue from Contracts with Customers"	**Principal audit procedures performed:** Our audit process consisted testing of the design and operating effectiveness of the internal controls and substantive testing performed by us are as follows: • We obtained an understanding of process and evaluated the design, implementation and operating effectiveness of management's internal controls in relation to revenue recognition from sale of goods. We tested the Company's control over timing of revenue recognition around year end. • At the year end, we have performed the cut off testing for late cut off to test that the revenue is recorded in appropriate period. We have traced sales with proof of delivery (PoD) to confirm the recognition of sales. For above procedure, Group auditor have enquired with the Component auditor for the process followed by them and relied upon the testing carried by Component auditor for Components audited by them.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

- Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries and joint venture audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries and joint venture, is traced from their financial statements audited by the other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its associate and joint ventures in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and its joint ventures 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management of the companies included in the Group and of its associate and joint ventures are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate and joint ventures are also responsible for overseeing the financial reporting process of the Group and of it associate and joint ventures.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 ability of the Group and its associate and joint ventures 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 consolidated 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 Group and its associate and joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements 16 subsidiaries whose financial statements reflect total assets of ₹ 980.12 crores as at March 31, 2023, total revenues of ₹ 1168.81 crores and net cash inflows amounting to ₹ 3.79 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ 1.52 for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of 1 joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, and joint venture is based solely on the reports of the other auditors.

(b) We did not audit the financial statements of 9 subsidiaries, whose financial statements reflect total assets of ₹ 42.83 crores as at March 31, 2023, total revenues of ₹ 112.22 crores and net cash inflows amounting to ₹ 0.13 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of ₹ 0.30 crores for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of 1 associate and 5 joint ventures, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associate, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries and joint venture referred to in the Other Matters section above we report, to the extent applicable 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 of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated 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 of the Parent as on March 31, 2023 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies and joint venture company incorporated in India, none of the directors of the Group companies and its joint venture company incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent, subsidiary companies and joint venture company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.

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

In our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary companies and joint venture company incorporated in India, the remuneration paid by the Parent and such subsidiary companies and joint venture company to their respective 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associate and joint ventures;

ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies and joint venture company incorporated in India.

iv) (a) The respective Managements of the Parent and its subsidiaries and joint venture which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and joint venture respectively that, to the best of their knowledge and belief, as disclosed in the note 48 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries and joint venture 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries and joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Parent and its subsidiaries and joint venture which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and joint venture respectively that, to the best of their knowledge and belief, as disclosed in the note 48 to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiaries and joint venture from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries and joint venture 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.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

As stated in note 51 to the consolidated financial statements, the Board of Directors of the Parent, whose financial statements have been audited under the Act, has proposed final dividend for the year which is subject to the approval of the members of the Parent at the ensuing respective Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

v) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable w.e.f. April 1, 2023 to the Parent and its subsidiaries, associate and joint ventures which are companies incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Kartikeya Raval
Partner
(Membership No. 106189)
(UDIN: 23106189BGVOQT4400)

Place: Ahmedabad
Date: May 18, 2023

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of Arvind Limited (hereinafter referred to as "Parent") and its subsidiary companies and joint venture, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, its subsidiary companies and joint venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective Companies 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 the respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies and its joint venture, which are companies incorporated in India, 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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 judgement, 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 and the audit evidence obtained by the other auditors of the subsidiary companies and joint venture, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies and its joint venture, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated financial statements 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 with reference to consolidated financial statements 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 with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements 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 to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent, its subsidiary companies and joint venture, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 16 subsidiary companies and 1 joint ventures, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No.
117366W/W-100018)

Kartikeya Raval
Partner
(Membership No. 106189)
(UDIN: 23106189BGVOQT4400)

Place: Ahmedabad
Date: May 18, 2023

Consolidated Balance Sheet As at March 31, 2023

(₹ in Crores)

Particulars	Note	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-curtrent assets			
(a) Property, plant and equipment	5	**3,137.34**	3,189.36
(b) Capital work-in-progress	5 (a)	**78.72**	45.32
(c) Investment properties	6	**167.98**	167.71
(d) Goodwill	7	**8.95**	8.95
(e) Other Intangible assets	7	**23.00**	34.59
(f) Intangible assets under development	7 (a)	**1.22**	0.21
(g) Right of Use Assets	38	**89.24**	80.38
(h) Financial assets			
(i) Investments	8 (a)	**211.41**	66.26
(ii) Loans	8 (c)	**0.51**	0.75
(iii) Other financial assets	8 (f)	**37.22**	39.82
(i) Deferred tax assets (net)	29	**16.06**	8.01
(j) Other non-current assets	9	**24.89**	23.49
Total non-current assets (A)		**3,796.54**	3,664.85
Current assets			
(a) Inventories	10	**1,648.99**	2,208.42
(b) Financial assets			
(i) Trade receivables	8 (b)	**965.88**	1,108.58
(ii) Cash and cash equivalents	8 (d)	**56.79**	59.78
(iii) Bank balance other than (ii) above	8 (e)	**20.17**	17.31
(iv) Loans	8 (c)	**29.56**	39.71
(v) Other financial assets	8 (f)	**23.46**	85.66
(c) Current tax assets (net)	11	**21.51**	35.36
(d) Other current assets	9	**350.68**	484.89
Total current assets (B)		**3,117.04**	4,039.71
Assets classified as held for Sale (C)		**0.01**	-
TOTAL ASSETS (A) + (B) + (C)		**6,913.59**	7,704.56
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	13	**261.50**	260.59
(b) Other equity	14	**3,084.13**	2,689.94
Equity attributable to equity holders of the Parent		**3,345.63**	2,950.53
(c) Non-controlling interest		**58.63**	55.74
Total equity(A)		**3,404.26**	3,006.27
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15 (a)	**378.30**	757.73
(ii) Lease Liabilities	38	**92.46**	86.33
(iii) Other financial liabilities	15 (c)	**0.38**	1.25
(b) Long-term provisions	16	**29.00**	26.03
(c) Deferred tax liabilities (net)	29	**95.17**	122.55
(d) Government grants	17	**73.85**	68.38
(e) Other non current liabilities	18	**0.25**	0.01
Total non-current liabilities (B)		**669.41**	1,062.28
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	15 (a)	**1,025.47**	1,001.72
(ii) Lease Liabilities	38	**21.15**	19.18
(iii) Trade payables			
- Total Outstanding dues of Micro Enterprises and Small Enterprises	15 (b)	**66.79**	126.88
- Total Outstanding dues other then Micro Enterprises and Small Enterprises	15 (b)	**1,170.76**	2,055.89
(iv) Other financial liabilities	15 (c)	**220.59**	155.14
(b) Short-term provisions	16	**14.63**	20.04
(c) Government grants	17	**10.03**	8.74
(d) Current tax liabilities (net)	12	**1.42**	0.24
(e) Other current liabilities	18	**309.07**	248.18
Total current liabilities (C)		**2,839.91**	3,636.01
Liabilities classified as held for Sale (D)		**0.01**	-
TOTAL EQUITY AND LIABILITIES (A) + (B) + (C) + (D)		**6,913.59**	7,704.56

See accompanying notes forming part of the Consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
Kartikeya Raval
Partner
Place: Ahmedabad
Date: May 18, 2023

For and on behalf of the Board of Directors of Arvind Limited

Sanjay S. Lalbhai
Chairman & Managing Director [DIN: 00008329]

Jayesh K. Shah
Director & Group Chief Financial Officer [DIN: 00008349]

R. V. Bhimani
Company Secretary

Place: Ahmedabad
Date: May 18, 2023

Consolidated Statement of Profit and Loss For the year ended March 31, 2023

(₹ in Crores)

Particulars	Note	As at March 31, 2023	As at March 31, 2022
I INCOME			
(a) Revenue from operations	19	**8,382.48**	8,009.87
(b) Other income	20	**44.52**	49.74
TOTAL INCOME		**8,427.00**	8,059.61
II EXPENSES			
(a) Cost of raw materials and accessories consumed	21	**4,010.74**	4,334.54
(b) Purchase of stock-in-trade	22	**389.85**	308.48
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	23	**70.28**	(521.05)
(d) Project expenses		**88.91**	208.46
(e) Employee benefits expense	24	**867.57**	780.04
(f) Finance costs	25	**164.24**	176.43
(g) Depreciation and amortisation expense	26	**253.01**	253.95
(h) Other expenses	27	**2,155.13**	2,091.67
TOTAL EXPENSES		**7,999.73**	7,632.52
III PROFIT BEFORE SHARE OF PROFIT OF A JOINT VENTURE AND ASSOCIATE, EXCEPTIONAL ITEMS AND TAX FROM CONTINUING OPERATIONS (I-II)		**427.27**	427.09
IV Share of profit of joint ventures and associate accounted for using the equity method		**1.22**	1.11
V PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX FROM CONTINUING OPERATIONS (III+IV)		**428.49**	428.20
VI Exceptional items (net of tax)	28	**(58.76)**	9.29
VII PROFIT BEFORE TAX FROM CONTINUING OPERATIONS (V-VI)		**487.25**	418.91
VIII Tax expense	29		
(a) Current tax		**100.09**	26.06
(b) Short provision related to earlier years		**9.27**	13.86
(c) Deferred tax Charge/(Credit)		**(38.81)**	111.06
Total tax expense		**70.55**	150.98
IX PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS (VII-VIII)		**416.70**	267.93
X LOSS BEFORE TAX FROM DISCONTINUED OPERATIONS	45	**(5.03)**	(36.65)
XI Tax Credit of Discontinued Operations		**1.50**	10.30
XII LOSS FROM DISCONTINUED OPERATIONS AFTER TAX (X+XI)		**(3.53)**	(26.35)
XIII PROFIT BEFORE TAX FROM CONTINUING AND DISCONTINUED OPERATIONS (VII+X)		**482.22**	382.26
XVI Tax Expense of Continuing and Discontinued Operations (VIII-XI)		**69.05**	140.68
XV Profit for the year (XIII-XIV)		**413.17**	241.58
XVI Other comprehensive income/(Loss) (net of tax)			
A Items that will not be reclassified to Profit and Loss			
(i) Equity Instruments through Other Comprehensive Income (FVOCI)		**0.13**	-
(ii) Remeasurement gain/(loss) of defined benefit plans		**5.41**	(0.57)
(iii) Share of Other Comprehensive Income of Joint Venture accounted for using Equity method (net of tax)		**0.01**	0.01
(iv) Income tax related to items (i) and (ii) above		**(1.29)**	0.24
Net other comprehensive Income/(Loss) not to be reclassified to profit or loss in subsequent periods		**4.26**	(0.32)
B Items that will be reclassified to Profit and Loss			
(i) Effective portion of gain/(loss) on cash flow hedges		**(25.47)**	6.59
(ii) Income tax related to items no (i) above		**6.41**	(2.22)
(ii) Exchange differences in translating the financial statements of a foreign operation		**1.22**	(12.74)
Net other comprehensive Loss that may be reclassified to profit or loss in subsequent periods		**(17.84)**	(8.37)
Total other comprehensive Loss for the year, net of tax (XVI) = (A+B)		**(13.58)**	(8.69)
XVII Total comprehensive Income for the year, net of tax (XV+XVI)		**399.59**	232.89
XVIII Profit for the year attributable to:			
(i) Equity holders of the parent		**404.56**	238.15
(ii) Non-controlling interest		**8.61**	3.43
		413.17	241.58
XIX Other comprehensive Loss attributable to:			
(i) Equity holders of the parent		**(13.68)**	(8.75)
(ii) Non-controlling interest		**0.10**	0.06
		(13.58)	(8.69)
XX Total comprehensive income attributable to: (XVIII+XIX)			
(i) Equity holders of the parent		**390.88**	229.40
(ii) Non-controlling interest		**8.71**	3.49
		399.59	232.89
XXI Earning per equity share [nominal value per share ₹10]	36		
Continuing Operations :			
- Basic		**15.65**	10.18
- Diluted		**15.63**	10.14
Discontinued Operations :			
- Basic		**(0.14)**	(1.01)
- Diluted		**(0.14)**	(1.01)
Continuing and Discontinued Operations :			
- Basic		**15.51**	9.17
- Diluted		**15.49**	9.13

See accompanying notes forming part of the Consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Kartikeya Raval
Partner
Place: Ahmedabad
Date: May 18, 2023

For and on behalf of the Board of Directors of Arvind Limited

Sanjay S. Lalbhai
Chairman & Managing Director
DIN: 00008329

R. V. Bhimani
Company Secretary
Place: Ahmedabad
Date: May 18, 2023

Jayesh K. Shah
Director & Group Chief Financial Officer
DIN: 00008349

Consolidated Statement of Cash Flows

For the year ended March 31, 2023

(₹ in Crores)

	Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
A	**Cash Flow from Operating activities**				
	Profit after taxation		**413.17**		241.58
	Adjustments to reconcile profit after tax to net cash flows:				
	Share of profit from Joint Ventures	**(1.22)**		(1.11)	
	Depreciation and Amortization expense	**255.47**		272.01	
	Interest Income	**(6.38)**		(6.06)	
	Tax Expense	**71.16**		136.25	
	Finance Costs	**164.31**		176.43	
	Bad Debts Written Off	**3.29**		1.89	
	Gain on Termination/Transfer of Leases	**(0.52)**		-	
	Receivable other than trade write off	**-**		6.96	
	Allowances for doubtful receivables	**58.68**		0.45	
	Allowance for doubtful advances	**2.06**		0.49	
	Sundry Advances written off	**1.21**		1.22	
	Sundry Debit Written off	**1.00**		2.63	
	Provision for Non moving inventory	**42.32**		37.99	
	Provision in Value of Land	**30.70**		-	
	Foreign Exchange Gain	**(15.23)**		(1.81)	
	Property, plant and equipment Write off	**0.31**		-	
	Profit on Sale of Property, plant and equipment	**(3.52)**		(7.22)	
	Loss on Sale of Investments	**-**		1.39	
	Excess Provision Written Back	**(0.27)**		-	
	Share based payment expense	**1.79**		2.11	
	Government grant income	**(10.75)**		(8.64)	
	Gain of Mark to market of derivative financial instruments	**(0.39)**		(0.73)	
	Provision of diminution in value of investments	**-**		3.14	
	Profit on Sale/Liquidiation of Subsidiary	**(155.33)**	**438.69**	-	617.39
	Operating Profit before Working Capital Changes		**851.86**		858.97
	Adjustments for Changes in Working Capital:				
	(Increase) / Decrease in Inventories	**486.41**		(964.06)	
	(Increase) / Decrease in trade receivables	**83.05**		(18.95)	
	(Increase) / Decrease in other financial assets	**34.04**		25.91	
	(Increase) / Decrease in other assets	**140.04**		(180.41)	
	Increase / (Decrease) in trade payables	**(944.60)**		782.62	
	Increase / (Decrease) in other financial liabilities	**46.51**		11.08	
	Increase / (Decrease) in other liabilities	**61.13**		106.85	
	Increase / (Decrease) in provisions	**(5.93)**		10.55	
	Net Changes in Working Capital		**(99.35)**		(226.41)
	Cash Generated from Operations		**752.51**		632.56
	Direct Taxes paid (Net of Tax refund)		**(86.44)**		(37.99)
	Net Cash Flow from Operating Activities (A)		**666.07**		594.57
B	**Cash Flow from Investing Activities**				
	Purchase of Property, plant and equipment and intangible assets	**(204.33)**		(185.79)	
	Proceeds from disposal of Property, plant and equipment and intangible assets	**34.18**		39.15	
	Dividend received from joint venture	**0.50**		2.00	
	Purchase of Investments	**(20.50)**		(0.01)	
	Sale of stake in subsidiaries	**33.47**		0.10	
	Proceeds from disposal of Investments	**2.23**		-	
	Payment towards acquisition of Non-Controling Interest	**(2.66)**		-	
	Changes in other bank balances not considered as cash and cash equivalents	**(3.45)**		6.55	
	Loans Repaid/(Given) (Net)	**10.39**		10.38	
	Interest Received	**14.77**		6.27	
	Net cash flow used in Investing Activities (B)		**(135.40)**		(121.35)

Consolidated Statement of Cash Flows

For the year ended March 31, 2023 (Contd.)

(₹ in Crores)

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
C Cash Flow from Operating activities				
Proceeds from Issue of Share Capital	**3.28**		5.62	
Dividend Paid	**(4.00)**		(1.99)	
Proceeds from long term Borrowings	**11.49**		100.00	
Repayment of long term Borrowings	**(309.36)**		(514.72)	
Proceeds/(Repayment) from Short term borrowings (Net)	**(51.25)**		172.02	
Repayment towards lease liabilities	**(30.91)**		(31.99)	
Interest Paid	**(153.29)**		(167.86)	
Net Cash flow used in Financing Activities (C)		**(534.04)**		(438.92)
Net Increase/(Decrease) in cash & cash equivalents (A)+(B)+(C)		**(3.37)**		34.30
Cash & Cash equivalent at the beginning of the year		**59.78**		25.48
Cash & Cash equivalent at the end of the year		**56.41**		59.78

Reconciliation of cash and cash equivalents

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Cash and cash equivalents :		
Cash on Hand	**0.09**	0.12
Balances with Banks	**56.70**	59.66
Cash and cash equivalents as per Balance Sheet (Refer Note 8 (d))	**56.79**	59.78
Book Overdrafts (Refer Note 15 (c))	**(0.38)**	-
Cash and cash equivalents as per Cash flow Statement	**56.41**	59.78

See the accompanying notes to the consolidated financial statements.

Disclosure under Para 44A as set out in Ind AS 7 on cash flow statements under Companies (Indian Accounting Standards) Rules, 2015 (as amended)

Particulars of liabilities arising from financing activity	Note No.	As at March 31, 2022	Net cash flows	Net cash flows		As at March 31, 2023
				Other changes*	Impact due to IndAS 116	
Borrowings :						
Long term borrowings	15 (a)	956.69	(297.87)	(6.56)	-	652.26
Short term borrowings	15 (a)	802.76	(51.25)	-	-	751.51
Interest accrued on borrowings	15 (c)	9.69	(9.69)	8.48	-	8.48
Lease Liabilities	38	105.51	(30.91)	-	39.01	113.61
Total		**1,874.65**	**(389.72)**	**1.92**	**39.01**	**1,525.86**

* The same relates to amount charged in statement of profit and loss accounts.

Notes:

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.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants

Kartikeya Raval
Partner

Place: Ahmedabad
Date: May 18, 2023

For and on behalf of the Board of Directors of Arvind Limited

Sanjay S. Lalbhai
Chairman & Managing Director
DIN: 00008329

Jayesh K. Shah
Director & Group Chief Financial Officer
DIN: 00008349

R. V. Bhimani
Company Secretary

Place: Ahmedabad
Date: May 18, 2023

Consolidated Statement of changes in equity

For the year ended March 31, 2023

(₹ in Crores)

A. Equity share capital

Particulars	Balance at the beginning of the reporting year	Changes in Equity Share Capital during the year	Balance at the end of the reporting year
For the year ended March 31, 2022	258.92	1.67	260.59
For the year ended March 31, 2023	260.59	0.91	261.50

B. Other equity

Particulars	Reserves and Surplus attributable to the owners of the Company								Items of Other Comprehensive Income			Total Other Equity (A)	Non-controlling interest (B)	Total equity (A+B)
	Capital Reserve	Capital Reserve on Consolidation	Share based payment reserve	Amalgamation Reserve	Capital Redemption Reserve	Securities premium	General Reserve	Retained Earnings	Effective portion of gain or loss on cash flow hedges	Foreign Currency Translation Reserve	Net gain / (loss) on FVOCI equity instruments			
Balance as at April 1, 2021	17.16	1.50	11.89	34.54	69.50	563.03	51.47	1,774.15	8.36	(71.72)	0.49	2,460.37	47.33	2,507.70
Profit for the year	-		-	-	-	-	-	238.15	-	-	-	238.15	3.43	241.58
Other comprehensive income for the year	-		-	-	-	-	-	(0.38)	4.37	(12.74)	-	(8.75)	0.06	(8.69)
Total Comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**237.77**	**4.37**	**(12.74)**	**-**	**229.40**	**3.49**	**232.89**
Movement between Non-Controling Interest and Equity holders of the parent	-	-	-	-	-	-	-	(5.88)	-	-	-	(5.88)	6.91	1.03
Add / (Less) : Dividend Paid during the year	-	-	-	-	-	-	-	-	-	-	-	-	(1.99)	(1.99)
Add / (Less) : Transfer from share based payment reserve	-	-	-	-	-	2.23	-	-	-	-	-	2.23	-	2.23
Add: Issue of Shares under Employee Stock Option Scheme	-	-	2.10	-	-	3.95	-	-	-	-	-	6.05	-	6.05
Add / (Less) : Transfer to securities premium	-	-	(2.23)	-	-	-	-	-	-	-	-	(2.23)	-	(2.23)
Balance as at March 31, 2022	**17.16**	**1.50**	**11.76**	**34.54**	**69.50**	**569.21**	**51.47**	**2,006.04**	**12.73**	**(84.46)**	**0.49**	**2,689.94**	**55.74**	**2,745.68**
Balance as at April 1, 2022	**17.16**	**1.50**	**11.76**	**34.54**	**69.50**	**569.21**	**51.47**	**2,006.04**	**12.73**	**(84.46)**	**0.49**	**2,689.94**	**55.74**	**2,745.68**
Profit for the year	-	-	-	-	-	-	-	404.56	-	-	-	404.56	8.61	413.17
Other comprehensive income for the year	-	-	-	-	-	-	-	4.03	(19.06)	1.22	0.13	(13.68)	0.10	(13.58)
Total Comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**408.59**	**(19.06)**	**1.22**	**0.13**	**390.88**	**8.71**	**399.59**
Movement between Non-Controling Interest and Equity holders of the parent	-	-	-	-	-	-	-	(0.84)	-	-	-	(0.84)	(1.82)	(2.66)
Add / (Less) : Dividend Paid during the year	-	-	-	-	-	-	-	-	-	-	-	-	(4.00)	(4.00)
Add / (Less) : Transfer from share based payment reserve	-	-	-	-	-	1.63	10.77	-	-	-	-	12.40	-	12.40
Add: Issue of Shares under Employee Stock Option Scheme	-	-	1.78	-	-	2.37	-	-	-	-	-	4.15	-	4.15
Add / (Less) : Transfer to general reserve	-	-	(10.77)	-	-	-	-	-	-	-	-	(10.77)	-	(10.77)
Add / (Less) : Transfer to securities premium	-	-	(1.63)	-	-	-	-	-	-	-	-	(1.63)	-	(1.63)
Balance as at March 31, 2023	**17.16**	**1.50**	**1.14**	**34.54**	**69.50**	**573.21**	**62.24**	**2,413.79**	**(6.33)**	**(83.24)**	**0.62**	**3,084.13**	**58.63**	**3,142.76**

See accompanying notes forming part of the Consolidated financial statements

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Kartikeya Raval
Partner
Place: Ahmedabad
Date: May 18, 2023

For and on behalf of the Board of Directors of Arvind Limited

Sanjay S. Lalbhai
Chairman & Managing Director
DIN: 00008329

Jayesh K. Shah
Director &
Group Chief Financial Officer
DIN: 00008349

R. V. Bhimani
Company Secretary

Place: Ahmedabad
Date: May 18, 2023

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

1. CORPORATE INFORMATION

Arvind Limited ("the Group" or "the Company" or "the Parent Company") is one of India's leading vertically integrated textile companies with the presence of almost eight decades in this industry. It is among the largest denim manufacturers in the world. It also manufactures a range of cotton shirting, denim, knits and bottom weights (Khakis) fabrics and Jeans and Shirts Garments. Arvind Limited also has the presence in Telecom business directly and through subsidiaries and joint venture companies. Also the Group has made foray into Technical Textiles on its own and in joint venture with leading global players. The Company through its subsidiary is also engaged in manufacturing and fabrication of process equipment as well as in water treatment business.

Arvind Limited together with its consolidated subsidiaries is hereinafter referred to as "the Group".

The Group's financial statements have been considered and approved by the Board of Directors at their meeting held on May 18, 2023.

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION:

The Consolidated 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.

These Consolidated Financial Statements comprising of Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including other comprehensive income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows as at March 31, 2023 have been prepared in accordance with Ind AS as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Rounding of amounts

The Consolidated Financial Statements are presented in Indian Rupee ("INR") and all values are rounded to the nearest crore as per the requirement of Schedule III, except when otherwise indicated. Figures less than ₹ 50,000, which are required to be shown separately, have been shown actual in brackets.

Principles of Consolidation and equity accounting

The consolidated financial statements incorporate the financial statements of Arvind Limited and its subsidiaries, being the entities that it controls. Control is evidenced where the Group has power over the investee or is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the entity returns.

The financial statements of subsidiaries are prepared for the same reporting year as the parent company. Where necessary, adjustments are made to the financial statements of subsidiaries to align the accounting policies in line with accounting policies of the Group.

For non-wholly owned subsidiaries, a share of the profit / loss for the financial year and net assets is attributed to the non-controlling interests as shown in the consolidated statement of profit and loss and consolidated balance sheet.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

When the Company loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognized in other comprehensive income in relation to the subsidiary are accounted for (i.e., reclassified to profit or loss) in the same manner as would be required if the relevant assets or liabilities were disposed off. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

All intra-group assets and liabilities, equity, income, expenses including unrealized gain /loss and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Joint Ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group's investments in joint venture are accounted for using the equity method.

Equity Method

Under equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The Consolidated Statement of Profit and Loss reflects the Group's share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

The aggregate of the Group's share of profit or loss of joint venture is shown on the face of the Consolidated Statement of Profit and Loss.

The financial statements of the joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and then recognises the loss as 'Share of profit of a joint venture' in the Consolidated Statement of Profit and Loss.

Upon loss of joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in the statement of profit and loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1. Current versus non-current classification

The Group presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

Operating cycle of the Group is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. As the Group's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

Non-Current Assets classified as held for sale

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

3.2. USE OF ESTIMATES AND JUDGEMENTS

The estimates and judgements used in the preparation of the consolidated financial statements are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Group 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.

Following are significant estimate (for details refer note 4.1)

- Taxes
- Useful life of Property, plant and equipment and Intangible Assets
- Provisions and contingencies
- Defined benefit plans

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. Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acuisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share –based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current

Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent to its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

Business Combination under Common Control

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory. The transactions between entities under common control are specifically covered by Ind AS 103. Such transactions are accounted for using the pooling-of-interest method. The assets and liabilities of the acquired entity are recognised at their carrying amounts of the parent entity's consolidated

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

financial statements with the exception of certain income tax and deferred tax assets. No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies. The components of equity of the acquired companies are added to the same components within the Group's equity. The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to other equity and is presented separately from other capital reserves. The Group's shares issued in consideration for the acquired companies are recognized from the moment the acquired companies are included in these financial statements and the financial statements of the commonly controlled entities would be combined, retrospectively, as if the transaction had occurred at the beginning of the earliest reporting period presented.

3.4. Foreign currencies

The Group's functional and presentation currency is Indian Rupee. Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement of such transaction and on translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rate are recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

For the purpose of consolidation, the assets and liabilities of the Company's foreign operations are translated to Indian rupees at the exchange rate prevailing on the balance sheet date, and the income and expenses at the average rate of exchange for the respective months. Exchange differences arising are recognized as foreign currency translation reserve under equity.

3.5. Fair value measurement

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

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

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

For assets and liabilities that are recognised in the Consolidated Financial Statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and for non-recurring measurement, such as asset held for sale.

External valuers are involved for valuation of significant assets, such as properties. Involvement of external valuers is decided upon annually by the management after discussion with and approval by the Group's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

Management, in conjunction with the Group's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable on yearly basis.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Significant accounting judgements, estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Property, plant and equipment & Intangible assets measured at fair value on the date of transition
- Investment properties
- Financial instruments (Including those carried at amortised cost)

3.6. Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of Property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

The Group adjusts exchange differences arising on translation difference / settlement of long-term foreign currency monetary items outstanding as at March 31, 2016, pertaining to the acquisition of a depreciable asset, to the cost of asset and depreciates the same over the remaining life of the asset.

Borrowing cost relating to acquisition / construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Capital work-in-progress comprises cost of fixed assets that are not yet installed and ready for their intended use at the balance sheet date.

De-recognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Consolidated Statement of Profit and Loss when the asset is de-recognised.

Depreciation

The carrying value of the property, plant and equipment as on April 1, 2014 are depreciated over remaining useful life of the assets based on independent technical evaluation carried out by external valuer.

Depreciation on property, plant and equipment is provided so as to write off the cost of assets less residual values over

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

their useful lives of the assets, using the straight line method as prescribed under Part C of Schedule II to the Companies Act 2013 except for Plant and Machinery (other than Lab equipment, Power generation plant, Electrical installations, Wind power generation plant and Engineering Equipments which are depreciated as per schedule II of the companies act, 2013), Leasehold Improvements, Furniture and fixtures, Vehicles and Office Equipments.

When parts of an item of property, plant and equipment have different useful life, they are accounted for as separate items (Major Components) and are depreciated over their useful life or over the remaining useful life of the principal assets whichever is less.

Depreciation on Plant and Machinery (other than Lab equipment, Power generation plant, Electrical installations, Wind power generation plant and Engineering Equipments), Leasehold Improvements, Furniture & Fixtures, Vehicles and Office Equipments are provided on straight-line basis over the useful lives of the assets as estimated by management based on the technical assessment of the assets, nature of assets, the estimated usage of assets, the operating condition of the assets, maintenance supports and anticipated technological changes required in the assets. The management estimates the useful lives as follows:

Particulars	Useful Life
Plant and Machinery (other than Lab equipment, Power generation plant, Electrical installations, Wind power generation plant and Engineering Equipments)	10 to 30 Years
Leasehold Improvements	Over the period of agreement

The management believes that the useful life as given above best represent the period over which management expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II to the Act.

Depreciation for assets purchased/sold during a period is proportionately charged for the period of use.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

3.7. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right of use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term. The right of use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments are fixed payments. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

3.8. Borrowing cost

Borrowing cost includes interest expense as per Effective Interest Rate (EIR) and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. Where funds are borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available out of money

borrowed specifically to finance a project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Group during the year. Capitalisation of borrowing costs is suspended and charged to the statement of profit and loss during the extended periods when the active development on the qualifying assets is interrupted.

All other borrowing costs are expensed in the period in which they occur.

3.10. Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as Investment property. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

An investment property is derecognised on disposal or on permanently withdrawal from use or when no future economic benefits are expected from its disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in consolidated Statement of Profit and Loss when the asset is derecognised.

Transfers are made to (or from) investment property only when there is a change in use. Transfers between investment property, owner-occupied property and inventories are at carrying amount of the property transferred.

Depreciation on Investment property is provided on the straight line method over useful lives of the assets as prescribed under Part C of Schedule II to the Act.

3.11. Intangible Assets

Intangible Assets that the Group controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially:

- for assets acquired in a business combination at fair value on the date of acquisition/grant
- for separately acquired assets, at cost comprising the purchase price (including non-refundable taxes) and directly attributable costs to prepare the asset for its intended use.

Revenue expenditure pertaining to research is charged to Consolidated Statement of Profit and Loss. Development

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costs of products are charged to Consolidated Statement of Profit and Loss unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalised.

Following initial recognition, Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is recognised in Consolidated Statement of Profit and Loss in the period in which expenditure is incurred.

The useful lives of intangible assets are assessed as finite.

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in Consolidated Statement of Profit and Loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in Consolidated Statement of Profit and Loss when the asset is derecognised.

Amortisation

Software is amortized over management estimate of its useful life of 5 years or License Period whichever is lower and Patent/Knowhow is amortized over its useful validity period. Website is amortized over 5 years.

Research and development costs for Website Design

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in Consolidated Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

3.12. Inventories

Inventories of Raw material, Work-in-progress, Finished goods and Stock-in-trade are valued at the lower of cost and net realisable value. However, Raw material and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- **Raw materials and accessories:** Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- **Finished goods and work in progress:** Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.
- **Traded goods:** Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

All other inventories of stores, consumables, project material at site are valued at cost. The stock of waste is valued at net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

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3.13. Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Group. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecasts which are prepared separately for each of the Group's CGU to which the individual assets are allocated. These budgets and forecast

calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses, including impairment on inventories, are recognised in Consolidated Statement of Profit and Loss in those expense categories consistent with the function of the impaired asset, except for a property previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in Consolidated Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

3.14. Revenue Recognition

Revenue from contracts with customers is recognised on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated base on the expected value of outflow. Revenue (net of variable consideration) is recognised only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Revenue from sale of products is recognised when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

Sale of goods – customer loyalty programme (deferred revenue)

The Group operates a loyalty points programme which allows customers to accumulate points when they purchase the products. The points can be redeemed for free products, subject to a minimum number of points being obtained. Consideration received is allocated between the product sold and the points issued, with the consideration allocated to the points equal to their fair value. Fair value of the points is determined by applying a statistical analysis. The fair value of the points issued is deferred and recognised as revenue when the points are redeemed.

Rendering of services

Revenue from services are recognized based on the services rendered in accordance with the terms of contracts on the basis of work performed.

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Construction contract

Revenue in respect of projects for Construction of Plants and Systems, is recognised based on satisfaction of performance obligation over the period of time on the basis of percentage of completion method. Percentage of completion is determined by the proportion that contract costs incurred for work done till date bears to the estimated total contract cost. Contract revenue earned in excess of billing has been reflected under the head "Other Current Assets" and billing in excess of contract revenue has been reflected under the head "Other Current Liabilities" in the balance sheet. Full provision is made for any loss in the year in which it is first foreseen and cost incurred towards future contract activity is classified as project work in progress. Determination of revenues under the percentage of completion method necessarily involves making estimates by the Group, some of which are of a technical nature, relating to the percentage of completion, costs to completion, expected revenue from the contract and the foreseeable losses to completion.

Export Incentive

Export incentives under various schemes notified by government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Interest Income

Interest income from debt instruments are recorded using the effective interest rate (EIR) and accrued on timely basis. The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss.

Dividend Income

Dividend income from investments is recognised when the Group's right to receive is established which generally occurs when the shareholders approve the dividend.

Profit or loss on sale of Investments

Profit or Loss on sale of investments are recorded on transfer of title from the Group, and is determined as the difference between the sale price and carrying value of investment and other incidental expenses.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms except in the case where incremental lease reflects inflationary effect and rental income is accounted in such case by actual rent for the period.

Insurance claims

Insurance claims are accounted for to the extent the Group is reasonably certain of their ultimate collection.

3.15. Financial instruments – initial recognition and subsequent measurement

Financial assets and financial liabilities are recognised when a Group becomes a party to the contractual provisions of the instruments. For recognition and measurement of financial assets and financial liabilities, refer policy as mentioned below:

Initial recognition of financial assets and financial liabilities:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Subsequent measurement of financial assets:

For purposes of subsequent measurement, financial assets are classified in four categories:

(a) Financial assets at amortised cost

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

(c) Financial assets at fair value through profit or loss (FVTPL)

(d) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

(a) Financial assets at amortised cost:

A financial asset is measured at amortised cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss.

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

A financial asset is measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting 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 payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets included within the FVTOCI category are measured at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in Consolidated Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI financial asset is reported as interest income using the EIR method.

(c) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable of financial assets at fair value through profit or loss are immediately recognised in the statement of profit and loss.

The Group may elect to designate a financial asset, which otherwise meets amortized cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

(d) Equity instruments:

All equity investments in scope of Ind-AS 109 other than Investment in subsidiaries, Joint Ventures and Associates are measured at fair value. Equity instruments which are held for trading, are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Equity Investment in subsidiaries, Joint Ventures and Associates are measured at cost as per Ind AS 27 - Separate Financial Statements.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Impairment of financial assets

The Group assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses (ECL) are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECL are measured at an amount equal to the 12 months ECL, unless there has been significant increase in credit risk from initial recognition in which case these are measured at lifetime ECL. The

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amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in Statement of Profit and Loss.

Derecognition of financial assets

Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Group has transferred substantially all of the risks and rewards of ownership.

Concomitantly, if the asset is one that is measured at:

(a) amortised cost, the gain or loss is recognised in Consolidated Statement of Profit and Loss;

(b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to Consolidated Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Reclassification

When and only when the business model is changed, the Group shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

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

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit or Loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group are recognised at the proceeds received, net of direct issue costs.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability

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(whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

Derivatives and Hedge Accounting

Derivatives are initially recognised at fair value and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gains / losses is recognised in Consolidated Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of recognition in profit or loss / inclusion in the initial cost of non-financial asset depends on the nature of the hedging relationship and the nature of the hedged item.

The Group complies with the principles of hedge accounting where derivative contracts are designated as hedge instruments. At the inception of the hedge relationship, the Group documents the relationship between the hedge instrument and the hedged item, along with the risk management objectives and its strategy for undertaking hedge transaction, which can be a fair value hedge or a cash flow hedge.

(i) Fair value hedges

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the designated portion of hedging instrument and the change in fair value of the hedged item attributable to the hedged risk are recognised in Consolidated Statement of Profit and Loss in the line item relating to the hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

(ii) Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income and accumulated as 'Cash Flow Hedging Reserve'. The gains / losses relating to the ineffective portion is recognised in Consolidated Statement of Profit and Loss.

Amounts previously recognised and accumulated in other comprehensive income are reclassified to profit or loss when the hedged item affects Consolidated Statement of Profit and Loss. However, when the hedged item results in the recognition of a non-financial asset, such gains / losses are transferred from equity (but not as reclassification adjustment) and included in the initial measurement cost of the non-financial asset.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gains/losses recognised in other comprehensive income and accumulated in equity at that time remains in equity and is reclassified when the underlying transaction is ultimately recognised. When an underlying transaction is no longer expected to occur, the gains / losses accumulated in equity is recognised immediately in Consolidated Statement of Profit and Loss.

3.16. Cash and cash equivalent

Cash and cash equivalent in the balance sheet includes cash on hand, at banks 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 cash flows statement, cash and cash equivalents includes cash, short-term deposits, as defined above, other short-term and highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value adjusted for outstanding bank overdrafts as they are considered

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For the year ended March 31, 2023

an integral part of the Group's cash management. Bank Overdrafts are shown within Borrowings in current liabilities in the balance sheet.

3.17. Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised in Statement of Profit or Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset by equal annual instalments.

3.18. Taxes

Tax expense comprises of current income tax and deferred tax.

Current income tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in Consolidated Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax is recognised in Consolidated Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in Consolidated Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.19. Employee Benefits

(a) Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. and the same are recognised in the period in which the employee renders the related service.

(b) Post-Employment Benefits

(i) Defined contribution plan

The Group's approved provident fund scheme, superannuation fund scheme, employees' state insurance fund scheme and Employees' pension scheme are defined contribution plans. The Group has no obligation, other than the contribution paid/payable under such schemes. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the related service.

(ii) Defined benefit plan

The employee's gratuity fund scheme and Compensatory Pension Scheme are Company's defined benefit plans.

The present value of the obligation under Defined benefit schemes is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on the net basis.

(c) Other long term employment benefits

The employee's long term compensated absences are Group's defined benefit plans. The present value of the obligation is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation, to recognise the obligation on the net basis.

(d) Termination Benefits

Termination benefits such as compensation under voluntary retirement scheme are recognised in the year in which termination benefits become payable.

3.20. Share-based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. Consolidated Statement of Profit and Loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being

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met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the statement of profit and loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Cash-settled transactions

In case of cash-settled transactions, a liability is recognised for the fair value of cash-settled transactions.

The fair value is measured initially and at each reporting date up to and including the settlement date, with

Changes in fair value recognised in employee benefits expense. The fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The fair value is determined with the assistance of an external valuer.

3.21. Earnings per share (EPS)

Basic EPS is computed by dividing the net profit / loss for the year attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is computed by dividing the net profit / loss attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the year adjusted for the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

3.22. Dividend

The Group recognises a liability (including tax thereon) to make cash or non-cash distributions to equity shareholders of the Group when the distribution is authorised and the distribution is no longer at the discretion of the Group.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in Consolidated Statement of Profit and Loss.

3.23. Provisions and Contingencies

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When the Group expects some or all of a provision to be reimbursed from third parties, for example, under an insurance contract, the reimbursement is recognised as a

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

separate asset, but only when the reimbursement is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

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 recognised as a finance cost.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the Consolidated Financial Statements.

Contingent assets are not recognised but disclosed in the Consolidated financial statements when an inflow of economic benefits is probable.

3.24. Non-current assets held for sale/ distribution to owners and discontinued operations

The Group classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

The criteria for held for sale classification is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification , and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

An impairment loss is recognised for any initial or subsequent write-down of the assets to fair value less cost to sell. A gain is recognised for any subsequent increases in the fair value less cost to sell of an assets but not in excess of the cumulative impairment loss previously recognised, A gain or loss previously not recognised by the date of sale of the non-current assets is recognised on the date of de-recognition.

Property, plant and equipment and intangible assets once classified as held for sale/ distribution to owners are not depreciated or amortised.

A discontinued operation qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- Is a subsidiary acquired exclusively with a view to resale

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in Consolidated Statement of Profit and Loss.

3.25. Segment Reporting

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

3.26. Research and Development

Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets. Internally

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

generated brands and customer lists are not recognised as intangible assets.

4. Critical accounting estimates and assumptions

The preparation of the Consolidated 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 Group based its assumptions and estimates on parameters available when the Consolidated 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 Group. Such changes are reflected in the assumptions when they occur.

(a) Taxes

The Group has ₹ NIL crores (March 31, 2022: ₹ 37.53 crores) of tax credits carried forward. The Group has taxable temporary difference and tax planning opportunities available that could partly support the recognition of these credits as deferred tax assets. On this basis, the Group has determined that it can recognise deferred tax assets on the tax credits carried forward.

The Group has ₹ (1.57) crores (March 31, 2022: ₹ (2.56) crores) of unused tax losses available which is carried forward for set off against taxable income in future years. The Group believes that if sufficient future taxable income available to utilise against which the unused tax losses can be utilised. On this basis, the Group has determined that it has recognised deferred tax assets on the carried forward tax losses.

Further details on taxes are disclosed in note 29.

(b) Useful life of Property, plant and equipment and Intangible Assets

As described in Note 3.6 and 3.11 of the significant accounting policies, the Group reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

(c) Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS. A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

The Group has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the Consolidated Financial Statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Group involved, it is not expected that such contingencies will have a material effect on its financial position or profitability (Refer note 16 and 30).

(d) Defined benefit plans

The determination of Group's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in Consolidated Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the Consolidated Financial Statements.

Further details about defined benefit obligations are provided in note 34.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 5 : Property, plant and equipment

Particulars	Freehold land	Leasehold land	Building	Plant & Machinery	Furniture & fixture	Vehicles	Lease hold Improve ments	Office Equipment	Computer, server & network	Total
Gross Carrying Amount										
As at April 1, 2021	**1,140.43**	**182.66**	**612.45**	**2,301.20**	**98.12**	**49.87**	**45.21**	**37.62**	**56.81**	**4,524.37**
Additions	47.37	-	24.68	131.92	1.04	14.54	1.46	0.80	2.80	224.61
Transfer from Investment Properties	2.24	-	-	-	-	-	-	-	-	2.24
Transfer to Investment Properties	60.09	-	-	-	-	-	-	-	-	60.09
Transfer to Assets Held for Sale	15.07	-	-	-	-	-	-	-	-	15.07
Transfer to Stock In Trade (Refer note 3 below)	122.49	-	-	-	-	-	-	-	-	122.49
Foreign Currency Translation Reserve	-	-	(0.24)	(18.53)	(0.70)	(0.16)	0.01	0.02	(0.38)	(19.98)
Deductions	-	-	2.11	14.69	2.82	7.26	3.58	0.96	2.66	34.08
As at April 1, 2022	**992.39**	**182.66**	**634.78**	**2,399.90**	**95.64**	**56.99**	**43.10**	**37.48**	**56.57**	**4,499.51**
Additions	1.44	-	7.30	158.75	1.64	17.66	1.76	1.50	5.12	195.17
Transfer from Investment Properties	-	-	0.52	-	-	-	-	-	-	0.52
Transfer	-	-	-	-	(0.02)	-	-	0.02	-	-
Foreign Currency Translation Reserve	-	-	(0.15)	1.56	0.12	0.02	0.02	-	0.05	1.62
Deductions	-	-	1.27	45.23	7.52	6.88	0.06	1.62	5.30	67.88
As at March 31, 2023	**993.83**	**182.66**	**641.18**	**2,514.98**	**89.90**	**67.79**	**44.82**	**37.34**	**56.44**	**4,628.94**
Accumulated Depreciation and Impairment										
As at April 1, 2021	**-**	**-**	**141.78**	**813.50**	**44.54**	**20.96**	**29.91**	**28.01**	**40.29**	**1,118.99**
Depreciation for the year	-	-	26.32	166.41	10.08	5.78	3.68	3.10	5.07	220.44
Foreign Currency Translation Reserve	-	-	(0.06)	(7.75)	(0.33)	(0.08)	-	0.01	(0.18)	(8.39)
Deductions	-	-	0.29	8.37	1.53	4.02	3.30	0.90	2.48	20.89
As at April 1, 2022	**-**	**-**	**167.75**	**963.79**	**52.76**	**22.64**	**30.29**	**30.22**	**42.70**	**1,310.15**
Depreciation for the year	-	-	26.68	170.46	8.04	6.55	2.15	2.34	4.17	220.39
Transfer from Investment Property	-	-	0.09	-	-	-	-	-	-	0.09
Foreign Currency Translation Reserve	-	-	(0.18)	0.82	0.08	0.01	0.01	-	0.03	0.77
Deductions	-	-	0.21	24.00	5.75	3.78	0.06	1.54	4.46	39.80
As at March 31, 2023	**-**	**-**	**194.13**	**1,111.07**	**55.13**	**25.42**	**32.39**	**31.02**	**42.44**	**1,491.60**
Net Carrying Amount										
As at March 31, 2023	**993.83**	**182.66**	**447.05**	**1,403.91**	**34.77**	**42.37**	**12.43**	**6.32**	**14.00**	**3,137.34**
As at April 1, 2022	992.39	182.66	467.03	1,436.11	42.88	34.35	12.81	7.26	13.87	3,189.36

Notes :

1. Buildings includes ₹ 1.03 crores (Previous year ₹ 1.56 crores) in respect of ownership flats in Co-Operative Housing Society and ₹ 500/- (Previous year ₹ 500/-) in respect of shares held in Co-Operative Housing Society.

2. For Properties Pledge as security - Refer note 15 (a).

3. During the year , Freehold Land of ₹ NIL Crores (Previous Year ₹ 122.49 Crores) is transferred to Stock In Trade.

4. During the Previous year, the Parent Company has purchased car for two of the directors for various business purposes. For the sake of convenience and administrative purposes, the Parent Company requested the directors to allow their name to be used for vehicle registration only. The Parent Company has not paid or compensated the directors for allowing use of their name. The purchase consideration will be paid by the Parent Company and the Parent Company shall enjoy all the benefits and shall claim the depreciation on the said car in its books.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 5 : Property, plant and equipment (Contd)

5. Title deeds of immovable properties not held in the name of the Group as at March 31, 2023

Particulars	Gross Value of property	Title deed held in the name of	Wheter Promoter, director or their relative or employee	Property held since	Reason for not being held in the name of the company
Land	23.89	Ganga Co-Operative Housing Society Limited, Mahendra C Shah, Anokhee Parikh, Neenaben Parikh, Ketan Maliaya and Aneri Parikh	No	Various dates Since October 1, 1998	The Group is in process to register title deed in its name
Building	0.59	Anagram Finance	No	Various dates Since October 1, 1997	

Note 5 (a) : Ageing of Capital Work-in-progress

Particulars	< 1 year	>1 year but < 2 years	>2 year but < 3 years	more than 3 years	Total
As at March 31, 2023					
Project in Progress	73.59	1.13	-	4.00	78.72
	73.59	**1.13**	**-**	**4.00**	**78.72**
As at March 31, 2022					
Project in Progress	40.18	0.63	0.51	4.00	45.32
	40.18	**0.63**	**0.51**	**4.00**	**45.32**

Title deeds of immovable properties not held in the name of the Group as at March 31, 2023

Particulars	Gross Value of property	Title deed held in the name of	Wheter Promoter, director or their relative or employee	Property held since	Reason for not being held in the name of the company
Land	4.00	Mahendra C. Shah	No	Various dates Since March 2010	The Group is in process to register title deed in its name.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 6 : Investment properties

Particulars	Land	Building	Total
Gross Carrying Amount			
As at April 1, 2021	**21.44**	**1.47**	**22.91**
Transfer from Property, plant and equipment (Refer Note 5)	60.09	-	60.09
Transfer from Assets held for sale	87.09	-	87.09
Transfer to Property, Plant and Equipment (Refer Note 5)	2.24	-	2.24
As at April 1, 2022	**166.38**	**1.47**	**167.85**
Additions	0.69	0.03	0.72
Transfer to Property, Plant and Equipment (Refer Note 5)	-	0.52	0.52
As at March 31, 2023	**167.07**	**0.98**	**168.05**
Accumulated Depreciation			
As at April 1, 2021	**-**	**0.12**	**0.12**
Depreciation for the year	-	0.02	0.02
As at April 1, 2022	**-**	**0.14**	**0.14**
Depreciation for the year	-	0.02	0.02
Transfer to Property, Plant and Equipment (Refer Note 5)	-	0.09	0.09
As at March 31, 2023	**-**	**0.07**	**0.07**
Net Carrying Amount			
As at March 31, 2023	**167.07**	**0.91**	**167.98**
As at April 1, 2022	166.38	1.33	167.71

Notes :

(1) Information regarding income and expenditure of Investment property

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rental income derived from Investment properties	**0.23**	0.28
Less: Direct operating expenses (including repairs and maintenance)	**0.07**	0.02
Profit arising from investment properties before depreciation	**0.16**	0.26
Less : Depreciation	**0.02**	0.02
Profit arising from investment properties	**0.14**	0.24

(2) Fair value of the Investment properties

Fair value of the Investment properties are as under.

Particulars	Land	Building	Total
Balance as at April 1, 2021	27.98	4.31	32.29
Add : Fair value difference for the year	1.46	0.33	1.79
Asset Transfer to Property, plant and equipment	2.90	-	2.90
Asset Tranfer from Property, plant and equipment	345.54	-	345.54
Balance as at March 31 2022	**372.08**	**4.64**	**376.72**
Balance as at April 1, 2022	372.08	4.64	376.72
Add : Fair value difference for the year	96.74	(1.15)	95.59
Asset transfer to Property, plant and equipment	-	0.96	0.96
Balance as at March 31, 2023	**468.82**	**2.53**	**471.35**

The fair value of the properties are based on report of Government Approved Valuer.

(3) Title deeds of Investment properties not held in the name of the Group as at March 31, 2023

Particulars	Gross Value of property	Title deed held in the name of	Wheter Promoter, director or their relative or employee	Property held since	Reason for not being held in the name of the company
Land	5.77	Mahendra C Shah, Anokhee Parikh, Neenaben Parikh and Sanabhai Patel	No	Various dates Since April 1999	The Group is in process to register title deed in its name.

(4) Building Includes ₹ NIL Crores (Previous Year ₹ 0.12 Crores) in respect of ownership flats in Co-Operative Housing Society.

(5) For Properties pledged as security, refer note 15 (a)

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 7 : Intangible assets

Particulars	Computer Software	Patent & Technical knowhow	Website (Refer note (1) below)	Brand Value & Licence Brands	Distri-bution Network	Total	Good-will	Goodwill on Conso-lidation	Total Goodwill
Gross Carrying Amount									
As at April 1, 2021	**101.88**	**39.71**	**71.37**	**2.84**	**17.39**	**233.19**	**19.41**	**8.95**	**28.36**
Additions	0.80	-	-	-	-	0.80	-	-	-
Exchange Rate Difference	-	-	-	0.10	0.10	0.20	0.82	-	0.82
Deductions	1.74	-	-	-	-	1.74	-	-	-
As at April 1, 2022	**100.94**	**39.71**	**71.37**	**2.94**	**17.49**	**232.45**	**20.23**	**8.95**	**29.18**
Additions	1.01	-	-	-	5.02	6.03	-	-	-
Deductions	9.18	-	71.37	2.39	-	82.94	20.23	-	20.23
As at March 31, 2023	**92.77**	**39.71**	**-**	**0.55**	**22.51**	**155.54**	**-**	**8.95**	**8.95**
Accumulated Depreciation									
As at April 1, 2021	**67.72**	**36.19**	**61.89**	**1.32**	**6.89**	**174.01**	**13.77**	**-**	**13.77**
Amortisation for the Year	12.94	2.49	7.74	1.52	0.83	25.52	5.76	-	5.76
Deductions	1.74	-	-	-	-	1.74	-	-	-
Exchange Rate Difference	-	-	-	0.07	-	0.07	0.70	-	0.70
As at April 1, 2022	**78.92**	**38.68**	**69.63**	**2.91**	**7.72**	**197.86**	**20.23**	**-**	**20.23**
Amortisation for the Year	10.27	0.16	1.77	0.04	2.49	14.73	-	-	-
Deductions	6.34	-	71.40	2.40	(0.09)	80.05	20.23	-	20.23
As at March 31, 2023	**82.85**	**38.84**	**-**	**0.55**	**10.30**	**132.54**	**-**	**-**	**-**
Net Carrying Amount									
As at March 31, 2023	**9.92**	**0.87**	**-**	**-**	**12.21**	**23.00**	**-**	**8.95**	**8.95**
As at April 1, 2022	22.02	1.03	1.74	0.03	9.77	34.59	-	8.95	8.95

Notes :

1. Website consist of Capitalised development cost being an internally generated intangible assets.

2. During the year, Amortisation of ₹ Nil Crores (Previous year ₹ 0.36 Crores) has been capitalised.

3. For Properties pledged as security, refer note 15 (a)

Note 7 (a) : Ageing of Intangible assets under development

Particulars	< 1 year	>1 year but < 2 years	>2 year but < 3 years	more than 3 years	Total
As at March 31, 2023					
Project in Progress	1.17	-	-	0.05	1.22
	1.17	**-**	**-**	**0.05**	**1.22**
As at March 31, 2022					
Project in Progress	0.14	-	-	0.07	0.21
	0.14	**-**	**-**	**0.07**	**0.21**

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

(₹ in Crores)

Note 8 : Financial assets

8 (a) Investments

Particulars	Face Value per Share (in ₹ unless otherwise stated)	No. of Shares/unit		Amount	
		As at March 31, 2023	As at March 31, 2022	**As at March 31, 2023**	As at March 31, 2022
(a) Investment in equity shares (fully paid up):					
I. Subsidiaries - measured at cost (unquoted) :					
Arvind Foundation **	10	**10,000**	10,000	**0.01**	0.01
Arvind Indigo Foundation **	10	**10,000**	10,000	**0.01**	0.01
Arvind Worldwide(M) Inc., Mauritius ***	100 USD	**54,840**	54,840	**0.01**	0.01
Less: Provision for Impairment				**(0.01)**	(0.01)
				-	-
Arvind Spinning Limited (Shares without par value) ***		**8,24,099**	8,24,099	**0.08**	0.08
Less: Provision for Impairment				**(0.08)**	(0.08)
				-	-
Arvind Overseas (M) Inc., Mauritius ***	100 Mau	**23,85,171**	23,85,171	**0.24**	0.24
Less: Provision for Impairment				**(0.24)**	(0.24)
				-	-
Total (I)				**0.02**	0.02
II. Joint Ventures - measured using equity method (unquoted)					
Adient Arvind Automotive Fabrics India Private Limited	10	**81,42,750**	81,42,750	**8.14**	8.14
Less: Provision for Impairment (Refer note 28)				**(8.14)**	(8.14)
				-	-
PVH Arvind Manufacturing PLC, Ethiopia	1000 ETB	**84,166**	84,166	**25.10**	25.10
Less: Provision for Impairment				**(25.10)**	(25.10)
				-	-
Arya Omnitalk Radio Trunking Services Private Limited	10	**10,05,000**	10,05,000	**7.25**	6.25
Clean Max Kratos Private Limited	10	**-**	260	**-**	(₹ 2,600/-)
Arudrama Development Private Limited	100	**50,000**	50,000	**2.05**	2.05
Total (II)				**9.30**	8.30
III. Associate - measured using equity method (unquoted)					
Renew Green (GJ Eight) Private Limited	10	**2,04,96,000**	-	**20.18**	-
Total (III)				**20.18**	-
IV. Limited Liability Partnerships:					
Arvind and Smart Value Homes LLP				**55.83**	55.82
Total (IV)				**55.83**	55.82
V. Others - Fair value through Other Comprehensive Income:					
Unquoted					
Amazon Textile Private Limited*	10	**-**	1,18,000	**-**	0.01
Abeer Textiles Private Limited*	10	**-**	22,42,000	**-**	2.09
Bigfoot Retail Solutions Private Limited*	10	**2,04,96,000**	-	**126.06**	-
Ahmedabad Cotton Merchants' Co-operative Shops and Warehouses Society Limited*	250	**-**	140	**-**	(₹ 35,000/-)
Gujarat Cloth Dealers Co-operative Shops and Warehouses Society Limited*	100	**10**	10	**(₹ 1,000/-)**	(₹ 1,000/-)
Total (V)				**126.06**	2.10
Total Equity Investments ((I) + (II) + (III) + (IV)+(V)) Total (a)				**211.39**	66.24

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 8 : Financial assets

8 (a) Investments (Contd.)

Particulars	Face Value per Share (in ₹ unless otherwise stated)	No. of Shares/unit		Amount	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
(b) Investment in debentures - measured at amortised cost (Unquoted)*:**					
9.00% Optionally Convertible Debentures of Arya Omnitalk Radio Trunking Services Private Limited	10	**2500**	2500	**0.02**	0.02
Total (b)				**0.02**	0.02
(c) Investment in government securities - measured at amortised cost:					
National Saving Certificates (Lodged with Sales Tax and Government Authorities)				**(₹ 23,000/-)**	(₹ 23,000/-)
Total (c)				**(₹ 23,000/-)**	(₹ 23,000/-)
Total Investments (a)+(b)+(c)				**211.41**	66.26
Aggregate amount of unquoted investments				**211.41**	66.26
Aggregate amount of impairment in value of investment				**33.57**	33.57

Disclosure in respect of Partnership Firms

Name of the Firm	Name of the Partner	Share in partnership	Capital as at	
			March 31, 2023	March 31, 2022
Arvind and Smart Value Homes LLP	Arvind Limited	50%	**55.83**	55.82
	Tata Value Homes Limited	50%	**62.77**	62.76

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

**The Group has made investment of ₹ 0.01 Crores in the equity shares of Arvind Foundation and ₹ 0.01 Crores in the equity shares of Arvind Indigo Foundation, which are the Companies incorporated under Section 8 of the Act. Since the Group has no intention of earning variable returns from the voting rights, the above investments doesn't meet the definition of control under Ind AS 110 and hence, not consolidated in the Consolidated Financial Statements.

*** Not considered for the purpose of consolidation for the financial year 2022-23 and 2021-22 respectively being defunct status.

8 (b) Trade receivables - Current

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good	**965.88**	1,108.58
Unsecured, considered doubtful	**58.89**	8.02
Less : Allowance for doubtful debts	**(58.89)**	(8.02)
Total Trade receivables	**965.88**	1,108.58
Receivables from Directors or from firm / Private company where director is interested (Refer note 35 for further details)	-	-

Trade receivables are non-interest bearing and are generally on terms of 7 to 180 days.
Trade Receivables are given as security for borrowings as disclosed under note 15(a).

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 8 : Financial assets

8 (b) Trade receivables - Current (Contd.)

Allowance for doubtful debts

The Group has provided allowance for doubtful debts based on the lifetime expected credit loss model using provision matrix. Movement in allowance for doubtful debt are as follows:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Balance as per last financial year	**8.02**	7.49
Add : Allowance for the year (Refer note 27)	**50.92**	0.53
Less : Write off of bad debts and other adjustment (net of recovery)	**(0.05)**	-
Balance at the end of the year	**58.89**	8.02

Ageing of Trade Receivables from due date of payments as at March 31, 2023 and March 31, 2022 are as follows:

Particulars	Not Due	< 6 months	>6 months but < 1 year	>1 year but < 2 years	>2 year but < 3 years	More than 3 years	Total
Year ended March 31, 2023							
(i) Undisputed Trade Receivables - Considered Good	604.73	329.09	22.99	4.70	4.14	0.23	965.88
(ii) Undisputed Trade Receivables - Considered doubtful	-	4.63	1.21	4.21	2.26	46.58	58.89
(iii) Disputed Trade Receivables - Considered doubtful	-	-	-	-	-	-	-
	604.73	**333.72**	**24.20**	**8.91**	**6.40**	**46.81**	**1,024.77**
Less : Allowance for doubtful debts							58.89
Total							**965.88**
Year ended March 31, 2022							
(i) Undisputed Trade Receivables - Considered Good	638.70	384.80	31.93	23.32	16.25	13.58	1,108.58
(ii) Undisputed Trade Receivables - Considered doubtful	-	0.35	0.91	2.92	2.24	0.44	6.86
(iii) Disputed Trade Receivables - Considered doubtful	-	0.13	0.80	0.17	0.06	-	1.16
	638.70	**385.28**	**33.64**	**26.41**	**18.55**	**14.02**	**1,116.60**
Less : Allowance for doubtful debts							8.02
Total							**1,108.58**

8 (c) Loans

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good unless otherwise stated		
Non-current		
Loans to employees	**0.51**	0.75
Total Non-current Loans (A)	**0.51**	0.75
Current		
Loans to		
- Related parties (Refer note 35)	**2.38**	16.94
- Employees	**0.15**	0.30
- Others	**27.03**	22.47
	29.56	39.71
Considered Doubtful		
Loans to related parties (Refer note 35)	**5.23**	5.23
Less : Allowance for doubtful loan	**(5.23)**	(5.23)
	-	-
Total Current Loans (B)	**29.56**	39.71
Total (A) + (B)	**30.07**	40.46
Loans to Directors or to firm / Private company where director is interested (Refer note 35 for further details)	**-**	-

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

(₹ in Crores)

Note 8 : Financial assets

8 (c) Loans (Contd.)

Loans to Related Parties that are repayable on Demand :

Type of Borrower	Year ended March 31, 2023		Year ended March 31, 2022	
	Loan Outstanding	Loan Outstanding (%)	Loan Outstanding	Loan Outstanding (%)
Related Parties	**2.38**	**7.91%**	16.94	41.87%

8 (d) Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	**0.09**	0.12
Balance with Banks		
In Current accounts and debit balance in cash credit accounts	**56.70**	59.66
Total cash and cash equivalents	**56.79**	59.78

8 (e) Other bank balance

Particulars	As at March 31, 2023	As at March 31, 2022
Unpaid dividend accounts	**2.29**	2.88
Deposits with original maturity of more than three months but less than 12 months*	**17.88**	14.43
Total other bank balances	**20.17**	17.31

* Under lien with bank as Security for Guarantee Facility given by the Bankers.

8 (f) Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good unless otherwise stated		
Non-current		
Security deposits	**26.59**	27.40
Deposits held as Margin Money*	**-**	0.06
Foreign currency derivative contracts (Cash flow hedge)	**-**	1.14
Share Application Money	**1.49**	1.49
Less : Provision for doubtful share application money	**(1.49)**	(1.49)
	-	-
Bank deposits with maturity of more than 12 months	**10.63**	11.22
Total Other Non-current Financial Asset (A)	**37.22**	39.82
Current		
Security depositst	**10.43**	4.65
Income receivable	**0.11**	3.09
Interest Subsidy Receivable	**3.72**	12.84
Interest Accrued on financial assets measured at amortised cost	**1.51**	9.90
Foreign currency derivative contracts (Cash flow hedge)	**4.71**	22.87
Others	**2.98**	32.31
Total Other Current Financial Asset (B)	**23.46**	85.66
Total (A)+(B)	**60.68**	125.48

* Deposits are placed as bank guarantee to the sales tax department of various states.

Other current financial assets are given as security for borrowings as disclosed under note 15(a).

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 9 : Other assets

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Capital advances		
Considered Good	**22.44**	22.90
Pre-paid expense	**2.45**	0.59
Advances to suppliers - Doubtful	**0.69**	0.74
Less : Provision for doubtful advances	**(0.69)**	(0.74)
	-	-
Total Other Non-current Asset (A)	**24.89**	23.49
Current		
Advance to suppliers		
Considered Good	**81.65**	66.79
Advances to suppliers - Doubtful	**0.09**	0.09
Less : Provision for doubtful advances	**(0.09)**	(0.09)
	81.65	66.79
Balance with Government Authorities (Refer note (i) below)	**181.30**	229.16
Export incentive receivable	**28.00**	143.39
Pre-paid expense	**26.21**	17.76
Income Receivable	**20.39**	23.66
Pre-paid Gratuity (Refer note 34)	**8.97**	0.07
Other Current Asset	**4.16**	4.06
Total Other Current Asset (B)	**350.68**	484.89
Total (A) + (B)	**375.57**	508.38
Advance to Directors or to firm / Private company where director is interested (Refer note 35 for further details)	**0.03**	0.02

(i) Balance with Government Authorities mainly consists of input credit availed.

Other current assets are given as security for borrowings as disclosed under note 15(a).

Note 10 : Inventories (At lower of cost and net realisable value)

Particulars	As at March 31, 2023	As at March 31, 2022
Raw materials		
- Raw materials and components	**399.50**	830.37
- Raw materials in transit	**0.20**	3.99
Fuel	**8.62**	8.21
Land plots and materials at site	**253.67**	218.38
Stores and spares	**66.23**	94.15
Stores and spares in transit	**0.30**	-
Work-in-progress	**454.75**	502.67
Finished goods	**380.93**	434.22
Waste	**0.41**	2.05
Stock-in-trade	**68.23**	71.30
Stock-in-trade in transit	**9.57**	5.80
Land Held as Stock-in-trade*	**6.58**	37.28
Total	**1,648.99**	2,208.42

Inventory write downs are accounted, considering the nature of inventory, ageing and net realisable value for ₹ 42.32 Crores (March 31, 2022 ₹ 37.99 Crores). The changes in write downs are recognised as an expense in the Statement of Profit and Loss.

* During the earlier years, while granting approval of revised plan on the land, the municipal corporation has demanded additional surrender of 17,033 sq meters of land valued at ₹ 30.70 crores than what is already surrendered as part of the submitted plan. The Group has preferred an appeal/legal case against this demand which is pending with the Hon'ble High Court of Gujarat. As the outcome of the case is uncertain, based on legal advice, the Group has made provision of ₹ 30.70 crores and disclosed under the head "Exceptional Items".

Inventories are hypothecated as security for borrowings as disclosed under note 15(a).

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 11 : Current Tax Assets (Net)

Particulars	As at March 31, 2023	As at March 31, 2022
Tax Paid in Advance (Net of Provision)	**21.51**	35.36
Total	**21.51**	35.36

Note 12 : Current Tax Liability (Net)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for taxation (Net of Advance Tax)	**1.42**	0.24
Total	**1.42**	0.24

Note 13 : Equity share capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
Authorised share capital				
Equity shares of ₹ 10 each	**57,45,00,000**	**574.50**	57,45,00,000	574.50
Preference shares of ₹ 100 each	**1,00,00,000**	**100.00**	1,00,00,000	100.00
Issued, subscribed and paid-up share capital				
Equity shares of ₹ 10 each	**26,14,97,474**	**261.50**	26,05,85,819	260.59
Add : Forfeited shares	**900**	**(₹ 4,500/-)**	900	(₹ 4,500/-)
Total	**26,14,98,374**	**261.50**	26,05,86,719	260.59

(i) Reconciliation of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
Outstanding at the beginning of the year	**26,05,85,819**	**260.59**	25,89,24,069	258.92
Add : Shares allotted pursuant to exercise of Employee Stock Option Scheme	**9,11,655**	**0.91**	16,61,750	1.67
Outstanding at the end of the year	**26,14,97,474**	**261.50**	26,05,85,819	260.59

(ii) Rights, Preferences and Restrictions attached to equity shares:

The Company has one class of shares having par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(iii) Details of shareholder holding more than 5% Shares in the Company:

Name of the Shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of shares	% of share holding	No. of shares	% of share holding
Aura Securities Private Limited	**9,37,30,590**	**35.84**	9,37,30,590	35.97

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

Note 13 : Equity share capital (Contd.)

(iv) Details of shareholding of promoters in the Company:

Name of the Promoter	As at March 31, 2023			As at March 31, 2022		
	No. of shares	'% of shareholding	% change during the year	No. of shares	'% of shareholding	% change during the year
Sanjaybhai Shrenikbhai Lalbhai	**1,564**	**0.00%**	**0.00%**	1,564	0.00%	0.00%
Jayshreeben Sanjaybhai Lalbhai	**345**	**0.00%**	**0.00%**	345	0.00%	0.00%
Punit Sanjaybhai	**3,714**	**0.00%**	**0.00%**	3,714	0.00%	0.00%
Hansa Niranjanbhai	**11,396**	**0.00%**	**0.00%**	11,396	0.00%	0.00%
Swati S Lalbhai	**9,712**	**0.00%**	**0.00%**	9,712	0.00%	0.00%
Sunil Siddharth Lalbhai	**5,437**	**0.00%**	**0.00%**	5,437	0.00%	0.00%
Vimla S Lalbhai	**4,590**	**0.00%**	**0.00%**	4,590	0.00%	0.00%
Taral S Lalbhai	**4,074**	**0.00%**	**0.00%**	4,074	0.00%	0.00%
Astha Lalbhai	**1,925**	**0.00%**	**0.00%**	1,925	0.00%	0.00%
Sunil Siddharth HUF	**18**	**0.00%**	**0.00%**	18	0.00%	0.00%
Kalpana Shripal Morakhia	**12**	**0.00%**	**0.00%**	12	0.00%	0.00%
Aura Securities Private Limited	**9,37,30,590**	**35.84%**	**0.00%**	9,37,30,590	35.97%	(0.70%)
Aura Business Ventures LLP	**69,60,988**	**2.66%**	**0.00%**	69,60,988	2.67%	(0.33%)
Aml Employee Welfare Trust	**-**	**-**	**-**	-	-	(2.43%)
Atul Limited	**41,27,471**	**1.58%**	**0.00%**	41,27,471	1.58%	0.00%
Aagam Holdings Private Limited	**18,76,258**	**0.72%**	**0.00%**	18,76,258	0.72%	0.00%
Lalbhai Realty Finance Private Limited	**4,55,000**	**0.17%**	**0.00%**	4,55,000	0.17%	0.00%
Akshita Holdings Private Limited	**1,50,000**	**0.06%**	**0.00%**	1,50,000	0.06%	0.00%
Anusandhan Investments Limited	**1,15,000**	**0.04%**	**0.00%**	1,15,000	0.04%	0.00%
Aayojan Resources Private Limited	**96,000**	**0.04%**	**0.00%**	96,000	0.04%	0.00%
Adhinami Investments Private Limited	**78,500**	**0.03%**	**0.00%**	78,500	0.03%	0.00%
Aura Business Enterprise Private Limited	**100**	**0.00%**	**0.00%**	100	0.00%	0.00%
Aura Merchandise Private Limited	**100**	**0.00%**	**0.00%**	100	0.00%	0.00%
Aura Securities Private Limited (As a partner of the Partnership Firm i.e. Aura Venture)	**100**	**0.00%**	**0.00%**	100	0.00%	0.00%

(v) Shares reserved for issue under options and contracts:

Refer note 37 for details of shares to be issued under employee stock option Scheme (ESOS 2008 and ESOS 2021).

(vi) In the period of five years immediately preceding March 31, 2023:

i) The Company has not allotted any equity shares as fully paid up without payment being received in cash.

ii) The Company has not allotted any equity shares by way of bonus issue.

iii) The Company has not bought back any equity shares.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

(₹ in Crores)

Note 14 : Other Equity

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Capital reserve		
Balance as per last financial statements	**17.16**	17.16
Balance at the end of the year	**17.16**	17.16
(b) Capital reserve on Consolidation		
Balance as per last financial statements	**1.50**	1.50
Balance at the end of the year	**1.50**	1.50
(c) General reserve		
Balance as per last financial statements	**51.47**	51.47
Balance at the end of the year	**51.47**	51.47
(d) Amalgamation reserve		
Balance as per last financial statements	**34.54**	34.54
Balance at the end of the year	**34.54**	34.54
(e) Securities premium account		
Balance as per last financial statements	**569.21**	563.03
Add: Received during the year	**2.37**	3.95
Add: Transfer from share based payment reserve	**1.63**	2.23
Balance at the end of the year	**573.21**	569.21
(f) Capital redemption reserve		
Balance as per last financial statements	**69.50**	69.50
Balance at the end of the year	**69.50**	69.50
(g) Share based payment reserve (Refer note 37)		
Balance as per last financial statements	**11.76**	11.89
Add: Addition during the year	**1.78**	2.10
Less: Transfer to Securities Premium Account	**(1.63)**	(2.23)
Balance at the end of the year	**11.91**	11.76
(h) Retained earnings		
Balance as per last financial statements	**2,006.04**	1,774.15
Add: Profit for the year	**404.56**	238.15
Add: Other comprehensive income/(loss) arising from remeasurement of defined benefit obligation (net of tax)	**4.03**	(0.38)
Less: Movement between Non-Controling Interest and Equity holders of the parent	**(0.84)**	(5.88)
Balance at the end of the year	**2,413.79**	2,006.04
Items of Other comprehensive income		
(i) Equity Instruments through OCI (net of tax)		
Balance as per last financial statements	**0.49**	0.49
Add: Addition during the year	**0.13**	-
Balance at the end of the year	**0.62**	0.49
(ii) Foreign Currency Translation Reserve		
Balance as per last financial statements	**(84.46)**	(71.72)
Add: Addition during the year	**1.22**	(12.74)
Balance at the end of the year	**(83.24)**	(84.46)
(iii) Cash Flow hedge reserve		
Balance as per last financial statements	**12.73**	8.36
Add/(Less) : Addition during the year	**(25.47)**	6.59
Add/(Less) : Tax impact on additions	**6.41**	(2.22)
Balance at the end of the year	**(6.33)**	12.73
Total Other equity	**3,084.13**	2,689.94

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

Note 14 : Other Equity (Contd.)

The description of the nature and purpose of each reserve within equity is as follows :

(a) Capital reserve

Capital Reserve includes forfeiture of application money received on issue of share warrants and Capital Reserves on amalgamation/ Business Combinations.

(b) General reserve

General Reserve is a free reserve created by the Group by transfer from Retained earnings for appropriation purposes.

(c) Amalgamation reserve

The reserve was created pursuant to scheme of amalgamation in earlier years. Amalgamation Reserve is a reserve which arose pursuant to the scheme of amalgamation and shall not be considered to be a reserve created by the Group.

(d) Securities premium account

Securities premium reserve is created due to premium on issue of shares. This reserve is utilised in accordance with the provisions of the Companies Act.

(e) Capital redemption reserve

Capital Redemption Reserve is created for redemption of preference shares from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the preference shares redeemed. Capital Redemption Reserve may be applied by the Group in paying up unissued shares of the Group to be issued to shareholders of the Group as fully paid bonus shares.

(f) Share based payment reserve

This reserve relates to share options granted by the Group to its employee stock option scheme. Further information about share-based payments to employees is set out in note 37.

(g) Capital reserve on consolidation

Gain on purchase, i.e. excess of fair value of net assets acquired over the fair value of consideration in a business combination or on acquisition of interest in subsidiary is recognised as capital reserve on consolidation.

(h) Equity Instruments through OCI

The Group has elected to recognise changes in the fair value of certain investment in equity instrument in other comprehensive income. This amount will be reclassified to retained earnings on derecognition of equity instrument.

(i) Cash Flow hedge reserve

The cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on the changes of the fair value of the designated portion of the hedging instruments that are recognised and accumulated under the cash flow hedge reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.

(j) Foreign currency translation reserve

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Currency Units) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 15 : Financial liabilities

15 (a) Borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
A. Long-term Borrowings		
(Secured)(at amortised cost)		
(ai) Term loan		
- from Banks	**303.61**	559.21
- from others	**74.69**	124.46
(aii) Non-convertible Debentures	**-**	74.06
Total long-term borrowings (A)	**378.30**	757.73
B. Short-term Borrowings		
(Secured)(at amortised cost)		
(bi) Working Capital Loans repayable on demand from Banks	**739.72**	799.61
(bii) Current maturity of long term borrowings		
Term loan		
- from Banks	**149.10**	198.96
- from others	**50.00**	-
Non convertible Debentures	**74.86**	-
(Unsecured)(at amortised cost)		
(biii) Intercorporate Deposits		
From Others	**11.79**	3.15
Total short-term borrowings (B)	**1,025.47**	1,001.72
Total borrowings (A+B)	**1,403.77**	1,759.45

Notes :

Nature of security:

Term loan of ₹ 577.40 Crores and NCD of ₹ 74.86 Crores

a) (i) Loans and NCD amounting to ₹ 208.69 Crores (March 31, 2022 ₹ 376.21 Crores) are secured by (a) first pari passu charge on all the Immovable Properties, Movable Properties, Intangible Properties and General Assets of the Company presently relating to the Textile Plants and Garment Division at Bangalore; and all Immovable Properties, Movable Properties, Intangible Properties and General Assets acquired by the Company at any time after execution of and during the continuance of the Indenture of Mortgage; (b) Secured by second pari passu charge on all the Company's Current Assets presently relating to the Textile Plants and Garment Division and all the current assets aquired by the Company at any time in future.

(ii) Loans amounting to ₹ Nil Crores (March 31, 2022 ₹ 76.60 Crores) are secured by (a) first pari passu charge on all the Immovable Properties, Movable Properties, Intangible Properties and General Assets of the Company presently relating to the Textile Plants and Garment Division at Bangalore; and all Immovable Properties, Movable Properties, Intangible Properties and General Assets acquired by the Company at any time after execution of and during the continuance of the Indenture of Mortgage; (b) Pledge of shares of Arvind Envisol Limited, wholly own subsidiary of the company ; (c) Secured by second pari passu charge on all the Company's Current Assets presently relating to the Textile Plants and Garment Division and all the current assets aquired by the Company at any time in future.

(iii) Loans amounting to ₹47.06 Crores (March 31, 2022 ₹ 47.19 Crores) are secured by (a) exclusive charge on some of the Immovable properties at Dholka; (b) first pari passu charge on all the Immovable Properties, Movable Properties, Intangible Properties and General Assets of the Company presently relating to the Textile Plants and Garment Division at Bangalore; and all Immovable Properties, Movable Properties, Intangible Properties and General Assets acquired by the Company at any time after execution of and during the continuance of the Indenture of Mortgage; (c) Secured by second pari passu charge on all the Company's Current Assets presently relating to the Textile Plants and Garment Division and all the current assets aquired by the Company at any time in future.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

Note 15 : Financial liabilities

15 (a) Borrowings (Contd.)

(iv) Loans amounting to ₹ 241.28 Crores (March 31, 2022 ₹ 290.42 Crores) are secured by (a) exclusive charge on Immovable properties of Ankur division; (b) first pari passu charge on all the Immovable Properties, Movable Properties, Intangible Properties and General Assets of the Company presently relating to the Textile Plants and Garment Division at Bangalore; and all Immovable Properties, Movable Properties, Intangible Properties and General Assets acquired by the Company at any time after execution of and during the continuance of the Indenture of Mortgage; (c) Secured by second pari passu charge on all the Company's Current Assets presently relating to the Textile Plants and Garment Division and all the current assets aquired by the Company at any time in future.

(v) Loans amounting to ₹ 124.69 Crores (March 31, 2022 ₹ 124.73 Crores) are secured by (a) exclusive charge on some of the Immovable properties at Asarwa; (b) first pari passu charge on all the Immovable Properties, Movable Properties, Intangible Properties and General Assets of the Company presently relating to the Textile Plants and Garment Division at Bangalore; and all Immovable Properties, Movable Properties, Intangible Properties and General Assets acquired by the Company at any time after execution of and during the continuance of the Indenture of Mortgage.

b) Loans amounting to ₹ 10.82 Crores (March 31, 2022 ₹ 7.81 Crores) are secured by first pari passu charge over the entire land, building and fixed assets of the subsidiary company and by second pari passu charge over the inventory, receivables and other current assets of the subsidiary company.

c) (i) Loans amounting to ₹ 19.71 Crores (March 31, 2022 ₹ 33.58 Crores) are secured by first pari passu charge over the entire moveable fixed assets of the subsidiary company and current assets of the subsidiary company.

(ii) These Loans are additionally secured by Corprate Guarantee given by Holding company.

d) Loans of ₹ 0.01 Crores (March 31, 2022 ₹ 0.15 Crores) are secured by hypothecation of related vehicles.

Rate of Interest and Terms of Repayment

Particulars	₹ in Crores	Range of Interest (%)	Terms of Repayment from Balance sheet date
From Banks			
(a) Term Loan			
(I) Secured Rupee Loans	452.70	7.60% to 10.95%	Repayable in quarterly instalments ranging between 2 to 18.
(II) Secured Vehicle Loan	0.01	8.45% to 8.85%	Monthly payment of Equated Monthly Instalments beginning from the month subsequent to taking the loans.
(b) Non-Convertible Debentures	74.86	8.50%	Repayable in June 2023.
From Others			
(I) Secured Rupee Loans	124.69	11.65%	Repayable in 10 quarterly instalments.

Nature of Security

Cash Credit and Other Facilities from Banks

(a) Secured by first pari passu charge on all the Company's Current Assets presently relating to the Manufacturing Locations and all the Current Assets acquired by the Company at any time after the execution of and during the continuance of the Indenture of Mortgage. (b) Secured by a second pari passu charge over all the Immovable Properties relating to Textile Plants, Movable Properties presently relating to the Company and all the movable properties aquired by the Company at any time in future after execution of and during the continuance of the Indenture of Mortgage.

Rate of Interest

i. Working Capital Loans from banks carry interest rates ranging from 5.31% to 8.95% per annum.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 15 : Financial liabilities

15 (b) Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Acceptances	**314.45**	322.80
Other trade payables (Refer note below)		
- Total Outstanding dues of Micro Enterprises and Small Enterprises	**66.79**	126.88
- Total Outstanding dues other then Micro Enterprises and Small Enterprises	**856.31**	1,733.09
Total	**1,237.55**	2,182.77

Note :

(i) Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and Schedule III of the Companies Act, 2013 for the year ended March 31, 2023. This information has been determined to the extent such parties have been identified on the basis of information available with the Group and relied upon by auditors.

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act)		
- Principal amount due to micro and small enterprise	**66.70**	126.34
- Interest due on above	**0.09**	0.54
(ii) Interest paid by the Group in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	**-**	-
(iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	**-**	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	**0.09**	0.54
(v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	**0.09**	0.54

(ii) Ageing of Trade Payables from due date of payments as at March 31, 2023 and March 31, 2022 are as follows:

Particulars	Not Due	< 1 year	>1 year but < 2 years	>2 year but < 3 years	More than 3 years	Total
Year ended March 31, 2023						
(i) Micro Enterprises and Small Enterprises	55.49	10.80	0.38	0.05	0.07	66.79
(ii) Other then Micro Enterprises and Small Enterprises	961.06	182.80	13.62	6.83	6.45	1,170.76
	1,016.55	**193.60**	**14.00**	**6.88**	**6.52**	**1,237.55**
Year ended March 31, 2022						
(i) Micro Enterprises and Small Enterprises	31.70	95.09	-	0.09	-	126.88
(ii) Other then Micro Enterprises and Small Enterprises	1,503.28	520.81	19.30	9.46	3.04	2,055.89
	1,534.98	**615.90**	**19.30**	**9.55**	**3.04**	**2,182.77**

(iii) For amount payable to related parties, refer Note 35.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 15 : Financial liabilities

15 (c) Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Security Deposits	**0.38**	0.40
Foreign Currency Derivative Contracts (Cash flow hedge)	**-**	0.85
Total Other Non-current financial liabilities (A)	**0.38**	1.25
Current		
Interest accrued but not due on financial liabilities	**8.03**	9.55
Interest accrued and due on financial liabilities	**0.45**	0.14
Payable to employees	**139.77**	112.25
Deposits from customers and others	**6.56**	6.38
Payable in Respect of Capital Goods	**21.30**	7.32
Foreign Currency Derivative Contracts (Cash flow hedge)	**10.76**	4.13
Unpaid dividends	**2.29**	2.88
Book overdraft	**0.38**	-
Other Payables	**31.05**	12.49
Total Other Current financial liabilities (B)	**220.59**	155.14
Total (A)+(B)	**220.97**	156.39

Note 16 : Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Long-term		
Provision for employee benefits (Refer note 34)		
Provision for leave encashment	**24.99**	22.03
Provision for Gratuity	**2.62**	2.34
Provision for compensatory pension*	**1.39**	1.66
Total Long term Provisions (A)	**29.00**	26.03
Short-term		
Provision for employee benefits (Refer note 34)		
Provision for leave encashment	**11.83**	11.34
Provision for Gratuity	**1.18**	6.07
Provision for superannuation	**1.06**	1.34
Provision for compensatory pension*	**0.56**	0.62
Others		
Provision for Warranties (Refer note (a) below)	**-**	0.67
Total Short-term provisions (B)	**14.63**	20.04
Total (A) + (B)	**43.63**	46.07

* Including ₹ 0.48 Crores (March 31, 2022 : ₹ 0.75 Crores) pertaining to employees for which the liability of the Company is crystalised. Hence, it is a liability towards defined contribution plan.

Note:

(a) Provision for Warranties

The Group has made provisions for warranty expenses. The movement in the provision account is as under:

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as per last financial statements	**0.67**	0.67
Add : Provision used during the year	**(0.67)**	-
Balance at the end of the year	**-**	0.67

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 17 : Government grants

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Deferred income	**73.85**	68.38
Total Non-current Government Grants (A)	**73.85**	68.38
Current		
Deferred income	**10.03**	8.74
Total Current Government Grants (B)	**10.03**	8.74
Total (A) + (B)	**83.88**	77.12

Government grants

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Balance as per last financial year	**77.12**	79.65
Add : Received during the year	**17.51**	6.11
Add : Released to statement of profit and loss (net) (Refer note 20)	**(10.75)**	(8.64)
Balance at the end of the year	**83.88**	77.12

Note 18 : Other liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Income received in advance	**0.25**	0.01
Total Other Non-current liabilities (A)	**0.25**	0.01
Current		
Advance from customers	**277.73**	214.73
Statutory dues including provident fund and tax deducted at source	**23.41**	23.16
Other liabilities	**7.93**	10.29
Total Other current liabilities (B)	**309.07**	248.18
Total (A)+(B)	**309.32**	248.19

Note 19 : Revenue from operations

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Sale of products	**8,049.98**	7,533.01
Sale of services	**65.41**	60.90
Other Operating income		
Waste sale	**117.40**	102.68
Gain on forward contracts	**(60.45)**	39.95
Export incentives	**156.91**	201.52
Foreign exchange fluctuation on vendors and customers	**51.35**	69.67
Others	**1.88**	2.14
Total	**8,382.48**	8,009.87

Disaggregation of Revenue from contracts with customers

Revenue based on Geography

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Domestic	**4,686.62**	3,942.99
Export	**3,695.86**	4,066.88
Revenue from Operations	**8,382.48**	8,009.87

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 19 : Revenue from operations (Contd.)

Revenue based on business segment

In Textile and advances material business the group does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration. There are no contracts for sale of services wherein performance obligation is unsatisfied to which transaction period has been allocated.

While in Others business the group have unsatisfied (or partially satisfied) performance obligations which are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc.). The value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is expected to be recognised as revenue in the next year upon the progress on each contract. No consideration from contracts with customer is excluded from the amount mentioned below.

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Textile	**6,683.28**	6,625.83
Advanced Material	**1,246.22**	1,024.73
Others	**452.98**	359.31
Revenue from Operations	**8,382.48**	8,009.87

Reconciliation of revenue from operation with contract price

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from contract with customers as per the contract price	**8,586.88**	8,222.28
Less : Adjustment made to contract price on account of:		
a) Discounts and Rebates	**85.25**	59.25
b) Sales Return	**103.97**	129.80
c) Bonus / incentive	**15.14**	23.58
d) Customer loyalty programme	**0.04**	(0.22)
Revenue from Operations	**8,382.48**	8,009.87

Note 20 : Other income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest income on financial assets measured at amortized cost	**6.38**	6.06
Government grants (Refer note 17)	**10.75**	8.64
Rent	**0.23**	0.28
Profit on sale of Property, plant and equipment (Net)	**4.12**	7.66
Exchange difference on Borrowing and others	**2.49**	1.00
Scrap income	**14.94**	16.03
Miscellaneous income	**5.61**	10.07
Total	**44.52**	49.74

Note 21 : Cost of raw materials and accessories consumed

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Inventory at the beginning of the year	**830.37**	359.33
Add : Purchases during the year	**3,580.07**	4,805.58
	4,410.44	5,164.91
Less : Inventory at the end of the year	**399.70**	830.37
Total	**4,010.74**	4,334.54

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 22 : Purchases of stock-in-trade

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Purchase of stock-in-trade	**389.85**	308.48
Total	**389.85**	308.48

Note 23 : Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Inventories at the end of the year		
Finished goods	**380.93**	434.22
Stock-in-trade	**68.23**	71.30
Work-in-Progress	**454.75**	502.67
Project work-in-progress	**260.25**	255.66
Waste	**0.41**	2.05
(A)	**1,164.57**	1,265.90
Inventories at the beginning of the year		
Finished goods	**434.22**	267.95
Stock-in-trade	**71.30**	75.45
Work-in-Progress	**502.67**	302.13
Project work-in-progress	**255.66**	96.96
Waste	**2.05**	2.36
(B)	**1,265.90**	744.85
Fair Valuation Adjustment	**(31.05)**	-
Total (Increase) / Decrease in Inventories (B-A)	**70.28**	(521.05)

Note 24 : Employee benefits expense

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, Wages, Gratuity, Bonus and Commission (Refer note 34)	**783.47**	701.16
Contribution to provident and other funds (Refer note 34)	**62.18**	57.62
Welfare and training expenses	**20.13**	19.15
Share based payment to employees (Refer note 37)	**1.79**	2.11
Total	**867.57**	780.04

Note 25 : Finance costs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest expense on Financial Liabilities		
- Loans	**131.33**	128.14
- Debentures	**7.18**	7.12
- Lease Liabilities (Refer note 38)	**10.20**	9.24
- Others	**5.27**	2.14
Exchange differences regarded as an adjustment to borrowing costs	**9.96**	28.54
Other borrowing cost	**0.30**	1.25
Total	**164.24**	176.43

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 26 : Depreciation and amortization expense

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on Property, plant and equipment (Refer note 5)	**220.30**	220.37
Depreciation on Investment properties (Refer note 6)	**0.02**	0.02
Amortization of Intangible assets (Refer note 7)	**14.73**	31.28
Depreciation of right of use assets (Refer note 38)	**20.42**	20.34
Adjustment due to Discontinued operations (Refer note 45)	**(2.46)**	(18.06)
Total	**253.01**	253.95

Note 27 : Other expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Power and fuel	**618.32**	560.39
Stores consumed	**576.84**	597.62
Processing charges	**198.22**	246.89
Miscellaneous Labour charges	**117.45**	113.70
Rent (Refer note 38)	**20.16**	11.83
Insurance	**17.14**	15.89
Printing, stationery and communication	**18.16**	14.19
Commission, Brokerage and discount	**35.30**	26.54
Rates and taxes	**13.32**	11.35
Repairs :		
To Building	**6.56**	3.67
To Machineries (including spares consumption)	**118.58**	111.27
To others	**11.23**	8.14
Freight, insurance and clearing charge	**150.52**	200.91
Advertisement and publicity	**37.40**	12.98
Software Expenses	**3.58**	4.32
Legal and Professional charges	**37.71**	30.57
Conveyance and Travelling expense	**34.78**	19.59
Director's sitting fees	**0.07**	0.08
Allowances for doubtful debts (Refer note 8 (b))	**1.46**	0.53
Allowances for doubtful advances	**2.06**	0.49
Bad debt written off	**3.29**	1.89
Sundry Advances written off	**1.21**	1.19
Sundry debits written off	**0.19**	2.63
Auditor's remuneration	**2.08**	1.68
Bank charges	**27.68**	20.39
Corporate Social Responsibility expenses	**5.53**	4.91
Loss on sale of Property, plant and equipment (Net)	**0.60**	0.44
Property, plant and equipment written off	**0.31**	-
Exchange difference on Borrowing and others	**0.20**	4.78
Loss on sale of Investment	**-**	1.39
Miscellaneous expenses (Refer note (i) below)	**95.18**	61.42
Total	**2,155.13**	2,091.67

(i) The Group made a contribution to an electoral bond of ₹ 9.00 crores and ₹ NIL crores for the years ended March 31, 2023 and March 31, 2022 respectively, which is included in Miscellaneous expenses.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 28 : Exceptional items

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a) Allowance for doubtful Receivable and unbilled Revenue	57.22	-
(b) Provision in value of Land	30.70	-
(c) Profit on sale of Undertaking	(148.79)	-
(d) Provision for impairment of investments	-	3.14
(e) Interest on Stamp Duty on Demerger	-	3.62
(f) Receivable other than trade write off	-	6.96
	(60.87)	13.72
Tax Impact on above	2.11	(4.43)
Total	**(58.76)**	9.29

Note 29 : Income tax

The major component of income tax expense for the years ended March 31, 2023 and March 31, 2022 are as follows:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Statement of Profit and Loss		
Current income tax	100.09	26.06
Short provision related to earlier years		
-Current Tax	0.13	0.04
-Deferred tax charge	9.14	13.82
	9.27	13.86
Deferred tax Charge/(Credit)		
- Continuing Business	(38.81)	111.06
- Discontinued Business	(1.50)	(10.30)
- Exceptional Items	2.11	(4.43)
	(38.20)	96.33
Income tax expense in the statement of profit and loss	71.16	136.25
Statement of Other comprehensive income (OCI)		
Current income tax	1.25	(0.20)
Deferred tax charge/(credit)	(6.37)	2.18
Income tax expense/(credit) recognised in OCI	(5.12)	1.98

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended March 31, 2023 and March 31, 2022.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 29 : Income tax (Contd.)

A. Current tax

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Accounting profit before tax	**482.22**	382.26
Less : Tax on Exceptional Items	**(2.11)**	4.43
	484.33	377.83
Tax Rate	**25.168%**	34.944%
Current tax expenses on Profit before tax expenses at the enacted income tax rate in India	**121.90**	132.03
Adjustment		
On account of reassessment of factory land (Refer note (a) below)	**-**	(26.73)
Utilisation of Capital Loss	**(12.74)**	3.10
Profit on sale of undertaking	**(38.27)**	-
Exempt income	**1.13**	1.40
On account of revaluation of tax base of non-depreciable assets (due to indexation benefit)	**(1.83)**	(3.29)
Expenditure not deductible for tax/not liable to tax	**25.04**	1.42
Change in deferred tax balance due to change in income tax rate	**(71.09)**	-
Accelerated depreciation for tax purposes	**0.02**	0.02
Difference in tax rates for certain entities of the group	**(2.24)**	7.71
Non-recognition of deferred tax assets due to absence of probable certainty of reversal in future	**9.17**	13.72
MAT credit utilised for tax liabilities pertaining to earlier years	**9.14**	13.81
Mat Credit written off	**27.06**	-
Unused tax losses and credits	**(1.27)**	(1.10)
Short Provision of the earlier years	**0.13**	0.04
Other adjustments	**5.01**	(5.88)
Total income tax expense	**71.16**	136.25
Effective tax rate	**14.76**	35.64

B. Deferred tax

The Group has accrued significant amounts of deferred tax. The majority of the deferred tax (assets) and liability represents accelerated tax relief for the depreciation of property, plant and equipment and unused long-term capital loss carried forward. Significant components of Deferred tax (assets) and liabilities recognized in the financial statements of the Group are as follows

Particulars	Balance Sheet as at		Adjustment Due to Consolidation for the year ended on		Statement of Profit and Loss and OCI for the year ended on		Balance Sheet as at	
	March 31, 2022	March 31, 2021	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Accelerated depreciation for tax purposes	**(231.44)**	(236.08)	**-**	-	**60.55**	4.64	**(170.89)**	(231.44)
Impact of fair valuation of Land	**(10.66)**	(40.68)	**-**	-	**1.83**	30.02	**(8.83)**	(10.66)
Provision for doubtful debt	**2.11**	9.39	**-**	-	**0.52**	(7.28)	**2.63**	2.11
Expenditure allowable on payment basis	**14.91**	18.00	**-**	-	**(4.93)**	(3.09)	**9.98**	14.91
Expenditure allowable over the period (Section 35D / 35DD)	**3.80**	9.01	**-**	-	**(2.77)**	(5.21)	**1.03**	3.80
Unused long-term capital loss	**36.04**	39.14	**-**	-	**11.12**	(3.10)	**47.16**	36.04
Unused losses available for offsetting against future taxable income	**(2.56)**	(0.53)	**-**	-	**0.99**	(2.03)	**(1.57)**	(2.56)
Unused tax credit available for offsetting against future taxable income (MAT Credit Entitlement)	**37.53**	164.99	**-**	-	**(37.53)**	(127.46)	**-**	37.53
Deferred tax on unrealised profit	**3.54**	3.02	**-**	-	**-**	0.52	**3.54**	3.54
Others	**32.19**	31.90	**-**	(0.37)	**5.65**	0.66	**37.84**	32.19
Deferred tax (expense)/income					**35.43**	(112.33)		
Net deferred tax assets/(liabilities)	**(114.54)**	(1.84)	**-**	(0.37)			**(79.11)**	(114.54)

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 29 : Income tax (Contd.)

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority. Hence, deferred tax assets and liabilities which can not be offset, are presented separately as Deferred Tax Assets and Deferred Tax Liabilities. Details of the same are as under:

Particulars	Balance Sheet as at			
	March 31, 2023	March 31, 2022	**March 31, 2023**	March 31, 2022
	Deferred tax assets		Deferred tax Liabilities	
Accelerated depreciation for tax purposes	**(0.15)**	0.88	**(170.74)**	(232.32)
Impact of fair valuation of Land	**-**	-	**(8.83)**	(10.66)
Provision for doubtful debt	**2.63**	2.11	**-**	-
Expenditure allowable on payment basis	**1.09**	1.12	**8.89**	13.79
Expenditure allowable over the period (Section 35D / 35DD)	**-**	-	**1.03**	3.80
Unused long-term capital loss	**-**	-	**47.16**	36.04
Unused losses available for offsetting against future taxable income	**-**	0.63	**(1.57)**	(3.19)
Unused tax credit available for offsetting against future taxable income	**-**	1.32	**-**	36.21
Deferred tax on unrealised profit	**-**	-	**3.54**	3.54
Others	**12.49**	1.95	**25.35**	30.24
Total of Deferred Tax Assets/(Liabilities)	**16.06**	8.01	**(95.17)**	(122.55)

There are certain income-tax related legal proceedings which are pending against the Group. Potential liabilities, if any have been adequately provided for, and the group does not currently estimate any probable material incremental tax liabilities in respect of these matters. (Refer note 30).

The Group has unused tax capital losses amounting to ₹ 466.53 crores as at March 31, 2023 (March 31, 2022: ₹ 373.86 crores). Out of the same, tax credits on losses of ₹ 264.09 crores have not been recognised on the basis that recovery is not probable in the foreseeable future. Unrecognised tax capital losses will expire on March 31, 2025 & March 31,2029, if unutilized, based on the year of origination.

No liability has been recognised on the undistributed earnings of the subsidiaries because management controls the distributions of the earnings of the subsidiaries to the holding company and it has no intention to distribute the earnings of the subsidiaries.

Note :

(a) During the year ended March 31, 2022, the Parent Company had reassessed the expected manner of recovery of the carrying value of all land parcels and had determined that a number of such land parcels would not be delinked from the business as they either form an integral part of the business operations or are proximate to the factory premises. Consequently, the Parent Company expects that in the event of disposal of most of the land parcels in future, these would only be disposed off along with the business and in a slump sale arrangement thereby resulting in no temporary difference between the accounting position and position as per tax laws upon such future disposal.

Accordingly, the Parent Company had reversed deferred tax liability amounting to ₹26.73 crores pertaining to such land parcels in the Statement of Profit and loss during the year ended March 31, 2022.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 30 : Contingent liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Contingent liabilities not provided for		-
(i) Claims against Group not acknowledged as debts	**10.89**	11.84
(ii) Disputed demands in respect of		
Excise and Customs duty	**13.73**	13.73
Value added tax and Central sales tax	**6.97**	7.58
Income tax (Refer note (d) below)	**4.52**	4.98
Goods and Service Tax	**7.91**	-
Service tax	**17.23**	8.35

Notes :

(a) It is not practicable for the Group to estimate the timing of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

(b) The Group does not expect any reimbursements in respect of the above contingent liabilities.

(c) The Group believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Group's financial position and results of operations.

(d) During the Previous year, the Group had reassessed the position of its contingent liability pertaining to Income tax matters as at March 31, 2022. Based on the advice received from its tax counsel, the Group had created a provision amounting to ₹ 13.82 crores in the books of accounts in lieu of the uncertainties involved in the income tax proceedings and the possibility of occurrence of event as probable and possible. Majority of the issues are uncovered by judgment of respective judicial authorities in Group's own case in different assessment years or for other assessee.

Note 31 : Capital commitment and other commitments

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Capital commitments Estimated amount of Contracts remaining to be executed on capital account and not provided for (net of advances)	**52.52**	72.91
(b) Other commitments Export obligations against the import licenses taken for import of capital goods under the Export Promotion Capital Goods Scheme which is to be fulfilled over the period of next six years. If the Group is unable to meet these obligations, its liability would be ₹ 28.86 crores (March 31, 2022: ₹ 7.98 crores) which will reduce in proporation to actual exports. The Group is reasonably certain to meet its export obligations and expects no outflow, hence it does not anticipate a loss with respect to these obligations and accordingly has not made any provision in its financial statements.	**173.14**	47.85

Note 32 : Foreign Exchange Derivatives and Exposures not hedged

The Group holds derivative financial instruments such as foreign currency forward, options and swap contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counter party for these contracts is generally a bank.

All derivative financial instruments are recognized as assets or liabilities on the balance sheet and measured at fair value. The accounting for changes in the fair value of a derivative instrument depends on the intended use of the derivative and the resulting designation.

The fair values of all derivatives are separately recorded in the balance sheet within current and non-current assets and liabilities depending upon the maturity of the derivatives.

The use of derivative instruments is subject to limits, authorities and regular monitoring by appropriate levels of management. The limits, authorities and monitoring systems are periodically reviewed by management and the Board. The market risk on derivatives is mitigated by changes in the valuation of the underlying assets, liabilities or transactions, as derivatives are used only for risk management purposes.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

Note 32 : Foreign Exchange Derivatives and Exposures not hedged (Contd.)

Cash Flow Hedges

The Group also enters into forward exchange contracts for hedging highly probable forecast transaction and account for them as cash flow hedges and states them at fair value. Subsequent changes in fair value are recognized in equity until the hedged transaction occurs, at which time, the respective gain or losses are reclassified to the statements of profit or loss. These hedges have been effective for the year ended March 31, 2023 and March 31, 2022.

The Group uses foreign exchange contracts from time to time to optimize currency risk exposure on its foreign currency transactions.

The cash flow hedges are taken out by the Group during the year for hedging the foreign exchange rate of highly probable forecast transactions.

The cash flows related to above are expected to occur during the year ended March 31, 2023 and consequently may impact the statement of profit or loss for that year depending upon the change in the foreign exchange rates movements.

A details of derivative contracts outstanding as at reporting date are as follows:

A. Foreign Exchange Derivatives

Nature of instrument	Currency	As at March 31, 2023				As at March 31, 2022			
		Average Exchange Rate (in equivalent ₹)	Amount in Foreign currency (In Millions)	Nominal Amount (₹ in Crores)	MTM Value (₹ in Crores)	Average Exchange Rate (in equivalent ₹)	Amount in Foreign currency (In Millions)	Nominal Amount (₹ in Crores)	MTM Value (₹ in Crores)
Cash Flow Hedges (Routed through OCI)									
Forward Sales Contracts									
Maturing less than 3 months	USD	**82.15**	**49.03**	**402.78**	**(1.10)**	76.48	69.56	532.00	1.73
Maturing between 3 to 6 months	USD	**82.49**	**35.62**	**293.83**	**(1.05)**	77.39	53.26	412.17	2.26
Maturing between 6 to 9 months	USD	**81.95**	**10.28**	**84.24**	**(1.34)**	78.29	25.50	199.65	1.42
Maturing between 9 to 12 months	USD	**80.13**	**3.00**	**24.04**	**(1.06)**	78.76	20.20	159.10	0.72
Maturing after 12 months	USD	**-**	**-**	**-**	**-**	80.13	12.00	96.15	(0.05)
Total	**USD**		**97.93**	**804.89**	**(4.55)**		180.52	1,399.07	6.08
Option contracts									
Maturing less than 3 months	USD	**-**	**-**	**-**	**0.20**	-	-	-	7.05
Maturing between 3 to 6 months	USD	**-**	**-**	**-**	**0.08**	-	-	-	4.33
Maturing between 6 to 9 months	USD	**-**	**-**	**-**	**(0.34)**	-	-	-	1.96
Maturing between 9 to 12 months	USD	**-**	**-**	**-**	**(0.86)**	-	-	-	(0.33)
Maturing after 12 months	USD	**-**	**-**	**-**	**-**	-	-	-	0.34
Total	**USD**		**-**	**-**	**(0.92)**		-	-	13.35
Other Hedges (Routed through Profit and Loss)									
Forward Purchase Contracts									
Maturing less than 3 months	USD	**-**	**-**	**-**	**-**	76.26	57.04	435.01	(0.09)
Maturing between 3 to 6 months	USD	**-**	**-**	**-**	**-**	76.82	22.26	171.01	0.06
Maturing between 6 to 9 months	USD	**-**	**-**	**-**	**-**	78.60	4.01	31.52	(0.36)
Maturing between 9 to 12 months	USD	**-**	**-**	**-**	**-**	78.62	0.29	2.28	(0.01)
Total	**USD**		**-**	**-**	**-**		83.60	639.82	(0.40)

All derivative contracts stated above are for the purpose of hedging the underlying foreign currency exposure.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

Note 32 : Foreign Exchange Derivatives and Exposures not hedged (Contd.)

B. Exposure Not Hedged

Nature of instrument	Currency	As at March 31, 2023		As at March 31, 2022	
		FC In Mn	₹ in Crores	FC In Mn	₹ in Crores
Receivables	USD	29.33	241.05	26.12	197.93
	EUR	1.37	12.32	2.37	19.70
	AUD	0.13	0.72	0.04	0.24
	GBP	0.20	2.00	0.22	2.16
	AED	0.04	0.10	-	-
Payable towards borrowings	USD	-	-	0.02	0.17
Payable to creditors	USD	6.44	53.72	12.71	96.37
	EUR	1.48	13.28	0.48	4.07
	JPY	4.36	0.27	5.82	0.36
	GBP	0.06	0.63	0.07	0.65
	AUD	(AUD 4,371)	0.02	(AUD 4,371)	0.02
	CHF	0.02	0.14	0.02	0.15
	HKD	0.01	0.01	0.01	0.01

Note 33 : Segment Reporting

Identification of Segments:

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the group.

Operating Segments:

(a) **Textiles :** Fabrics, Garments and Fabric Retail.

(b) **Advanced Material :** Human Protection fabric & garments, Industrial Products, Advance Composites and Automotive fabrics.

(c) **Others :** E-commerce, Agriculture Produce, EPABX and One to Many Radio, Developing of Residential Units and Others.

Segment revenue and results:

Revenue and expenses directly attributable to segments are reported under each reportable segment. The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocable income). Unallocated expenditure consists of common expenditure incurred for all the segments and expenses incurred at corporate level.

Segment assets and Liabilities:

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipments, trade receivables, Inventories and other operating assets. Segment liabilities primarily includes trade payable and other liabilities excluding borrowings.

Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets / liabilities.

Inter Segment transfer:

Inter Segment revenues are recognised at sales price. The same is based on market price and business risks. Profit or loss on inter segment transfer are eliminated at the group level.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 3. The Group's financing (including finance costs and finance income) and income taxes are reviewed on an overall basis and are not allocated to operating segments.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 33 : Segment Reporting (Contd.)

Geographical segment

Geographical segment is considered based on sales within India and rest of the world.

Summarised segment information for the years ended March 31, 2023 and March 31, 2022 are as follows:

Particulars	For the Year ended/As at March 31, 2023					
	Textiles	Advanced Material	Others	Discontinued Operations*	Elimi-nation	Total
REVENUE						
External Revenue	6,683.28	1,246.22	452.98	6.33	-	8,388.81
Inter segment Revenue	32.45	4.36	64.19	-	(101.00)	-
Enterprise revenue	**6,715.73**	**1,250.58**	**517.17**	**6.33**	**(101.00)**	**8,388.81**
RESULT						
Segment Result Before Finance cost	486.16	141.70	(69.49)	(5.03)	-	553.34
Less: Finance Cost						(164.24)
Less: Unallocable expenses (net of income)						93.12
Less: Tax Expenses						(69.05)
Net profit/(loss) after tax	**486.16**	**141.70**	**(69.49)**	**(5.03)**	**-**	**413.17**
Segment Assets	4,567.67	793.74	793.67	0.01	(507.15)	5,647.94
Unallocated Assets						1,200.49
Investments in Joint Ventures						65.16
Total Assets	**4,567.67**	**793.74**	**793.67**	**0.01**	**(507.15)**	**6,913.59**
Segment Liabilities	1,402.67	210.23	503.22	0.01	(67.39)	2,048.74
Unallocated Liabilities						56.82
Total Liabilities	**1,402.67**	**210.23**	**503.22**	**0.01**	**(67.39)**	**2,105.56**
Depreciation and amortisation expense	200.19	26.56	7.49	2.46	-	236.70
Unallocated Depreciation and amortisation expense						18.77
Total Depreciation and amortisation expense	**200.19**	**26.56**	**7.49**	**2.46**	**-**	**255.47**
Capital Expenditure	157.57	76.70	15.07	6.89	-	256.23
Unallocated Capital Expenditure						19.09
Total Capital Expenditure (Refer note (a))	**157.57**	**76.70**	**15.07**	**6.89**	**-**	**275.32**
Material non-cash items other than Depreciation and amortisation	30.75	20.31	63.16	0.81	-	115.03
Unallocated Material non-cash items other than Depreciation and amortisation						(11.09)
Total Material non-cash items other than Depreciation and amortisation	**30.75**	**20.31**	**63.16**	**0.81**	**-**	**103.94**

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 33 : Segment Reporting (Contd.)

Particulars	For the Year ended/As at March 31, 2022					
	Textiles	Advanced Material	Others	Discontinued Operations*	Elimi-nation	Total
REVENUE						
External Revenue	6,625.83	1,024.73	359.31	23.86	-	8,033.73
Inter segment Revenue	18.36	0.80	54.88	-	(74.04)	-
Enterprise revenue	**6,644.19**	**1,025.53**	**414.19**	**23.86**	**(74.04)**	**8,033.73**
RESULT						
Segment Result Before Finance cost	590.61	107.82	(27.31)	(36.65)	-	634.47
Less: Finance Cost						(176.43)
Less: Unallocable expenses (net of income)						(75.78)
Add: Tax Credit						(140.68)
Net profit/(loss) after tax	**590.61**	**107.82**	**(27.31)**	**(36.65)**	**-**	**241.58**
Segment Assets	5,638.65	697.91	702.01	31.42	(730.12)	6,339.87
Unallocated Assets						1,300.55
Investments in Joint Ventures						64.14
Total Assets	**5,638.65**	**697.91**	**702.01**	**31.42**	**(730.12)**	**7,704.56**
Segment Liabilities	2,417.18	225.63	369.04	9.57	(143.71)	2,877.71
Unallocated Liabilities						61.13
Total Liabilities	**2,417.18**	**225.63**	**369.04**	**9.57**	**(143.71)**	**2,938.84**
Depreciation and amortisation expense	201.26	25.04	9.91	18.06	-	254.27
Unallocated Depreciation and amortisation expense						17.74
Total Depreciation and amortisation expense	**201.26**	**25.04**	**9.91**	**18.06**	**-**	**272.01**
Capital Expenditure	175.48	19.14	14.16	0.38	-	209.16
Unallocated Capital Expenditure						1.51
Total Capital Expenditure (Refer note (a))	**175.48**	**19.14**	**14.16**	**0.38**	**-**	**210.67**
Material non-cash items other than Depreciation and amortisation	25.53	15.88	2.59	-	-	44.00
Unallocated Material non-cash items other than Depreciation and amortisation						10.35
Total Material non-cash items other than Depreciation and amortisation	**25.53**	**15.88**	**2.59**	**-**	**-**	**54.35**

* Refer Note 45 for details of Discontinued operations.

(a) Capital expenditure consists of additions to property, plant and equipment, intangible assets, investment properties, capital work-in-progress and Right of Use assets.

(b)

Particulars	Year ended/as at March 31, 2023	Year ended/as at March 31, 2022
Segment Revenue*		
(a) In India	**4,692.95**	3,966.85
(b) Rest of the world	**3,695.86**	4,066.88
Total	**8,388.81**	8,033.73
Carrying Cost of Segment Non Current Assets@		
(a) In India	**3,492.10**	3,495.47
(b) Rest of the world	**39.24**	54.54
Total	**3,531.34**	3,550.01

* Based on location of Customers

@ Other than financial assets.

(c) Information about major customers:

Considering the nature of business of group in which it operates, the group deals with various customers including multiple geographic. No single customer has accounted for more than 10% of the group's total revenue for the years ended March 31, 2023 and 2022.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 34 : Disclosure pursuant to Employee benefits

A. Defined contribution plans:

Amount of ₹ 60.02 Crores (March 31, 2022: ₹ 45.59 Crores) is recognised as expenses and included in note no. 24 "Employee benefit expense".

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(i) Contribution to Provident Fund [note (a)]	**35.81**	21.39
(ii) Contribution to Pension Fund [note (a)]	**14.95**	15.82
(iii) Contribution to Superannuation Fund [note (b)]	**1.51**	1.40
(iv) Contribution to Employees' State Insurance [note (c)]	**7.75**	6.98
Total	**60.02**	45.59

Note

(a) Employees of the Group receive benefits from a provident fund, which is a defined contribution plan.The eligible employees and the Group make monthly contributions to the provident fund plan equal to a specified percentage of the employees' salary. Amounts collected under the provident fund plan are deposited in a government administered provident fund. The remaining portion is contributed to the government-administered pension fund. The Group has no further obligation to the plan beyond its monthly contributions. Such contributions are accounted for as defined contribution plans and are recognised as employee benefits expenses when they are due in the Statement of profit and loss.

(b) The Group's Superannuation Fund is administered by approved Trust. The Group is required to contribute the specified amount to the Trust for the eligible employees. The Group has no further obligations to the plan beyond its contribution to a Trust Fund.

(c) The Group's Employee State Insurance Fund, for all eligible employees, is administered by ESIC Corporation. The Group is required to contribute specified amount to ESIC Corporation and has no further obligations to the same beyond its contribution.

B. Defined benefit plans:

The Group has following post employment benefit plans which are in the nature of defined benefit plans:

(a) Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days (30 days for the employees joined before March 31, 2000 with the grade of M2 and above from the date they are in Grade M2 and above) salary multiplied for the number of years of service. The Gratuity plan is a Funded plan administered by a recognised Trust in India.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method. Gratuity benefits are both funded and unfunded. The Parent Company fully contributes all ascertained liabilities to the Arvind Limited Employees' Gratuity Fund Trust (the Trust). Trustees administer contributions made to the Trusts and contributions are invested in a scheme as permitted by Indian law. Some of the subsidiaries make annual contribution to the gratuity scheme administered by the Life Insurance Corporation of India.

The Group recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligations recognized in other comprehensive income.

(b) Compensatory Pension Scheme

The Parent Company operates a post retirement pension scheme, which is discretionary in nature for certain cadres of employees who have joined before June 30, 1983 and who have rendered not less than 31 years of service before their retirement. The plan is unfunded. Employees do not contribute to the plan.

Liabilities with regard to the Compensatory Pension Scheme are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method.

The Parent Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

Note 34 : Disclosure pursuant to Employee benefits (Contd.)

(₹ in Crores)

Changes in defined benefit obligation and plan assets as at March 31, 2023:

Particulars	As at April 1, 2022	Charged to statement of profit and loss			Employees' contribution	Employer's contribution	Transfer In	Benefit paid	Remeasurement gains/(losses) in other comprehensive income						As at March 31, 2023
		Service cost	Net interest expense / (Income)	Sub-total included in statement of profit and loss (note 24)					Return on plan assets (excluding amounts included in net interest income)	Actuarial changes arising from changes in demographic asssumptions	Actuarial changes arising from changes in financial asssumptions	Actuarial changes arising from changes in Experience adjustments	Transfer of Obligations & Assets	Sub-total included in OCI	
Gratuity															
Defined benefit obligation	127.31	9.03	6.59	15.62	-	-	-	(14.66)	-	0.36	(11.04)	5.05	-	(5.63)	122.64
Fair value of plan assets	(121.88)	-	(6.30)	(6.30)	-	(4.43)	-	1.26	1.15	-	-	-	-	1.15	(130.20)
Benefit liability/ (asset)-Funded (A)	**5.43**	**9.03**	**0.29**	**9.32**	**-**	**(4.43)**	**-**	**(13.40)**	**1.15**	**0.36**	**(11.04)**	**5.05**	**-**	**(4.48)**	**(7.56)**
Gratuity - Non Funded															
Defined benefit obligation	2.91	1.19	0.13	1.32	-	-	-	1.08	-	(0.43)	0.11	(0.44)	-	(0.76)	2.39
Benefit liability/ (asset)-Non Funded (B)	**2.91**	**1.19**	**0.13**	**1.32**	**-**	**-**	**-**	**1.08**	**-**	**(0.43)**	**0.11**	**(0.44)**	**-**	**(0.76)**	**2.39**
Net Benefit liability/ (asset) (A+B)	**8.34**	**10.22**	**0.42**	**10.64**	**-**	**(4.43)**	**-**	**(12.32)**	**1.15**	**(0.07)**	**(10.93)**	**4.61**	**-**	**(5.24)**	**(5.17)**
Compensatory Pension Scheme															
Defined benefit obligation	1.53	0.03	0.08	0.11	-	-	-	-	-	-	(0.03)	(0.14)	-	(0.17)	1.47
Net Benefit liability/ (asset)	**1.53**	**0.03**	**0.08**	**0.11**	**-**	**-**	**-**	**-**	**-**	**-**	**(0.03)**	**(0.14)**	**-**	**0.17)**	**1.47**
Total benefit liability/ (asset)	**9.87**	**10.25**	**0.50**	**10.75**	**-**	**(4.43)**	**-**	**(12.32)**	**1.15**	**(0.07)**	**(10.96)**	**4.47**	**-**	**(5.41)**	**(3.70)**

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

Note 34 : Disclosure pursuant to Employee benefits (Contd.)

(₹ in Crores)

Changes in defined benefit obligation and plan assets as at March 31, 2022:

Particulars	As at April 1, 2021	Charged to statement of profit and loss			Employees' contribution	Employer's contribution	Transfer In	Benefit paid	Remeasurement gains/(losses) in other comprehensive income						As at March 31, 2022
		Service cost	Net interest expense / (Income)	Sub-total included in statement of profit and loss (note 24)					Return on plan assets (excluding amounts included in net interest income)	Actuarial changes arising from changes in demographic asssumptions	Actuarial changes arising from changes in financial asssumptions	Actuarial changes arising from changes in Experience adjustments	Transfer of Obligations & Assets	Sub-total included in OCI	
Gratuity - Funded															
Defined benefit obligation	117.88	10.97	7.08	18.05	-	-	-	(12.68)	-	2.12	2.06	(0.12)	-	4.06	127.31
Fair value of plan assets	(123.25)	-	(7.39)	(7.39)	-	(0.45)	-	12.57	(3.36)	-	-	-	-	(3.36)	(121.88)
Benefit liability/(asset)-Funded (A)	**(5.37)**	**10.97**	**(0.31)**	**10.66**	**-**	**(0.45)**	**-**	**(0.11)**	**(3.36)**	**2.12**	**2.06**	**(0.12)**	**-**	**0.70**	**5.43**
Gratuity - Non Funded															
Defined benefit obligation	2.32	0.88	0.10	0.98	-	-	-	0.57	-	-	-	0.18	-	0.18	2.91
Benefit liability/(asset)-Non Funded (B)	**2.32**	**0.88**	**0.10**	**0.98**	**-**	**-**	**-**	**0.57**	**-**	**-**	**-**	**0.18**	**-**	**0.18**	**2.91**
Net Benefit liability/ (asset) (A+B)	**(3.05)**	**11.85**	**(0.21)**	**11.64**	**-**	**(0.45)**	**-**	**0.46**	**(3.36)**	**2.12**	**2.06**	**0.06**	**-**	**0.88**	**8.34**
Provident Fund Scheme*															
Defined benefit obligation	418.66	9.75	28.28	38.03	27.41	-	9.77	(67.56)	-	-	-	-	(426.31)	(426.31)	-
Fair value of plan assets	(427.96)	-	(28.28)	(28.28)	(27.41)	(9.75)	(9.77)	67.56	-	-	-	-	435.61	435.61	-
Deficit/(Surplus)	**(9.30)**	**9.75**	**-**	**9.75**	**-**	**(9.75)**	**-**	**-**	**-**	**-**	**-**	**-**	**9.30**	**9.30**	**-**
Effects of asset ceiling, if any**	9.30	-	-	-	-	-	-	-	-	-	-	-	(9.30)	(9.30)	-
Net Benefit liability/ (asset)	**-**	**9.75**	**-**	**9.75**	**-**	**(9.75)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Compensatory Pension Scheme															
Defined benefit obligation	1.68	0.04	0.10	0.14	-	-	-	-	-	-	0.02	(0.31)	-	(0.29)	1.53
Net Benefit liability/ (asset)	**1.68**	**0.04**	**0.10**	**0.14**	**-**	**-**	**-**	**-**	**-**	**-**	**0.02**	**(0.31)**	**-**	**(0.29)**	**1.53**
Total benefit liability/ (asset)	**(1.37)**	**21.64**	**(0.11)**	**21.53**	**-**	**(10.20)**	**-**	**0.46**	**(3.36)**	**2.12**	**2.08**	**(0.25)**	**-**	**0.59**	**9.87**

*With effect from March 1, 2022, the company has surrendered its exemption granted under Section 17(1)(a) of EPF & MP Act, 1952. The assets and liabilities of The Arvind Mills Employees' Provident Fund Trust as on the date of surrender of exemption have been transferred to Employees Provident Fund Organisation, Ministry of Labour of Employment, Government of India. Hence, there is no outstanding obligation of the company towards provident Fund Plan as on March 31, 2022.

**The Company has an obligation to make good the shortfall, if any.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 34 : Disclosure pursuant to Employee benefits (Contd.)

The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows:

Particulars	As at March 31, 2023 (%) of total plan assets	As at March 31, 2022 (%) of total plan assets
Central Government Securities	**0.00%**	0.00%
Public Sector/Financial Institutional Bonds	**0.00%**	0.00%
Portfolio with Insurance Companies	**99.99%**	99.99%
Others (including bank balances)	**0.01%**	0.01%
(%) of total plan assets	**100%**	100%

The principal assumptions used in determining above defined benefit obligations for the Group's plans are shown below:

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate	**7.15%-7.57%**	4.56%-7.15%
Future salary increase	**5.00%-10.00%**	5.00%-8.50%
Expected rate of return on plan assets	**7.29%-15.00%**	5.15%-6.98%
Attrition rate		
- For service 4 years and below	**7% - 44%**	7% - 30%
- For service 5 years to 10 years	**7% - 25%**	7% - 30%
- For service above 11 years	**7% - 11%**	7% - 30%
Morality rate during employment	**Indian assured lives Mortality 2012-14 (Urban)**	Indian assured lives Mortality 2012-14 (Urban)

A quantitative sensitivity analysis for significant assumption is as shown below for the defined benefit plan:

Particulars	Sensitivity level	Increase / (decrease) in defined benefit obligation (Impact)	
		Year ended March 31, 2023	Year ended March 31, 2022
Gratuity			
Discount rate	1% increase	**(4.63)**	(2.65)
	1% decrease	**5.13**	2.85
Salary increase	1% increase	**5.14**	2.80
	1% decrease	**(4.72)**	(2.65)
Attrition rate	1% increase	**0.18**	(0.29)
	1% decrease	**(0.22)**	0.29
Compensatory Pension Scheme			
Discount rate	1% increase	**(0.02)**	(0.03)
	1% decrease	**0.03**	0.03

The above sensitivity analysis may not be representative of the actual benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 34 : Disclosure pursuant to Employee benefits (Contd.)

Maturity analysis (Expected undiscounted future benefit payments for the defined benefit plan)

Particulars	As at March 31, 2023	As at March 31, 2022
Gratuity		
Within the next 12 months	**33.94**	48.39
Between 2 to 5 years	**56.48**	67.61
From 6 to 10 years	**45.68**	28.53
Compensatory Pension Scheme		
Within the next 12 months	**0.34**	0.34
Between 2 to 5 years	**1.36**	1.36

Weighted average duration of defined plan obligation (based on discounted cash flows)

Particulars	As at March 31, 2023	As at March 31, 2022
Gratuity	**5**	5
Compensatory Pension Scheme	**2**	2

The Group does not have any contributions expected towards planned assets for the next year.

C. Other Long term employee benefit plans:

Leave encashment

The Group has a policy on leave encashment which are both accumulating and non-accumulating in nature. The expected cost of accumulating leave encashment is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

The Group has recognised following as expenses and included in note no. 24 "Employee benefit expense".

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Leave Encashment	**13.94**	11.28
Total	**13.94**	11.28

Note 35 : Disclosure of Related Party Transactions in accordance with Ind AS 24 - Related Party Disclosures

(a)	Name of Related Parties and Nature of Relationship :	
(I)	**Subsidiaries**	
1	Arvind Worldwide (M) Inc. *	
2	Arvind Overseas (M) Inc. *	
3	Arvind Spinning Limited *	
4	Arvind Foundation **	
5	Arvind Indigo Foundation **	
(II)	**Joint Ventures and Associates**	
1	Arya Omnitalk Radio Trunking Services Private Limited	
2	Arvind Norm CBRN Systems Private Limited	up to March 3, 2022
3	Adient Arvind Automotive Fabrics India Private Limited	
4	Arudrama Developers Private Limited	
5	Arvind and Smart Value Homes LLP	
6	PVH Arvind Manufacturing PLC, Ethiopia	
7	Clean Max Kratos Private Limietd	up to June 20, 2022
8	Renew Green (GJ Eight) Private Limited	w.e.f. January 26, 2023

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

Note 35 : Disclosure of Related Party Transactions in accordance with Ind AS 24 - Related Party Disclosures (Contd.)

(a)	Name of Related Parties and Nature of Relationship :	
(III)	**Key Management Personnel**	
1	Mr. Sanjay S. Lalbhait	Chairman and Managing Director
2	Mr. Jayesh K. Shah	Director & Group Chief Financial Officer ***
3	Mr. Punit S. Lalbhai	Executive Director
4	Mr. Kulin S. Lalbhai	Executive Director
5	Mr. Swayam Saurabh	Chief Financial Officer (up to January 25, 2023)
6	Mr. Bakul Harshadrai Dholakia	Non-Executive Director
7	Mr. Dileep Chinubhai Choksi	Non-Executive Director
8	Ms. Renuka Ramnath	Non-Executive Director (upto May 18, 2022)
9	Mr. Nilesh Dhirajlal Shah	Non-Executive Director
10	Mr. Arpit Kantilal Patel	Non-Executive Director
11	Ms. Ismet Tehmesp Khambatta	Non-Executive Director (w.e.f August 1, 2022)
(IV)	**Relatives of Key Management Personnel**	
1	Mrs. Jayshree S Lalbhai	
2	Mrs. Poorva P Lalbhai	
3	Mrs. Jaina K Lalbhai	
(V)	**Enterprise over which Key Management personnel are able to exercise significant influence**	
1	Aura Securities Private Limited	
2	Amplus Capital Advisors Private Limited	
3	Arvind Smartspaces Limited	
4	The Anup Engineering Limited	
5	Arvind Fashions Limited	
6	Arvind Lifestyle Brands Limited	
7	Arvind Beauty Brands Retail Private Limited	
8	PVH Arvind Fashion Private Limited (Formerly known as Calvin Klein Arvind Fashion Private Limited)	
9	Arvind Youth Brands Private Limited	
10	White Ocean Business Ventures LLP	
11	Aura Business Enterprise Private Limited	
12	Aura Business Ventures LLP	
13	Style Audit LLP	
14	Animesh Holdings Private Limited	
15	Endor Properties LLP	
16	Morpheus Properties LLP	
17	Amber Apparels LLP	
18	Tesla Properties LLP	
19	Multiples Private Equity Fund II LLP	
20	Crusade Properties LLP	
21	Value Fashion Retail Limited	
22	Firenze Properties and Investments Private Limited	
23	Centerac Emarket Places Private Limited	
24	Amplus Ahmedabad Projects LLP	
25	AIC-LMCP Foundation	
26	Able Investments Private Limited	
27	Shruti Trade Link Private Limited	
(VII)	**Trusts and Others**	
1	Arvind Mills Employees' Provident Fund	
2	The Arvind Mills Employee's Gratuity Fund	
3	Lalbhai Group of Companies Officers' Superannuation Fund	

* Not considered for the purpose of consolidation for the financial year 2022-23 and 2021-22 respectively being defunct status.

** The Group has made investment of ₹ 0.01 Crores in the equity shares of Arvind Foundation and ₹ 0.01 Crores in the equity shares of Arvind Indigo Foundation, which are the Companies incorporated under Section 8 of the Act. Since the Group has no intention of earning variable returns from the voting rights, the above investments doesn't meet the definition of control under Ind AS 110 and hence, not consolidated in the Consolidated Financial Statements.

***The Parent Company has appointed Mr. Jayesh Shah, Whole Time Director as Chief Financial Officer (KMP) of the parent Company w.e.f. January 26, 2023.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

Note 35 : Disclosure of Related Party Transactions in accordance with Ind AS 24 - Related Party Disclosures(Contd.)

(₹ in Crores)

(b) Transactions and Balances :

Particulars	Subsidiaries		Joint Ventures and Associates		Key Management Personnel and relatives		Trusts		Company under the control of Key Managerial Personnel		Total	
	Year ended / as at		Year ended / as at		Year ended / as at		Year ended / as at		Year ended / as at		Year ended / as at	
	March 31, 2023	March 31, 2022	**March 31, 2023**	March 31, 2022	**March 31, 2023**	March 31, 2022	**March 31, 2023**	March 31, 2022	**March 31, 2023**	March 31, 2022	**March 31, 2023**	March 31, 2022
(I) Transactions during the year												
Purchase of Goods	-	-	-	0.04	-	-	-	-	**0.19**	2.08	**0.19**	2.12
Sales of Goods	-	0.24	-	0.01	-	-	-	-	**31.19**	61.61	**31.19**	61.86
Expenses Recovered	-	-	**1.98**	2.08	-	-	-	-	**6.27**	5.17	**8.25**	7.25
Rent Income	-	-	-	-	-	-	-	-	**0.11**	0.11	**0.11**	0.11
Services Rendered	-	-	-	0.85	-	-	-	-	**1.93**	8.73	**1.93**	9.58
Remuneration	-	-	-	-	**26.06**	10.94	-	-	-	-	**26.06**	10.94
Sitting Fees paid to Non-Executive Directors	-	-	-	-	**0.07**	0.08	-	-	-	-	**0.07**	0.08
Comission to Non-Executive Directors	-	-	-	-	**0.35**	0.37	-	-	-	-	**0.35**	0.37
Services Received	-	-	**2.14**	1.76	-	-	-	-	**8.62**	14.62	**10.76**	16.38
Rent Expenses	-	-	-	-	-	-	-	-	-	0.12	-	0.12
Share of Profit from LLP	-	-	**0.01**	(0.64)	-	-	-	-	-	-	**0.01**	(0.64)
Dividend Income	-	-	**0.49**	2.00	-	-	-	-	-	-	**0.49**	2.00
Interest Income	-	-	**0.09**	0.03	-	-	-	-	-	-	**0.09**	0.03
Donation Given	**3.30**	2.60	-	-	-	-	-	-	-	-	**3.30**	2.60
Contribution Given for Employee Benefit Plans	-	-	-	-	-	-	**5.85**	22.07	-	-	**5.85**	22.07
Loan Given	-	-	**9.08**	17.39	-	-	-	-	-	-	**9.08**	17.39
Receipt towards Loan Given	-	-	**23.63**	0.45	-	-	-	-	-	-	**23.63**	0.45
Investment made	-	-	**20.51**	-	-	-	-	-	-	-	**20.51**	-
Provision of diminution in value of investments	-	-	-	3.14	-	-	-	-	-	-	-	3.14
Sale of Investment	-	-	**(₹ 2,600/-)**	-	-	0.10	-	-	-	-	-	0.10
Withdrawal of capital Contribution	-	-	-	0.64	-	-	-	-	-	-	-	0.64
(II) Balances as at year end												
Trade Receivable	-	-	**0.34**	0.86	-	-	-	-	**34.57**	25.00	**34.91**	25.86
Investments	**0.35**	0.35	**118.55**	97.38	-	-	-	-	-	-	**118.90**	97.73
Provision for Impairment of Investment	**(0.33)**	(0.33)	**(33.24)**	(33.24)	-	-	-	-	-	-	**(33.57)**	(33.57)
Share Application Money	-	-	**1.49**	1.49	-	-	-	-	-	-	**1.49**	1.49
Provision for Impairment of Share Application Money	-	-	**(1.49)**	(1.49)	-	-	-	-	-	-	**(1.49)**	(1.49)
Other Current Assets	**0.03**	0.02	**0.50**	0.09	-	-	**8.87**	-	**1.21**	0.79	**10.61**	0.90
Other Non Current Assets	-	-	-	-	-	-	-	-	**0.25**	0.25	**0.25**	0.25
Loan Given	**5.23**	5.23	**2.38**	16.94	-	-	-	-	-	-	**7.61**	22.17
Allowance for Doubtful Loan	**(5.23)**	(5.23)	-	-	-	-	-	-	-	-	**(5.23)**	(5.23)
Trade payables	-	-	**0.21**	-	**0.31**	0.33	-	-	**14.41**	14.93	**14.93**	15.26
Other Current Liabilities	-	-	-	-	-	-	-	-	**1.69**	-	**1.69**	-
Short Term Provision	-	-	-	-	-	-	**1.06**	5.77	-	-	**1.06**	5.77

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 35 : Disclosure of Related Party Transactions in accordance with Ind AS 24 - Related Party Disclosures(Contd.)

(c) Loans and Advances in the nature of loans

List of Related Parties	Purpose	Balance as at	
		March 31, 2023	'March 31, 2022
Loans and Advances			
Arvind Worldwide (M) Inc.	General Business Purpose	**5.23**	5.23
Less : Allowance for doubtful loan		**(5.23)**	(5.23)
		-	-
Arya Omnitalk Radio Trunking Services Private Limited	General Business Purpose	**2.38**	16.94
Total		**2.38**	16.94

List of Related Parties	Purpose	Maximum Outstanding During	
		March 31, 2023	'March 31, 2022
Loans and Advances			
Arvind Worldwide (M) Inc.	General Business Purpose	**5.23**	5.23
Arya Omnitalk Radio Trunking Services Private Limited	General Business Purpose	**16.94**	17.36

Loans given to the related party carries interest rate of 7.00%

(d) Transactions with key management personnel

The remuneration of key management personnel during the year was as follows :

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Short-term employee benefits	**25.63**	10.61
Post employment benefits	**0.38**	0.39
Other long-term employment benefits	**0.06**	0.08
Others - Contribution towards Provident Fund	**0.41**	0.31
Total compensation paid to key management personnel	**26.48**	11.39

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

Note 36 : Earning per share

Particulars		Year ended March 31, 2023	Year ended March 31, 2022
Earing per share (Basic and Diluted)			
Continuing Operations			
Profit attributable to owners of the Company	₹ in Crores	**408.09**	264.50
Weighted average number of Equity Shares for Basic EPS (a)	No.	**26,09,10,131**	25,96,95,044
Effect of potential Ordinary shares on outstanding Employee Stock Options (b)	No.	**41,251**	11,19,173
Weighted average number of Ordinary shares in computing diluted earnings per share (a) + (b)	No.	**26,09,51,382**	26,08,14,217
Nominal value of equity shares	₹	**10**	10
Basic earning per share	₹	**15.65**	10.18
Diluted earning per share	₹	**15.63**	10.14
Discontined Operations			
Loss attributable to owners of the Company	₹ in Crores	**(3.53)**	(26.35)
Weighted average number of Equity Shares for Basic EPS (a)	No.	**26,09,10,131**	25,96,95,044
Effect of potential Ordinary shares on outstanding Employee Stock Options (b)	No.	**41,251**	11,19,173
Weighted average number of Ordinary shares in computing diluted earnings per share (a) + (b)	No.	**26,09,51,382**	26,08,14,217
Nominal value of equity shares	₹	**10**	10
Basic earning per share	₹	**(0.14)**	(1.01)
Diluted earning per share	₹	**(0.14)**	(1.01)
Continuing and Discontined Operations			
Profit attributable to owners of the Company	₹ in Crores	**404.56**	238.15
Weighted average number of Equity Shares for Basic EPS (a)	No.	**26,09,10,131**	25,96,95,044
Effect of potential Ordinary shares on outstanding Employee Stock Options (b)	No.	**41,251**	11,19,173
Weighted average number of Ordinary shares in computing diluted earnings per share (a) + (b)	No.	**26,09,51,382**	26,08,14,217
Nominal value of equity shares	₹	**10**	10
Basic earning per share	₹	**15.51**	9.17
Diluted earning per share	₹	**15.49**	9.13

Note 37 : Share based payments

Arvind Limited (AL)

(A). The Company has instituted Employee Stock Option Scheme 2008 (ESOS 2008) and AL – Employee Stock Option Scheme 2021 (ESOS 2021), pursuant to the approval of the shareholders of the company at their extra ordinary general meeting held on October 23, 2007 and annual general meeting held on August 18, 2021 respectively. Under both the schemes, the Company has granted options convertible into equal number of equity shares of the face value of ₹ 10 each to its certain employees. The following table sets forth the particulars of the options outstanding as on March 31, 2023 under ESOS 2008 and ESOS 2021:

Scheme	ESOS 2008	ESOS 2021			
Date of grant	No options outstanding at the year end under this scheme	March 22, 2022	August 5, 2022	August 5, 2022	August 5, 2022
Vesting Date		Step vesting in 4 tranches from March 31, 2023 to March 31, 2026	Step vesting in 4 tranches from March 31, 2023 to March 31, 2026	Step vesting in 4 tranches from March 31, 2023 to March 31, 2026	Vesting date August 31, 2024
Number of options granted		1,00,000	50,000	50,000	1,08,000
Number of options outstanding		1,00,000	50,000	50,000	1,08,000
Exercise price per option		₹ 116.70	₹ 10.00	₹ 96.20	₹ 10.00
Fair Value of option on Grant date		₹49.72	₹34.10	₹ 34.10	₹ 87.47
Vesting period		Over a period of 1 to 4 years from the date of grant			
Vesting requirements		On continued employment with the company and fulfilment of performance parameters.			
Exercise period		3 years from the date of vesting			
Method of settlement		Through allotment of one equity share for each option granted.			

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

Note 37 : Share based payments (Contd.)

B. Movement in Stock Options during the year :

The following reconciles the share option outstanding at the beginning and at the end of the year :

Particulars	Year Ended March 31, 2023		Year Ended March 31, 2022	
	No. of Options	Weighted Average Exercise Price	No. of Options	Weighted Average Exercise Price
ESOS 2008				
Outstanding at the beginning of the year	**23,37,655**	**61.94**	39,37,750	50.89
Vested during the year	**9,11,655**	**35.99**	16,61,750	33.83
Granted during the year	**-**	**-**	61,655	10.00
Lapsed/Forfeited during the year	**14,26,000**	**78.53**	-	-
Exercised during the year	**9,11,655**	**35.99**	16,61,750	33.83
Outstanding at the end of the year	**-**	**-**	23,37,655	61.94
Exercisable at the end of the year	**-**	**-**	14,26,000	78.53
ESOS 2021				
Outstanding at the beginning of the year	**3,50,000**	**125.27**	-	-
Vested during the year	**-**	**-**	-	-
Granted during the year	**2,08,000**	**29.80**	3,50,000	125.27
Lapsed/Forfeited during the year	**2,00,000**	**128.70**	-	-
Exercised during the year	**-**	**-**	-	-
Expired during the year	**-**	**-**	-	-
Outstanding at the end of the year	**3,58,000**	**67.88**	3,50,000	125.27
Exercisable at the end of the year	**-**	**-**	-	-
Exercisable at the end of the year	-	-	-	-

C. Share Options Exercised during the year:

Option Series	No. of Options	Exercise Date	Weighted Average Share Price at Exercise Date
Options exercised during the year	2,50,000	June 6, 2022	100.45
	61,655	August 6, 2022	99.03
	2,00,000	February 8, 2023	83.93
	1,50,000	February 8, 2023	83.93
	2,50,000	February 17, 2023	84.10

D. Share Options Outstanding at the end of the year:

ESOS 2008 - There are no options outstanding at the end of the year in this scheme.

ESOS 2021 - The share options outstanding at the end of the year had a weighted average exercise price of ₹ 67.88 (as at March 31,2022: ₹ 125.27),and a weighted average remaining contractual life of 4.24 Years (as at March 31,2022: 5.74 years). The range of exericse price is from ₹ 10.00 to ₹ 128.70.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 37 : Share based payments (Contd.)

E. Significant Assumptions of Valuation on New Grant:

Weighted Average Information:

	ESOS 2021
(i) Share price (₹)	96.20
(ii) Exercise price (₹)	29.80
(iii) Expected volatility	53.16%
(iv) Risk-free interest rate	6.52%
(v) Any other inputs to the model	None
(vi) Method used and the assumptions made to incorporate effects of expected early exercise	Binomial Option Pricing Model
(vii) How expected volatility was determined, including an explanation of the extent of to which expected volatility was based on historical volatility	The volatility of the Company's stock price on stock exchanges over the expected life of the options has been considered.
(viii) Whether any or how any other features of option grant were incorporated into the measurement of fair value, such as market condition.	None

F. Expense arising from share- based payment transactions

Total expenses arising from share- based payment transactions recognised in profit or loss as part of employee benefit expense were as follows :

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Share Based Payment to Employees	**1.79**	2.11

Note 38 : Leases

A. The Group has taken land, factory buildings, godowns, offices, plant and machinaries and other facilities on lease.

Disclosures as per Ind AS 116 - Leases are as follows:

B. The changes in the carrying value of ROU assets for the year ended on March 31, 2023 are as follows :

Particulars	Land and Building	Others	Total
Balance at the beginning of the year	80.38	-	80.38
Additions during the year	39.40	-	39.40
Deletions/cancellation/modification during the year	(10.12)		(10.12)
Depreciation (Refer note 26)	(20.42)		(20.42)
Balance at the end of the year	**89.24**	**-**	**89.24**

The changes in the carrying value of ROU assets for the year ended on March 31, 2022 are as follows :

Particulars	Land and Building	Others	Total
Balance at the beginning of the year	83.08	5.48	88.56
Additions during the year	27.33	-	27.33
Deletions/cancellation/modification during the year	(11.98)	(3.19)	(15.17)
Depreciation (Refer note 26)	(18.05)	(2.29)	(20.34)
Balance at the end of the year	**80.38**	**-**	**80.38**

The aggregate depreciation expense on ROU assets is included under depreciation expense in the Statement of Profit and Loss.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 38 : Leases (Contd.)

C. The movement in lease liabilities are as follows :

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	**105.51**	119.18
Additions during the year	**39.40**	27.33
Deletions/cancellation/modification during the year	**(10.66)**	(18.25)
Finance cost accrued during the year (Refer note 25 and 38F)	**10.27**	9.24
Payment of lease labilities	**(30.91)**	(31.99)
Balance at the end of the year	**113.61**	105.51

The break-up of current and non-current lease liabilities is as under :

Particulars	As at March 31, 2023	As at March 31, 2022
Current	**21.15**	19.18
Non Current	**92.46**	86.33
Total	**113.61**	105.51

D. The details of contractual maturities of lease liabilities on discounted basis are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Less than one year	**21.15**	19.18
One to five years	**67.07**	69.89
More than five years	**25.39**	16.44
Total	**113.61**	105.51

E. The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

F. The amount recognised in the statement of profit or loss are as follows:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Continuing Operations		
Depreciation expense of right of use assets (Refer note 26)	**20.26**	20.27
Interest expense on lease liabilities (Refer note 25)	**10.20**	9.24
Rent expense - short-term lease and leases of low value assets (Refer note 27)	**20.16**	11.83
Total	**50.62**	41.34
Discontinued Operations		
Depreciation expense of right of use assets (Refer note 45)	**0.16**	0.07
Interest expense on lease liabilities (Refer note 45)	**0.07**	-
Rent expense - short-term lease and leases of low value assets (Refer note 45)	**1.09**	3.78
Total	**1.32**	3.85
Continuing and Discontinued Operations		
Depreciation expense of right of use assets	**20.42**	20.34
Interest expense on lease liabilities	**10.27**	9.24
Rent expense - short-term lease and leases of low value assets	**21.25**	15.61
Total	**51.94**	45.19

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 39 : Disclosure in respect of Construction / Job work Contracts

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Amount of Contract Revenue recognized	88.90	86.34
Recognized and included in the financial statements as amounts due:		
-from customers under construction contracts	2.92	20.32
-to customers under construction contracts	31.05	12.29
	(28.13)	8.03
Amount of Advance Received from Customers	241.10	158.65

Note 40 : Fair value measurements

(a) Financial Instruments by category

(i) Financial assets by category

Particulars	As at March 31, 2023						As at March 31, 2022					
	Equity Method	Cost	Fair value through Profit and Loss (FVTPL)	Fair value through Other Comprehensive Income (FVTOCI)	Amortised cost	Total	Equity Method	Cost	Fair value through Profit and Loss (FVTPL)	Fair value through Other Comprehensive Income (FVTOCI)	Amortised cost	Total
Investments												
- Equity shares	29.48	0.02	-	126.06	-	155.56	8.30	0.02	-	2.10	-	10.42
- Debentures	-	-	-	-	0.02	0.02	-	-	-	-	0.02	0.02
-Government securities	-	-	-	-	(₹ 23,000/-)	(₹ 23,000/-)	-	-	-	-	(₹ 23,000/-)	(₹ 23,000/-)
- Limited liability partnership	55.83	-	-	-	-	55.83	55.82	-	-	-	-	55.82
Trade receivables	-	-	-	-	965.88	965.88	-	-	-	-	1,108.58	1108.58
Loans	-	-	-	-	30.07	30.07	-	-	-	-	40.46	40.46
Cash and cash equivalents	-	-	-	-	56.79	56.79	-	-	-	-	59.78	59.78
Other Bank balance	-	-	-	-	20.17	20.17	-	-	-	-	17.31	17.31
Other financial assets	-	-	*4.71	-	55.97	60.68	-	-	*24.01		101.47	125.48
Total Financial assets	85.32	0.02	4.71	126.06	1,128.90	1,345.00	64.12	0.02	24.01	2.10	1,327.62	1,417.87

*Derivative Instruments designated as Cash Flow Hedge

(ii) Financial liabilities by category

Particulars	As at March 31, 2023			As at March 31, 2022		
	Fair value through Profit and Loss (FVTPL)	Amortised cost	Total	Fair value through Profit and Loss (FVTPL)	Amortised cost	Total
Borrowings	-	1,403.77	1,403.77	-	1,759.45	1,759.45
Lease Liabilities	-	113.61	113.61	-	105.51	105.51
Trade payables	-	1,237.55	1,237.55	-	2,182.77	2,182.77
Other financial liabilities	*10.76	210.21	220.97	*4.98	151.41	156.39
Total Financial Liabilities	10.76	2,965.14	2,975.90	4.98	4,199.14	4,204.12

*Derivative Instruments designated as Cash Flow Hedge amounting to ₹ 10.76 Crores (March 31, 2022 ₹ 4.98 Crores).

For Financial instruments risk management objectives and policies, refer note 42.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 41 : Fair value disclosures for financial assets and financial liabilities

Set out below is a comparison, by class, of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Carrying amount		Fair value	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Financial assets				
Investments measured at fair value through OCI	**126.06**	2.10	**126.06**	2.10
Investments measured at amortised cost	**0.02**	0.02	**0.02**	0.02
Total	**126.08**	2.12	**126.08**	2.12
Financial liabilities				
Borrowings at amortised Cost	**1,403.77**	1,759.45	**1,403.77**	1,759.45
Total	**1,403.77**	1,759.45	**1,403.77**	1,759.45

The management assessed that the fair values of cash and cash equivalents, other bank balances, loans, trade receivables, other current financial assets, trade payables and other current financial liabilities 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. The following methods and assumptions were used to estimate the fair values.

The fair value of borrowings and other financial liabilities is calculated by discounting future cash flows using rates currently available for debts on similar terms, credit risk and remaining maturities.

For financial assets and financial liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

(b) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities as at March 31, 2023 and March 31, 2022.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2023 and March 31, 2022

Particulars	Fair value measurement using			
	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
As at March 31, 2023				
Assets measured at fair value				
Fair value through Other Comprehensive Income				
Investment in Equity shares	126.06	-	-	126.06
Fair value through Profit and Loss				
Foreign Currency Derivative Contracts (Cash flow hedge)	4.71	-	4.71	-
As at March 31, 2022				
Assets measured at fair value				
Fair value through Other Comprehensive Income				
Investment in Equity shares	2.10	-	-	2.10
Fair value through Profit and Loss				
Foreign Currency Derivative Contracts (Cash flow hedge)	24.01	-	24.01	-

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

Quantitative disclosures fair value measurement hierarchy for financial liabilities as at March 31, 2023 and March 31, 2022

Particulars	Fair value measurement using			
	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
As at March 31, 2023				
Liabilities measured at fair value through Profit and Loss				
Foreign Currency Derivative Contracts (Cash flow hedge)	10.76	-	10.76	-
As at March 31, 2022				
Assets measured at fair value				
Liabilities measured at fair value through Profit and Loss				
Foreign Currency Derivative Contracts (Cash flow hedge)	4.98	-	4.98	-

Note 41 : Fair value disclosures for financial assets and financial liabilities (Contd.)

Fair value hierarchy

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximize 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. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfer between level 1, 2 and 3 during the year.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Note 42 : Financial instruments risk management objectives and policies

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group's risk management is carried out by a Treasury department under policies approved by the Board of directors. The Group's treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The board provides written principles for overall risk.

(a) Market risk

Market risk refers to the possibility that changes in the market rates may have impact on the Group's profits or the value of its holding of financial instruments. The Group is exposed to market risks on account of foreign exchange rates, interest rates, underlying equity prices, liquidity and other market changes.

Future specific market movements cannot be normally predicted with reasonable accuracy.

(a1) Interest rate risk

Interest rate risk refers to the possibility that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rate.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 42 : Financial instruments risk management objectives and policies (Contd.)

The Group is exposed to interest rate risk on short-term and long-term floating rate instruments. The Group's policy is to maintain a balance of fixed and floating interest rate borrowings and the proportion of fixed and floating rate debt is determined by current market interest rates. The borrowings of the Group are principally denominated in Indian Rupees and US dollars with mix of fixed and floating rates of interest. These exposures are reviewed by appropriate levels of management at regular interval.

As at March 31, 2023, approximately 5.33% of the Group's Borrowings are at fixed rate of interest (March 31, 2022 : 4.22%).

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings as follows:

Particulars	Effect on profit before tax	
	March 31, 2023	March 31, 2022
Increase in 50 basis points	**(6.55)**	(8.39)
Decrease in 50 basis points	**6.55**	8.39

(a2) Foreign currency risk

The Group's foreign currency risk arises from its foreign operations, investments in foreign subsidiaries, foreign currency transactions and foreign currency borrowings. The fluctuation in foreign currency exchange rates may have potential impact on the income statement and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Group. The major foreign currency exposures for the Group are denominated in USD and EURO.

Since a significant part of the Group's revenue is in foreign currency and major part of the costs are in Indian Rupees, any movement in currency rates would have impact on the Group's performance. Exposures on foreign currency sales are managed through the Group's hedging policy, which is reviewed periodically to ensure that the results from fluctuating currency exchange rates are appropriately managed. The Group strives to achieve asset liability offset of foreign currency exposures and only the net position is hedged. Consequently, the overall objective of the foreign currency risk management is to minimize the short term currency impact on its revenue and cash-flow in order to improve the predictability of the financial performance. The Group may use forward contracts, foreign exchange options or currency swaps towards hedging risk resulting from changes and fluctuations in foreign currency exchange rate. These foreign exchange contracts, carried at fair value, may have varying maturities varying depending upon the primary host contract requirements and risk management strategy of the Group. Hedge effectiveness is assessed on a regular basis.

Foreign currency sensitivity

The foreign exchange rate sensitivity is calculated by the aggregation of the net foreign exchange rate exposure in USD, EURO and GBP with a simultaneous parallel foreign exchange rates shift in the currencies by 2% against the functional currency of the respective entities. The Group's exposure to foreign currency changes for all other currencies is not material.

Particulars	Change in Currency rate	Effect on profit before tax		
		in USD rate	in EURO rate	in GBP rate
March 31, 2023	+2%	3.90	(0.02)	0.04
	-2%	(3.90)	0.02	(0.04)
March 31, 2022	+2%	2.82	0.31	0.04
	-2%	(2.82)	(0.31)	(0.04)

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 42 : Financial instruments risk management objectives and policies (Contd.)

The movement in the pre-tax effect is a result of a change in the fair value of financial instruments not designated in a hedge relationship. Although the financial instruments have not been designated in a hedge relationship, they act as an economic hedge and will offset the underlying transactions when they occur.

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Financial instruments that are subject to concentrations of credit risk materially consists of trade receivables, investments and derivative financial instruments.

The Group is exposed to credit risk from its operating activities (primarily trade receivables and also from its investing activities including deposits with banks, forex transactions and other financial instruments) for receivables, cash and cash equivalents, financial guarantees and derivative financial instruments.

All trade receivables are subject to credit risk exposure. The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country, in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through established policies, controls relating to credit approvals and procedures for continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit. The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Group does not expect any material risk on account of non-performance by any of the Group’s counterparties. The Group does not have significant concentration of credit risk related to trade receivables. No single third party customer contributes to more than 10% of outstanding accounts receivable as of March 31, 2023 and March 31, 2022.

Trade receivables are non-interest bearing and are generally on 7 days to 180 days credit term.

With respect to derivatives, the Group’s forex management policy lays down guidelines with respect to exposure per counter party i.e. with banks with high credit rating, processes in terms of control and continuous monitoring. The fair value of the derivatives are credit adjusted at the period end.

(c) Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time, or at a reasonable price. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group generates cash flows from operations to meet its financial obligations, maintains adequate liquid assets in the form of cash & cash equivalents and has undrawn short term line of credits from banks to ensure necessary liquidity. The Group closely monitors its liquidity position and deploys a robust cash management system.

During the year, the Group has been regular in repayment of principal and interest on borrowings on or before due dates. The Group did not have defaults of principal and interest as on reporting date.

The Group requires funds both for short-term operational needs as well as for long-term investment programmes mainly in growth projects

The table below summarises the maturity profile of the Group’s financial liabilities based on contractual undiscounted payments:

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Particulars	< 1 year	>1 year but < 3 years	>3 year but < 5 years	more than 5 years	Total
Year ended March 31, 2023					
Interest bearing borrowings*	1,073.84	403.67	12.43	-	1,489.94
Lease Liabilities	29.98	50.99	35.13	29.91	146.01
Trade payables	1,237.55	-	-	-	1,237.55
Other financial liabilities#	219.63	1.20	0.14	-	220.97
	2,561.00	**455.86**	**47.70**	**29.91**	**3,094.47**
Year ended March 31, 2022					
Interest bearing borrowings*	1,042.59	658.36	151.29	-	1,852.24
Lease Liabilities	19.18	35.53	34.36	16.44	105.51
Trade payables	2,181.45	1.10	0.22	-	2,182.77
Other financial liabilities#	154.06	1.90	0.43	-	156.39
	3,397.28	**696.89**	**186.30**	**16.44**	**4,296.91**

* Includes contractual interest payment based on interest rate prevailing at the end of the reporting period over the tenor of the borrowings.

Other financial liabilities includes interest accrued but not due and interest accrued and due of ₹ 8.48 Crores (March 31, 2022 : ₹ 9.69 Crores).

Note 43 : Capital management:

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements to optimise return to our shareholders through continuing growth. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The funding requirements are met through a mixture of equity, internal fund generation and other non-current borrowings. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings less cash and short-term deposits (including other bank balance). The Group is not subject to any externally imposed capital requirements.

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Interest bearing loans and borrowings (note 15)	**1,403.77**	1,759.45
(b) Less: cash and bank balance (including other bank balance and book overdraft)	**(76.58)**	(77.09)
(c) Net debt (a) - (b)	**1,327.19**	1,682.36
(d) Equity share capital (note 13)	**261.50**	260.59
(e) Other equity (note 14)	**3,084.13**	2,689.94
(f) Total capital (d) + (e)	**3,345.63**	2,950.53
(g) Total Capital and net debt (c) + (f)	**4,672.82**	4,632.89
(h) Gearing ratio (c)/(g)	**28.40%**	36.31%

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any long term borrowing in the current period except for one loans. The Group has obtained letter from the lender before the date of adoption of financial statements for not accelerating the payment of this loan within one year from the balance sheet date subject to regularisation of the breach by end of March 31, 2024. Accordingly, the management has considered the classification of loan based upon the original repayment schedule.

No changes were made in the objectives, policies or processes for managing capital during the current period.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

Note 44 : Interest in Other Entities

Sr. No.	Name of Entities	Country of Incorporation	Remarks	Activities	Proportion of Ownership of Interest	
					As at March 31, 2023	As at March 31, 2022
	Subsidiaries					
	- Indian Subsidiaries					
1	Arvind Envisol Limited (formerly known as Arvind Accel Limited)	India		Engineering	**100%**	100%
2	Syntel Telecom Limited	India		Telecom	**100%**	100%
3	Arya Omnitalk Wireless Solutions Private Limited	India		Telecom	**50.06%**	50.06%
4	Arvind PD Composites Private Limited	India		Technical Textile	**51%**	51%
5	Arvind OG Nonwovens Private Limited	India		Technical Textile	**76.72%**	76.72%
6	Arvind Suit Manufacturing Private Limited (Previously known as Arvind Goodhill Suit Manufacturing Private Limited)	India	(b)	Garments	**90%**	90%
7	Arvind Internet Limited (upto June 30, 2022)	India		E-Commerce	**-**	100%
8	Arvind Sports Fashion Private Limited (Previously Known as Arvind Ruf & Tuf Private Limited)	India		Garments	**90%**	90%
9	Arvind Premium Retail Limited	India		Garments	**51%**	51%
10	Arvind Polymer Textiles Limited (Previously known as Arvind True Blue Limited)	India	(f)	Garments	**91.25%**	100.00%
11	Arvind Smart Textiles Limited	India	(b)	Textiles	**90%**	100%
12	Arvind BKP Berolina Private Limited (Previously known as Arvind Transformational Solutions Private Limited)	India		Textiles	**100%**	100%
13	Arvind Foundation	India	(i)	CSR Activity	**100%**	100%
14	Arvind Indigo Foundation (w.e.f. June 28, 2021)	India	(i)	CSR Activity	**100%**	100%
15	Arvind Norm CBRN Systems Private Limited (w.e.f. March 4, 2022)	India		Technical Textile	**100%**	100%
16	Arvind Technical Products Private Limited (w.e.f. February 8, 2023)	India		Textiles	**100%**	-
17	Arvind Engineered Composite Panels Private Limited(Previously known as Arvind Polser Engineered Composite Panels Private Limited)	India		Technical Textile	**100%**	60%
	- Foreign Subsidiaries					
18	Arvind Worldwide Inc.	USA		Textiles	**100%**	100%
19	Arvind Worldwide (M) Inc.	Mauritius	(h)	Textiles	**100%**	100%
20	Westech Advance Materials Limited (upto February 28, 2023)	Canada	(f)	Technical Textile	**-**	100%
21	Arvind Niloy Exports Private Limited	Bangladesh		Textiles	**70%**	70%
22	Arvind Textile Mills Limited	Bangladesh	(b)	Textiles	**90%**	100%
23	Arvind Overseas (Mauritius) Limited	Mauritius	(h)	Textiles	**100%**	100%
24	Arvind Spinning Limited	Mauritius	(h)	Textiles	**100%**	100%
25	Arvind Lifestyle Apparel Manufacturing PLC	Ethiopia	(f)	Garments	**99.04%**	100%
26	Arvind Envisol PLC	Ethiopia	(g)	Engineering	**100%**	100%
27	Arvind Enterprises FZC	U.A.E	(f)	Textiles	**73.13%**	73.40%
28	AJ Environmental Solutions Company (upto January 18, 2023)	Chaina	(a)	Engineering	-	60%

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

Note 44 : Interest in Other Entities (Contd.)

Sr. No.	Name of Entities	Country of Incorporation	Remarks	Activities	Proportion of Ownership of Interest	
					As at March 31, 2023	As at March 31, 2022
	- Limited Liability Partnerships					
29	Maruti and Ornet Infrabuild LLP	India	(e)	Construction	**99.90%**	100%
30	Enkay Converged Technologies LLP	India	(c)	Telecom	**100%**	100%
	- Joint Ventures and Associates					
31	Arya Omnitalk Radio Trunking Services Private Limited	India		Telecom	**49.94%**	49.94%
32	Arudrama Developments Private Limited	India		Construction	**50%**	50%
33	Arvind and Smart Value Homes LLP	India		Real Estate	**50%**	50%
34	Adient Arvind Automotive Fabrics India Private Limited	India		Technical Textile	**49.50%**	49.50%
35	PVH Arvind Manufacturing PLC	Ethiopia	(d)	Textiles	**25%**	25%
36	Clean Max Kratos Private Limietd (w.e.f. March 8, 2022)	India		Enargy	**-**	26%
37	Renew Green (GJ Eight) Private Limited (w.e.f. January 26, 2023)	India		Enargy	**31.20%**	-

(a) Held by Arvind Envisol Limited.

(b) Held by Arvind Sports Fashion Private Limited (Previously Known as Arvind Ruf & Tuf Private Limited).

(c) Jointly held by Arvind Limited and Syntel Telecom Limited.

(d) Jointly held by Arvind Limited and Arvind Enterprises (FZC)

(e) Jointly held by Arvind Limited and Arvind Internet Limited (Upto June 27, 2022). Jointly held by Arvind Limited and Arvind Sports Fashion Private Limited (Previously Known as Arvind Ruf & Tuf Private Limited).(w.e.f. June 28, 2022).

(f) Jointly held by Arvind Limited and Arvind Sports Fashion Private Limited (Previously Known as Arvind Ruf & Tuf Private Limited).

(g) Jointly held by Arvind Limited and Arvind Envisol Limited.

(h) Not considered for the purpose of consolidation for the financial year 2022-23 and 2021-22 respectively being defunct status.

(i) The Group has made investment of ₹ 0.01 Crores in the equity shares of Arvind Foundation and ₹ 0.01 Crores in the equity shares of Arvind Indigo Foundation, which are the Companies incorporated under Section 8 of the Act. Since the Group has no intention of earning variable returns from the voting rights, the above investments doesn't meet the definition of control under Ind AS 110 and hence, not consolidated in the Consolidated Financial Statements.

Material partly-owned subsidiaries : The Group does not have any subsidiaries that have non-controlling interests that are material to the group.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 45 : Discontinued Operation

(A) The Parent Company has entered into agreement on July 19, 2022 to sell its Omuni Undertaking to Bigfoot Retail Solutions Private Limited. The Parent Company sold its 100% stake of wholly owned subsidiary, Arvind Internet Limited to Bigfoot Retail Solutions Private Limited for a consideration of ₹ 159.00 crores. Accordingly, the Group has considered its wholly owned subsidiary Arvind Internet Limited as "Discontinued Operations" in accordance with Ind AS 105 and accordingly, re-classified the financial results for various periods presented.

The Group has booked capital gain of ₹ 148.79 crores on sale of Arvind Internet subsidiary post completion of all conditions subsequent to the transaction as on September 30, 2022.

During the year Subsidiary "Westech Advance Material Limited" and "AJ Environmental Solutions Company" were liqudiated. Also Subsidiary "Arvind Textile Mills Limited, Bangladesh" filled application for the liquadiation and hence the Group considered it as "Discontinued Operations" in accordance with Ind AS 105.

(B) Financial Information relating to the discontinued operations are set out below :

Sr. No.	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
I.	**Income**		
	(a) Revenue from Operations	**6.33**	23.86
	(b) Other Income	**-**	0.81
	Total Income	**6.33**	24.67
II.	**Expenses**		
	(a) Cost of raw materials and accessories consumed	**0.01**	0.07
	(b) Employee benefits expense	**8.60**	29.22
	(c) Finance costs	**0.07**	-
	(d) Depreciation and amortisation expense	**2.46**	18.06
	(e) Other expenses	**6.76**	13.97
	Total Expenses	**17.90**	61.32
III.	**Loss before tax and exceptional items (I-II)**	**(11.57)**	(36.65)
IV.	**Exceptional items**	**6.54**	-
	Loss before tax (III-IV)	**(5.03)**	(36.65)
V.	**Tax Expense:**		
	- Deferred tax Credit	**1.50**	10.30
	Total tax Credit	**1.50**	10.30
VI.	**Profit for the year (IV+V)**	**(3.53)**	(26.35)

(C) The Carrying Amounts of assets and liabilities of Discontinued Operations was as follows.

Particulars	As at March 31, 2023
ASSETS	
Current assets	
- Other financial assets	0.01
TOTAL ASSETS	**0.01**
LIABILITIES	
Current liabilities	
- Trade Payables	0.01
TOTAL LIABILITIES	**0.01**

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 46 : Additional information pursuant to Schedule III of Companies Act 2013

Name of Entities	For the financial year ending on / as at March 31, 2023							
	Net Assets i.e. Total Assets minus Total Labilities		Share in Profit or (loss)		Share in other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of conso-lidated net assets	Amount	As a % of consolidated Profit	Amount	As a % of consolidated OCI	Amount	As a % of consolidated Total Compre-hensive Income	Amount
Parent :								
Arvind Limited	94.15%	3,204.96	85.50%	345.91	107.16%	(14.66)	84.74%	331.25
Subsidiaries :								
- Indian								
Syntel Telecom Limited	0.29%	9.91	0.37%	1.50	-	-	0.38%	1.50
Arvind Envisol Limited	2.14%	72.90	(7.80%)	(31.55)	-	-	(8.07%)	(31.55)
Arvind Internet Limited	-	-	(0.29%)	(1.18)	-	-	(0.30%)	(1.18)
Arvind PD Composites Private Limited	1.64%	55.96	2.25%	9.11	(0.15%)	0.02	2.34%	9.13
Arvind OG Nonwovens Private Limited	1.16%	39.53	1.44%	5.84	0.22%	(0.03)	1.49%	5.81
Arvind Suit Manufacturing Private Limited (Previously known as Arvind Goodhill Suit Manufacturing Private Limited)	0.44%	15.11	(5.26%)	(21.28)	(1.97%)	0.27	(5.38%)	(21.01)
Arvind Sports Fashion Private Limited (Previously Known as Arvind Ruf & Tuf Private Limited)	(2.17%)	(73.76)	(5.18%)	(20.96)	-	-	(5.36%)	(20.96)
Arvind Premium Retail Limited	(0.36%)	(12.13)	(0.23%)	(0.94)	-	-	(0.24%)	(0.94)
Arvind Polymer Textiles Limited (Previously known as Arvind True Blue Limited)	0.16%	5.36	0.30%	1.20	-	-	0.31%	1.20
Arvind Smart Textiles Limited	3.52%	119.70	9.47%	38.31	3.73%	(0.51)	9.67%	37.80
Arvind BKP Berolina Private Limited (Previously known as Arvind Transformational Solutions Private Limited)	(0.00%)	(0.01)	-	-	-	-	-	-
Arya Omnitalk Wireless Solutions Private Limited	2.20%	75.03	2.77%	11.20	(0.66%)	0.09	2.89%	11.29
Arvind Norm CBRN Systems Private Limited	(0.00%)	(0.01)	-	-	-	-	-	-
Arvind Engineered Composite Panels Private Limited (Previously Known as Arvind Polser Engineered Composite Panels Private Limited)	0.28%	9.55	0.90%	3.66	-	-	0.94%	3.66
Arvind Technical Products Private Limited	0.00%	0.01	-	-	-	-	-	-
- Foreign								
Arvind Worldwide Inc.	0.17%	5.91	(0.02%)	(0.07)	(3.36%)	0.46	0.10%	0.39
Westech Advance Materials Limited	-	-	(0.22%)	(0.87)	20.03%	(2.74)	(0.92%)	(3.61)
Arvind Niloy Exports Private Limited	(0.03%)	(1.06)	-	-	(1.17%)	0.16	0.04%	0.16
Arvind Textile Mills Limited	-	-	(0.02%)	(0.08)	0.07%	(0.01)	(0.02%)	(0.09)
Arvind Lifestyle Apparel Manufacturing PLC	1.40%	47.66	(5.47%)	(22.11)	(11.84%)	1.62	(5.24%)	(20.49)
Arvind Envisol PLC, Ethiopia	(0.83%)	(28.30)	(4.52%)	(18.27)	3.14%	(0.43)	(4.78%)	(18.70)
Arvind Enterprises FZC	0.14%	4.71	0.24%	0.98	(6.07%)	0.83	0.46%	1.81
AJ Environmental Solutions Company	-	-	0.02%	0.07	1.02%	(0.14)	(0.02%)	(0.07)

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 46 : Additional information pursuant to Schedule III of Companies Act 2013 (Contd.)

Name of Entities	For the financial year ending on / as at March 31, 2023							
	Net Assets i.e. Total Assets minus Total Labilities		Share in Profit or (loss)		Share in other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of conso-lidated net assets	Amount	As a % of consolidated Profit	Amount	As a % of consolidated OCI	Amount	As a % of consolidated Total Compre-hensive Income	Amount
- Limited Liability Partnership								
Maruti and Ornet Infrabuild LLP	-	-	(7.59%)	(30.70)	-	-	(7.85%)	(30.70)
Enkay Converged Technologies LLP	(0.41%)	(14.09)	0.45%	1.83	-	-	0.47%	1.83
Sub Total		**3,536.93**		**271.60**		**(15.07)**		**256.53**
Less: Adjustment arising out of consolidation	(8.13%)	(276.64)	34.72%	140.35	(10.82%)	1.48	36.26%	141.83
Total	**95.77%**	**3,260.29**	**101.83%**	**411.95**	**99.34%**	**(13.59)**	**101.91%**	**398.36**
Add: Non Controlling Interest in Subsidiaries	1.72%	58.63	(2.13%)	(8.61)	0.73%	(0.10)	(2.22%)	(8.71)
Add: Joint Ventures and Associates (Investment as per Equity method)								
Arya Omnitalk Radio Trunking Services Private Limited	0.21%	7.27	0.38%	1.52	(0.07%)	0.01	0.39%	1.53
Arudrama Developments Private Limited	0.06%	2.05	-	-	-	-	-	-
Arvind and Smart Value Homes LLP	1.64%	55.83	0.00%	0.01	-	-	0.00%	0.01
Renew Green (GJ Eight) Private Limited	0.59%	20.18	(0.08%)	(0.31)	-	-	(0.08%)	(0.31)
Grand Total	**100%**	**3,404.26**	**100%**	**404.56**	**100%**	**(13.68)**	**100%**	**390.88**

Name of Entities	For the financial year ending on / as at March 31, 2022							
	Net Assets i.e. Total Assets minus Total Labilities		Share in Profit or (loss)		Share in other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of conso-lidated net assets	Amount	As a % of consolidated Profit	Amount	As a % of consolidated OCI	Amount	As a % of consolidated Total Compre-hensive Income	Amount
Parent :								
Arvind Limited	97.81%	2,940.45	24.90%	59.30	(38.17%)	3.34	27.31%	62.64
Subsidiaries :								
- Indian								
Syntel Telecom Limited	0.28%	8.41	0.54%	1.29	-	-	0.56%	1.29
Arvind Envisol Limited	3.47%	104.46	(1.83%)	(4.37)	(0.69%)	0.06	(1.88%)	(4.31)
Arvind Internet Limited	0.37%	11.16	(0.01%)	(0.03)	-	-	(0.01%)	(0.03)
Arvind PD Composites Private Limited	1.56%	46.83	3.21%	7.65	0.11%	(0.01)	3.33%	7.64
Arvind OG Nonwovens Private Limited	1.12%	33.72	1.84%	4.39	0.23%	(0.02)	1.90%	4.37
Arvind Suit Manufacturing Private Limited (Previously known as Arvind Goodhill Suit Manufacturing Private Limited)	1.20%	36.13	(7.32%)	(17.44)	(0.80%)	0.07	(7.57%)	(17.37)

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 46 : Additional information pursuant to Schedule III of Companies Act 2013 (Contd.)

Name of Entities	For the financial year ending on / as at March 31, 2022							
	Net Assets i.e. Total Assets minus Total Labilities		Share in Profit or (loss)		Share in other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of consolidated net assets	Amount	As a % of consolidated Profit	Amount	As a % of consolidated OCI	Amount	As a % of consolidated Total Comprehensive Income	Amount
Arvind Sports Fashion Private Limited (Previously Known as Arvind Ruf & Tuf Private Limited)	(1.76%)	(52.81)	(21.99%)	(52.38)	-	-	(22.83%)	(52.38)
Arvind Premium Retail Limited	(0.37%)	(11.19)	1.96%	4.67	-	-	2.04%	4.67
Arvind Polymer Textiles Limited (Previously known as Arvind True Blue Limited)	0.26%	7.72	(10.60%)	(25.25)	-	-	(11.01%)	(25.25)
Arvind Smart Textiles Limited	2.72%	81.90	1.24%	2.96	(5.71%)	0.50	1.51%	3.46
Arya Omnitalk Wireless Solutions Private Limited	2.39%	71.74	3.35%	7.97	(0.69%)	0.06	3.50%	8.03
Arvind Norm CBRN Systems Private Limited	(0.00%)	(0.01)	-	-	-	-	-	-
Arvind Engineered Composite Panels Private Limited (Previously Known as Arvind Polser Engineered Composite Panels Private Limited)	0.20%	5.88	(0.90%)	(2.15)	(0.11%)	0.01	(0.93%)	(2.14)
- Foreign								
Arvind Worldwide Inc.	0.18%	5.52	0.10%	0.23	(2.17%)	0.19	0.18%	0.42
Westech Advance Materials Limited	0.06%	1.84	(1.45%)	(3.45)	(5.94%)	0.52	(1.28%)	(2.93)
Brillaries Inc.,Canada	-	-	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
Arvind Niloy Exports Private Limited	(0.04%)	(1.22)	-	-	0.23%	(0.02)	(0.01%)	(0.02)
Arvind Textile Mills Limited	0.00%	0.08	(0.01%)	(0.02)	-	-	(0.01%)	(0.02)
Arvind Lifestyle Apparel Manufacturing PLC	2.27%	68.15	(4.44%)	(10.57)	167.77%	(14.68)	(11.01%)	(25.25)
Arvind Envisol PLC, Ethiopia	(0.32%)	(9.60)	(1.66%)	(3.96)	(18.17%)	1.59	(1.03%)	(2.37)
Arvind Enterprises FZC	(0.23%)	(6.81)	0.21%	0.51	(0.57%)	0.05	0.24%	0.56
AJ Environmental Solutions Company	0.03%	0.82	-	-	(0.57%)	0.05	0.02%	0.05
- Limited Liability Partnership								
Maruti and Ornet Infrabuild LLP	-	-	(0.01%)	(0.03)	-	-	(0.01%)	(0.03)
Enkay Converged Technologies LLP	(0.53%)	(15.92)	0.21%	0.51	(0.34%)	0.03	0.24%	0.54
Sub Total		**3,327.25**		**(30.18)**		**(8.26)**		**(38.44)**
Less: Adjustment arising out of consolidation	(14.66%)	(440.86)	113.66%	270.66	5.03%	(0.44)	117.81%	270.22
Total	**96.01%**	**2,886.39**	**101.00%**	**240.48**	**99.43%**	**(8.70)**	**101.06%**	**231.78**
Add: Non Controlling Interest in Subsidiaries	1.85%	55.74	(1.44%)	(3.43)	0.69%	(0.06)	(1.51%)	(3.49)
Add: Joint Ventures and Associates (Investment as per Equity method)								
Arya Omnitalk Radio Trunking Services Private Limited	0.21%	6.27	0.73%	1.74	(0.11%)	0.01	0.76%	1.75
Arudrama Developments Private Limited	0.07%	2.05	-	-	-	-	-	-
Arvind and Smart Value Homes LLP	1.86%	55.82	(0.27%)	(0.64)	-	-	(0.28%)	(0.64)
Grand Total	**100%**	**3,006.27**	**100%**	**238.15**	**100%**	**(8.75)**	**100%**	**229.40**

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023 (₹ in Crores)

Note 47 : Group's Share in Contingent Liability of Joint Ventures

Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	**Disputed Demand in respect of :**		
	Service Tax	-	0.44
2	Claims against the Company not acknowledged as debts	-	-

Note : The above figures are considered based on unaudited financial statements of the respective Joint Ventures.

Note 48 : Additional Regulatory Disclosures As Per Schedule III Of Companies Act, 2013

Additional Regulatory Information pursuant to Clause 6L of General Instructions for preparation of Balance Sheet as given in Part I of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the Financial Statements.

a. The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

b. The Group has Fund-based and Non-fund-based limits of Working Capital from Banks and Financial institutions. For the said facility, the revised submissions made by the Group to its lead bankers based on closure of books of accounts at the year end, the revised quarterly returns or statements comprising stock statements, book debt statements, credit monitoring arrangement reports, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information filed by the Group with such banks or financial institutions are in agreement with the unaudited books of account of the Group of the respective quarters and no material discrepancies have been observed.

c. The Group has not been declared as a willful defaulter by any lender who has powers to declare a company as a willful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.

d. The Group has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Company Act, 1956.

e. The Group has compiled with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.

f. The Group 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;

   i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

   ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

g. The Group has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group 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 to or on behalf of the Ultimate Beneficiaries.

h. The Group does not have any transactions which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

i. The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

Notes to the Consolidated Financial Statements

For the year ended March 31, 2023

Note 49 : Code on Social Security, 2020

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Note 50 : Standards issued but not yet effective

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below :

Ind AS 1, Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the amendment and the impact of the amendment is insignificant in the Consolidated financial statements.

Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the amendment and there is no impact on its Consolidated financial statements.

Ind AS 12, Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the amendment and there is no impact on its Consolidated financial statements.

Note 51 : Events Occurring After the Reporting Period

The Group 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.

The Board of Directors recommended a final dividend of ₹ 3.75 per equity share and one-time special dividend of ₹ 2.00 per equity share, totalling to a dividend of ₹ 5.75 per equity share of face value of ₹ 10 each, for the financial year ended March 31, 2023, subject to approval of shareholders in the ensuing Annual General Meeting.

For and on behalf of the Board of Directors of Arvind Limited

Sanjay S. Lalbhai
Chairman & Managing Director
DIN: 00008329

Jayesh K. Shah
Director & Group Chief Financial
DIN: 00008349

R. V. Bhimani
Company Secretary

Place: Ahmedabad
Date: May 18, 2023

FORM AOC - 1

(Persuant to first proviso to sub - section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

STATEMENT CONTAINING SAILENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/JOINT VENTURES

Part "A" : Subsidiaries

(₹ in Crores)

Sr. No.	Name of Subsidiary	Repo-rting Period	Exchange Rate	Share Capital	Other equity	Unse-cured Perpetual Securities	Total Assets	Total Liabil-ities	Details of Inves-tment	Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Prop-osed Divid-end	% of Share Holding
1	Arvind Internet Limited (Up to June 30, 2022)	March 31, 2023	₹	-	-	-	-	-	-	-	(1.18)	-	(1.18)	Nil	100%
2	Syntel Telecom Limited	March 31, 2023	₹	0.05	9.86	-	14.38	4.47	-	17.35	2.01	0.51	1.50	Nil	100%
3	Arvind PD Composites Private Limited	March 31, 2023	₹	0.31	55.65	-	87.51	31.55	-	103.73	12.24	3.13	9.11	1.82	51%
4	Arvind Envisol Limited (formerly known as Arvind Accel Limited)	March 31, 2023	₹	0.21	72.70	-	196.44	123.53	-	271.30	(28.54)	3.01	(31.55)	Nil	100%
5	Arvind Suit Manufacturing Private Limited (Previously known as Arvind Goodhill Suit Manufacturing Private Limited)	March 31, 2023	₹	5.24	(35.13)	45.00	40.93	25.82	-	23.41	(19.96)	1.32	(21.28)	Nil	90%
6	Arvind OG Nonwovens Private Limited	March 31, 2023	₹	3.49	36.03	-	73.10	33.58	-	96.19	6.10	0.26	5.84	Nil	76.72%
7	Arvind Worldwide Inc. USA	March 31, 2023	1 USD = ₹ 82.1700	2.20	3.71	-	6.66	0.75	-	5.81	0.38	0.45	(0.07)	Nil	100%
8	Arvind Lifestyle Apparel Manufacturing PLC, Ethiopia	March 31, 2023	1 ETB = ₹ 1.5247	261.29	(213.63)	-	85.77	38.11	-	17.20	(22.11)	-	(22.11)	Nil	99.04%
9	Arvind Textile Mills Limited, Bangladesh	March 31, 2023	1 TAKA = ₹ 0.76792	5.17	(5.17)	-	0.01	0.01	-	-	(0.08)	-	(0.08)	Nil	90%
10	Arvind Niloy Exports Private Limited, Bangladesh	March 31, 2023	1 TAKA = ₹ 0.76792	1.46	(2.52)	-	0.20	1.26	-	-	-	-	-	Nil	70%
11	Westech Advance Materials Limited, Canada (upto February 28, 2023)	March 31, 2023	1 CAN$ = ₹ 58.3275	-	-	-	-	-	-	-	(0.87)	-	(0.87)	Nil	95.10%
12	Arvind Sports Fashion Private Limited (Previously Known as Arvind Ruf & Tuf Private Limited)	March 31, 2023	₹	0.95	(74.71)	-	69.99	143.75	-	0.05	(20.96)	-	(20.96)	Nil	90%
13	Arvind Premium Retail Limited	March 31, 2023	₹	0.02	(12.15)	-	0.53	12.66	-	-	(0.94)	-	(0.94)	Nil	51%
14	Arvind Polymer Textiles Limited (Previously known as Arvind True Blue Limited)Arvind True Blue Limited	March 31, 2023	₹	81.01	(105.65)	30.00	31.63	26.27	-	12.04	1.20	-	1.20	Nil	91.25%
15	Arvind Smart Textiles Limited	March 31, 2023	₹	2.49	52.22	65.00	228.94	109.23	-	473.56	38.48	0.17	38.31	Nil	90%
16	Arvind Envisol PLC	March 31, 2023	1 ETB = ₹ 1.5247	1.28	(29.58)	-	5.15	33.45	-	(0.46)	(18.27)	-	(18.27)	Nil	100%
17	Arya Omnitalk Wireless Solutions Private Limited	March 31, 2023	₹	2.00	73.02	-	129.16	54.14	-	118.75	14.50	3.30	11.20	5.99	50.06%
18	Arvind Enterprises FZC, U.A.E	March 31, 2023	1 AED = ₹ 22.3725	0.34	4.37	-	30.80	26.09	-	106.68	0.98	-	0.98	Nil	73.13%
19	Arvind BKP Berolina Private Limited (Previously known as Arvind Transformational Solutions Private Limited)	March 31, 2023	₹	0.01	(0.02)	-	0.01	0.02	-	-	-	-	-	Nil	100%
20	Arvind Engineered Composite Panels Private Limited(Previously known as Arvind Polser Engineered Composite Panels Private Limited)	March 31, 2023	₹	0.48	9.07	-	9.56	0.01	-	4.97	3.66	-	3.66	Nil	100%
21	AJ Environmental Solutions Company, Chaina (upto January 18, 2023)	March 31, 2023	1 CNY = ₹ 11.9475	-	-	-	-	-	-	-	0.07	-	0.07	Nil	60%
22	Arvind Norm CBRN Systems Private Limited	March 31, 2023	₹	0.01	(0.02)	-	0.01	0.02	-	-	-	-	-	Nil	100%
23	Arvind Technical Products Private Limited (w.e.f. February 8, 2023)	March 31, 2023	₹	0.01	-	-	0.01	-	-	-	-	-	-	Nil	100%

Notes

(A) **Investments Exclude Investments in Subsidiaries and LLPs**

(B) **The Following Subsidiaries are yet to commence operation :**

[1] Arvind BKP Berolina Private Limited (Previously known as Arvind Transformational Solutions Private Limited)

(C) **In the above statement following Foreign Subsidiaries not included as they are treated as "Defunct Company".**

[1] Arvind Spinning Limited

[2] Arvind Overseas (Mauritius) Limited

[3] Arvind Worldwide (M) Inc. Mauritius

FORM AOC - 1

(Persuant to first proviso to sub - section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

STATEMENT CONTAINING SAILENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/JOINT VENTURES

Part "B" : Joint Venture

(₹ in Crores)

Sr.no.	Particulars	Arya Omnitalk Radio Trunking Services Private Limited	Arudrama Developers Private Limited
		(a)	(b)
1	Latest Audited Balance Sheet Date	31-03-2023	31-03-2023
2	Shares of Joint Ventures held by company on the year end		
	i) Number	10,05,000	50,000
	ii) Amount of Investment in Joint Ventures	6.01	2.05
	iii) Extend of Holding%	49.94%	50.00%
3	Description of how there is significant influence	Note A	Note A
4	Reason why the joint venture is not consolidated	Not Applicable	Not Applicable
5	Net worth attributable to shareholding as per latest Audited Balance sheet	7.27	2.05
6	Profit / (Loss) for the year		
	i) Considered in Consolidation	1.53	(₹28,045/-)
	ii) Not Considered in Consolidation		

Note :

A There is Significant influence due to percentage(%) of Share Capital.

For and on behalf of the Board of Directors of Arvind Limited

Sanjay S. Lalbhai
Chairman & Managing Director
DIN: 00008329

Jayesh K. Shah
Director & Group Chief Financial
DIN: 00008349

R. V. Bhimani
Company Secretary

Locations & Sites for the Year 2022-23

Locations & Sites		
Lifestyle Fabrics - Denim Arvind Limited Naroda Road Ahmedabad - 380025 Gujarat, India Tel : +91-79-68268000/ 68268164 Fax : +91-79-68268671 E-mail : karan.ojha@arvind.in	Lifestyle Fabrics - Voiles Ankur Textiles Outside Raipur Gate Ahmedabad - 380022 Gujarat, India Tel : +91-79-68267200 Fax : +91-79-68267350 E-mail : anurag.badal@arvind.in	Lifestyle Fabrics - Shirting, Khakis and Knitwear Arvind Limited PO Khatrej, Taluka Kalol Dist. Gandhinagar - 382721 Gujarat, India Tel : +91-2764-395000 Fax : +91-2764-395040 E-mail : karan.ojha@arvind.in
"Lifestyle Apparel - Knits Arvind Limited" "PO Khatrej, Taluka Kalol Dist. Gandhinagar - 382721 Gujarat, India" Tel : +91-2764-395410 E-mail : pranav.dave@arvind.in	Lifestyle Apparel - Jeans Arvind Limited "#26/2, 27/2, Kenchenahalli, Mysore Road Near Bangalore University Bangalore - 560059" Tel : +91-80-46819000 E-mail : ashish.kumar@arvindexports.com	"Lifestyle Apparel - Shirts Arvind Limited" "# 63/9, Dodda Thogur Village Electronic City Hosur Road, Bangalore - 560100 Karnataka, India " Tel : +91-80-40715000 E-mail : venkatesha.babu@arvindexports.com
Arvind Limited Division Arvind Intex "Rajpur Road, Gomtipur Ahmedabad - 380021 Gujarat, India" Tel : +91-79-68269200 E-mail : jigger.shastri@arvind.in	Arvind Cotspin "D-64, MIDC, Gokul Shirgaon Tal. Karveer, Kolhapur - 416234 Maharashtra, India " Tel : +91-0231-2672455/56/57/2672980 E-mail : suresh.kudache@arvind.in	
Subsidiaries & Joint Ventures		
Adient Arvind Automotive Fabrics India Private Limited "Arvind Ltd. Premises, Santej / Khatraj Industrial Complex PO Khatraj Tal-Kalol, Dist- Gandhinagar - 382721 Gujrat, India" Tel : 9845146992 E-mail : bijay.agarwal@arvind.in	Arvind Goodhill Suit Manufacturing Private Limited "Plot No. 50 B1 & 50 C1, Survey No. 299 Bommasandra Industrial Area Bangalore - 560099" Tel : 080-49461000 E-mail : ashish.kumar@arvindexports.com	"Arvind PD Composites Private Limited Village: Moti Bhoyan, Tal-Kalol" "Dist - Gandhinagar - 382721 Gujrat, India" Tel : 02764-676297 E-mail : shreyans.patel@arvind-pd.in
Arvind OG Nonwovens Private Limited Block No. 315/p, Plot No. 92 "Village : Kharanti, P.O. Simej Ta. Dholka, Dist. Ahmedabad - 382265 Gujarat, India" Tel : 02714-304400 E-mail : amit.pal@arvind.in	"Arvind Smart Textiles Limited Indus Industrial Park" "Plot No. 1, 2, 3, 4, 11, 12 & 13 SY No. 504 & 506, Opp. Pharma SEZ Sarkhej-Bavla Road, NH-8A Matoda, Sanand Ahmedabad, Gujarat, India" Tel : 8506085002 E-mail : rajesh.r.singh@arvind.in	Arvind Smart Textiles Limited "Plot No. 253, 255 and 256, Ring Road Near Vinaika Shed, Rampur, Malti Ranchi - 834010" Tel : 8003573957 E-mail : darshan.bagadia@arvind.in
Arvind Envisol Limited Arvind Mill Premises Naroda Road, Ahmedabad - 380025 Tel : 079-68268000 Fax : 079-68268677 E-mail : support.envisol@arvind.in; dinesh.yadav@arvind.in	Arya Omnitalk Wireless Solutions Private Limited Corporate Office: Unit No. A202, 2nd Floor "Summer Court, Magarpatta City Pune - 411013" Tel : +91-20-67470100 (Board line) Fax : +91-20-67470199 E-mail : ssagarwal@aryaomnitalk.com	Arya Omnitalk Radio Trunking Services Private Limited Corporate Office: Unit No. A202, 2nd Floor "Summer Court, Magarpatta City Pune - 411013" Tel : +91-20-67470100 (Board line) Fax : +91-20-67470199 E-mail : ssagarwal@aryaomnitalk.com
Overseas Offices		
Arvind Denim Lab (adlo) "525 7th Ave, Suite 1714, New York, NY - 10018 NY - 10018 Tel : 212-431-4256" E-mail: Viresh@arvinddenimlab.com Cell: 732-763-8179	Arvind Textile Mills Limited House no#192(5th Floor) , Road No#2 Baridhara Dohas,Dhaka-1206 ,Bangladesh T:+880 258814642 M:+8801613006953 E-mail:asaduzzaman@arvind.in	Arvind Lifestyle Apparel Manufacturing PLC "Shed No. 5, Bole Lemi Industrial Zone Woreda 11, Bole Sub-city Addis Ababa, Ethiopia" T:+251 91 250 4309

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