

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

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ASHRAM ROAD,
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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ARVIND INDIGO FOUNDATION

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **ARVIND INDIGO FOUNDATION** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Income and Expenditure and the Statement of Cash Flows for the year ended on that date and notes to the financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the deficit and its cash flows for the year ended on that date.

Basis for Opinion

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and

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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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. However, as per notification no. G.S.R. 583 (E) Dt. 13th June, 2017, Section 143(3)(i) of the Act is not applicable, and hence we are not responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. This report does not contain a statement on the matters specified by the Companies (Auditor's report) Order, 2020 ("The Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, since in our opinion and according to the information and explanations given to us, the said order is not applicable to the Company.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, Income and Expenditure Account and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) This report does not contain a statement with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, since as per notification no. G.S.R. 583 (E) Dt. 13th June, 2017 the same is not applicable.
 - g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any material foreseeable losses on any long-term contracts including derivative contracts;

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SORAB S. ENGINEER & CO. (Regd.)

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company
- iv. (1) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (2) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (3) Based on the audit procedures conducted by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatements.
- v. According to the information and explanations provided to us, the Company has not declared any dividend during the year.

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



CA. Chokshi Shreyas B.
Partner
Membership No.100892
Date: July 15, 2022
UDIN: 22100892APZFSU9702

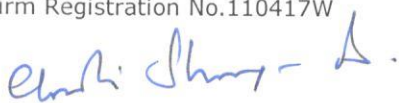
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Balance Sheet as at March 31, 2022

Particulars	Notes	Rs. In Lacs
		As at March 31, 2022
ASSETS		
I. Non Current Assets		
(a) Property, Plant & Equipment	5	1,302.61
Total non-current assets		1,302.61
II. Current assets		
(a) Financial assets		
(i) Cash and cash equivalents	6	21.17
(b) Other Current Assets	7	5.70
Total current assets		26.87
Total Assets		1,329.48
EQUITY AND LIABILITIES		
I. Equity		
Equity share capital	8	1.00
Other equity	9	1,327.98
Total equity		1,328.98
II. Current Liability		
(a) Financial liabilities		
(i) Trade payables	10	
a) Total outstanding dues of micro enterprises and small enterprises		-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		0.50
Total current liabilities		0.50
Total equity and liabilities		1,329.48
Summary of significant accounting policies	3	

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

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



CA. Chokshi Shreyas B.
Partner
Membership No.100892
Ahmedabad
July 15, 2022

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


Director
Ahmedabad


Director
Ahmedabad

Arvind Indigo Foundation

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

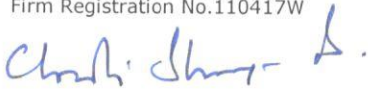
Statement of Income and Expenditure for the year ended March 31, 2022

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

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

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

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



CA. Chokshi Shreyas B.
Partner
Membership No.100892
Ahmedabad
July 15, 2022



Director
Ahmedabad



Director
Ahmedabad

Arvind Indigo Foundation

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

Statement of cash flows for the year ended March 31, 2022

Particulars	Rs. In Lacs Year ended March 31, 2022
A Operating activities	
Deficit Before taxation	(2.12)
<i>Adjustments to reconcile profit before tax to net cash flows:</i>	
Interest Income	(0.98)
Operating Profit before Working Capital Changes	(3.10)
Working Capital Changes:	
Changes in Current Liability	0.50
Changes in Current Assets	(5.70)
Net Changes in Working Capital	(5.20)
Cash Generated from Operations	(8.30)
Direct Taxes paid (Net of Income Tax refund)	-
Net Cash from Operating Activities	(8.30)
B Cash Flow from Investing Activities	
Purchase of PPE/Intangible Assets	(1,122.51)
Interest Income	0.98
Net cash flow from Investing Activities	(1,121.53)
C Cash Flow from Financing Activities	
Corpus Donation Received	1,150.00
Proceeds from issue of Share Capital	1.00
Net Cash flow from Financing Activities	1,151.00
Net Increase/(Decrease) in cash & cash equivalents	21.17
Cash & Cash equivalent at the beginning of the year	-
Cash & Cash equivalent at the end of the year	21.17

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

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

Note:

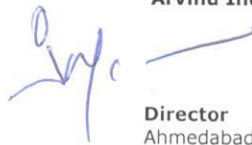
1 The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

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



CA. Chokshi Shreyas B.
 Partner
 Membership No.100892
 Ahmedabad
 July 15, 2022

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



Director
 Ahmedabad



Director
 Ahmedabad

Statement of changes in Equity for the year ended March 31, 2022

A. Equity share capital

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

B. Other equity

Attributable to the equity holders

Particulars	Rs. In Lacs			Total Equity
	Corpus Fund	Retained Earnings	Earmarked Fund	
	Note 9	Note 9	Note 9	
Donation received during the year	1,150.00	-	180.10	1,330.10
Appropriated for Capital Expenditure			(180.10)	(180.10)
Capital Fund created during the year			180.10	180.10
Deficit for the year		(2.12)	-	(2.12)
Balance as at March 31, 2022	1,150.00	(2.12)	180.10	1,327.98

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

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



CA. Chokshi Shreyas B.
Partner
Membership No.100892
Ahmedabad
July 15, 2022

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



Director
Ahmedabad



Director
Ahmedabad

Arvind Indigo Foundation

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

Notes to the Financial Statements for the year ended March 31, 2022**Note 5 : Property, Plant and Equipment**

Particulars	Rs. In Lacs	
	Paintings	Total
Gross Carrying Value		
Additions	1,302.61	1,302.61
Deductions	-	-
As at March 31, 2022	1,302.61	1,302.61
Depreciation and Impairment		
Depreciation for the year	-	-
Deductions	-	-
As at March 31, 2022	-	-
Net Block		
As at March 31, 2022	1,302.61	1,302.61

Note 5a Indigo Museum

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

The purpose of setting up the Indigo Museum are as under:

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

Arvind Indigo Foundation

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

Notes to the Financial Statements for the year ended March 31, 2022**Note 6 : Financial assets**

6 (a) Cash and cash equivalent	Rs. In Lacs
Particulars	As at March 31, 2022
Balance with Banks In Savings account	21.17
Total cash and cash equivalents	21.17

Note 7 : Other current assets

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

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Arvind Indigo Foundation

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

Notes to the Financial Statements for the year ended March 31, 2022**Note 8 : Equity share capital**

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

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

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

8.2. Terms/Rights attached to the equity shares

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

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

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

8.4. Shareholding of Promoters

Promoter Name	% of shareholding		
	No. Shares	% of total shares	% change during the year
Arvind Limited	10,000	100.00%	100.00%

Note 9 : Other Equity

Particulars	Rs. In Lacs
	As at March 31, 2022
Corpus Fund	
Donation received during the year	1,150.00
Balance at the end of the year	<u>1,150.00</u>

Note 9.1 Reserves & Surplus**Earmarked Fund****a. Unutilised Fund**

Donation received in kind during the year	180.10
Less: Appropriated for Capital Expenditure	<u>(180.10)</u>
Balance at the end of the year (a)	-

b. Utilised Fund

Capital Fund created during the year	180.10
Balance at the end of the year (b)	<u>180.10</u>

Total (a+b)	<u>180.10</u>
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Surplus in Statement of Income and Expenditure

Balance as per last financial statements	-
Less :(Deficit) for the year	<u>(2.12)</u>
Balance at the end of the year	<u>(2.12)</u>

Total Other equity	<u>1,327.98</u>
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Arvind Indigo Foundation

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

Notes to the Financial Statements for the year ended March 31, 2022**Note 10 : Current Liability****10(A) Trade payables**

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

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

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

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

is not required.

Trade Payables ageing schedule:

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

Arvind Indigo Foundation

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

Notes to the Financial Statements for the year ended March 31, 2022**Note 11 : Other Income**

Particulars	Rs. In Lacs
	Year Ended March 31, 2022
Interest Income	0.98
Total	0.98

Note 12 : Other expenses

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

Note 13 : Contingent Liabilities

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

Note 14 : Capital and Other Commitments

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

Arvind Indigo Foundation

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

Notes to the Financial Statements for the year ended March 31, 2022**Note 15 : Related Party Transactions**

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

a. Name of Related Parties and Nature of Relationship :

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

b. Disclosure in respect of Related Party Transactions :

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

c. Commitments with related parties

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

Note 16 : Segment Reporting

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

Geographical segment

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

Particulars	Rs. In Lacs Year Ended March 31, 2022
Segment Revenue	
a) In India	0.98
b) Rest of the world	-
Total	0.98
Carrying Cost of Segment Assets	
a) In India	1,329.48
b) Rest of the world	-
Total	1,329.48
Carrying Cost of Segment Non Current Assets@	
a) In India	1,302.61
b) Rest of the world	-
Total	1,302.61

@ Excluding Financial Assets and Deferred Tax Assets

Note 17 : Earning per share

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

Arvind Indigo Foundation

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

Notes to the Financial Statements for the year ended March 31, 2022**Note 18 : Fair value measurement****(a) Financial Assets by category:**

Particulars	FVTPL	FVOCI	Amortised Cost	0
Cash & Bank balance	-	-	21.17	
Total Financial Assets	-	-	21.17	

(b) Financial Liabilities by category:

Particulars	FVOCI	Amortised Cost	0
Trade Payable	-	0.50	
Total Financial liabilities	-	0.50	

Note 19 : Fair value hierarchy**The Company uses the following hierarchy for determining and disclosing the fair value of financial assets by valuation technique:**

The fair value of financial instruments are classified into three categories i.e. Level 1, 2 or 3 depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements).

The hierarchies used are as follows:

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

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

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

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

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

Arvind Indigo Foundation

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

Notes to the Financial Statements for the year ended March 31, 2022

Note 20 : Financial Risk Management

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

(a) Market risk

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

i) Fair value interest rate risk

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

The Company is not exposed to any interest rate risk.

ii) Foreign currency risk:

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

iii) Price risk:

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

(b) Liquidity risk

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

Note 21 : Capital management

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



Notes to the Financial Statements for the year ended March 31, 2022

Note 22 : Ratio Analysis	UOM	For the year ended 31st March, 2022	% Variance	Reason for Variance
i) Current Ratio :				
Current Assets (a)	0	26.87	Not Applicable	As the Company has been incorporated as in April 2021 comparison and variances are not applicable
Current Liabilities (b)	0	0.50		
Current Ratio (a/b)	Times	53.74		
Numerator - Total Current Assets Denominator - Total Current Liabilities				
ii) Debt-Equity Ratio:				
Not Applicable				
iii) Debt Service coverage Ratio :				
Not Applicable				
iv) Return on Equity Ratio :				
Not Applicable				
v) Inventory Turnover Ratio :				
Not Applicable				
vi) Trade Receivables turnover Ratio :				
Not Applicable				
vii) Trade Payables turnover Ratio :				
Not Applicable				
viii) Net Capital turnover Ratio :				
Not Applicable				
ix) Net Profit Ratio :				
Not Applicable				
x) Return on Capital Employed				
Not Applicable				
xi) Return on Investment (ROI) :				
Not Applicable				

Arvind Indigo Foundation

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

Notes to the Financial Statements for the year ended March 31, 2022**Note 23 : Other notes****a. Borrowing related:**

i. As there are no borrowings, there are no charges or satisfactions which were to be registered with the Registrar of Companies during the year ended March 31, 2022.

ii. The Company does not have borrowings from banks / financial institutions on the basis of security of current assets during the year ended March 31, 2022.

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

i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

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

Further, during the year ended March 31, 2022, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

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

c. The Company has not invested or traded in Crypto Currency or Virtual Currency during the year ended March 31, 2022.

d. No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder during the year ended March 31, 2022.

e. The Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority during the year ended March 31, 2022.

f. The Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961) during the year ended March 31, 2022.

g. The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year ended March 31, 2022.

Note 24 : New Accounting Pronouncements to be adopted after March 31, 2022

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the Company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any impact in its financial statements.

Ind AS 116 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any impact in its financial statements.

