

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF****IOL FOUNDATION****Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying financial statements of **IOL Foundation** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Income and expenditure account for the period from March 15, 2022 ("date of incorporation") to March 31, 2023 ("the period"), the Statement of Changes in Equity and the Statement of Cash Flows for the period ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its excess of income over expenditure, changes in equity and its cash flows for the period ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing ("SA") specified under section 143(10) of the Act. Our responsibilities under those SAs 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 ethical 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than 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 Company's annual Report, but does not include the financial statements, and our auditor's report thereon. The company's annual report is expected to be made available to us after the date of this auditor's report.



Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulation.

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

The Company's Board of Directors are 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, Statement of Income and Expenditure, changes in equity and cash flows 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

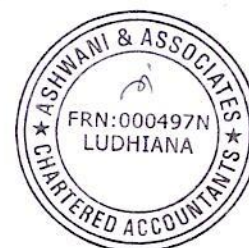


- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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 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 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the 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 communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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



Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, 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 Income and Expenditure account, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 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 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 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 company is not a public company. Accordingly, the provision of this section is not applicable to the company.
 - 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 statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.



- iii. There were no amounts which were 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 its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("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;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, 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 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. The Company has neither declared nor paid any dividend during the period.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rule, 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 with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial period ended March 31, 2023.



2. This report does not include statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government of India in terms of Section 143(11) of the Act, since the order is not applicable to the company being a company licensed to operate under section 8 of the Companies Act, 2013, as specified in paragraph 1(2)(iii) of the said order.

For and on behalf of
Ashwani & Associates
Chartered Accountants
Firm Registration Number: 000497N



Arvind Jain
Partner

Membership No.: 097549
UDIN: 23097549BGWLCR5367

Place: Ludhiana
Dated: April 27, 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 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 financial statements of **IOL Foundation** ("the Company") as of March 31, 2023, in conjunction with our audit of the financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial with reference to financial statements 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 ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to 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 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 system with reference to financial statements.



Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to 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 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 financial statements

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to 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 system with reference to financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to 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 ICAI.

Place: Ludhiana
Dated: April 27, 2023

For and on behalf of
Ashwani & Associates
Chartered Accountants
Firm Registration Number: 000497N



Membership No.: 097549
UDIN: 23097549BGWLCR5367

IOL-FOUNDATION**Balance Sheet as at 31-Mar-2023**

Particulars	Note No.	Amount in ₹ Lakh
		As at 31-Mar-2023
I. ASSETS		
Non-Current Assets		
Property, plant and equipment	3	50.22
Current Assets		
(a) Financial Assets		
(i) Cash and Cash equivalents	4	24.66
(ii) Bank balances other than (i) above	5	50.00
(iii) Other Financial Assets	6	2.06
(b) Other Current Assets	7	36.16
TOTAL ASSETS		163.10
II. EQUITY AND LIABILITIES		
Equity		
(a) Equity Share Capital	8	10.00
(b) Other Equity	9	120.07
Total equity		130.07
Current liabilities		
(a) Financial Liabilities		
Other Financial Liabilities	10	32.69
(b) Other Current Liabilities	11	0.34
TOTAL EQUITY AND LIABILITIES		163.10
Corporate information	1	
Significant accounting policies	2	
See accompanying notes forming part of financial statements		

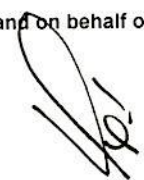
As per our report of even date attached
For Ashwani & Associates
Chartered Accountants
Firm Registration Number:000497N

Arvind Jain
Partner
M.No. 097549



Place : Ludhiana
Date: 27th April 2023

For and on behalf of the Board of Directors



Varinder Gupta
Director
(DIN:00044068)



Vikas Gupta
Director
(DIN:07198109)

IOL-FOUNDATION

Statement of Income and Expenditure Account
for the period from 15-Mar-2022 To 31-Mar-2023

Particulars	Note No.	Amount in ₹ Lakh
		Period ended 31-Mar-2023
I. Income	12	404.00
II. Other Income	13	4.05
III. Total Income (I+II)		408.05
IV. Expenditure:		
a. Project Expenses	14	283.47
b. Depreciation Expense	3	2.83
c. Other Expenses	15	1.68
V. Total Expenditure		287.98
V. Excess of Income over Expenditure/ (Expenditure over Income) for the period (III-V)		120.07
Corporate information	1	
Significant accounting policies	2	
See accompanying notes forming part of financial statements		


As per our report of even date attached
For Ashwani & Associates
Chartered Accountants
Firm Registration Number:000497N

Arvind Jain
Partner
M.No. 097549



Place : Ludhiana
Date: 27th April 2023

For and on behalf of the Board of Directors


Varinder Gupta
Director
(DIN:00044068)


Vikas Gupta
Director
(DIN:07198109)

IOL-FOUNDATION

Statement of Changes in Equity

A. Equity Share capital

Current reporting period from 15-Mar-2022 to 31-Mar-2023

Amount in ₹ Lakh

Balance as at beginning of the current period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current period	Balance as at the end of the current period
-	-	-	10.00	10.00

B. Other Equity

Current reporting period from 15-Mar-2022 to 31-Mar-2023

Particulars	Retained Earnings	Total
Balance as at the beginning of the current period	-	-
Add: Excess of income over expenditure / (expenditure over income)	120.07	120.07
Total Comprehensive Income/(loss) for the period	120.07	120.07
Balance as at the end of the current period	120.07	120.07

See accompanying notes forming part of financial statements

As per our report of even date attached

For Ashwani & Associates

Chartered Accountants

Firm Registration Number:000497N

Arvind Jain
Partner
M.No. 097549

Place : Ludhiana
Date: 27th April 2023



For and on behalf of the Board of Directors

Varinder Gupta
Director
(DIN:00044068)

Vikas Gupta
Director
(DIN:07198109)

IOL-FOUNDATION

Cash Flow Statement for the period from 15-Mar-2022 to 31-Mar-2023

Amount in ₹ Lakh

Particulars	Period ended 31-Mar-2023
Cash flow from operating activities	
Excess of income over expenditure	120.07
Depreciation Expense	2.83
Interest Income	(4.05)
Adjustments for:	
Changes in working capital:	
Decrease/(Increase) in other receivables	(35.75)
Increase/(Decrease) in trade payables and other liabilities	33.03
Cash generated from/(used in) operations	116.13
Net cash flow from/(used in) operating activities (A)	116.13
Cash flow from investing activities	
Purchase of property, plant and equipment	(53.05)
Increase in deposit with banks, having original maturity more than three months but less than twelve months	-
Increase in deposit with banks, having original maturity of more than twelve months but remaining maturity of less than twelve months	(50.00)
Interest Income	1.58
Net cash flow from/(used in) investing activities (B)	(101.47)
Cash flow from financing activities	
Proceeds from Equity Share Capital	10.00
Net cash flow from/(used in) financing activities (C)	10.00
Net increase/(decrease) in cash and cash equivalents (A+B+C)	24.66
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the period *	24.66
* Comprises	
Balances with banks in current account	24.66
	24.66

See accompanying notes forming part of financial statements

As per our report of even date attached

For Ashwani & Associates

Chartered Accountants

Firm Registration Number: 000497N

Arvind Jain
Partner
M.No. 097549Place : Ludhiana
Date: 27th April 2023

For and on behalf of the Board of Directors

Varinder Gupta
Director
(DIN:00044068)

Vikas Gupta
Director
(DIN:07198109)

Note 1: Corporate information

IOL-Foundation ("the Company") (CIN: U85300PB2022NPL055428) has been incorporated under section 8 of Companies Act, 2013. The company is limited by share capital. The company is registered under section 12A of Income Tax Act, 1961. The Company is engaged in promoting and funding projects and / or programs, relating to Corporate Social Responsibility (CSR) as required by Section 135 read with Schedule VII to the Companies Act, 2013 such as eradication of hunger, poverty and malnutrition; promotion of health care especially for the poor; promotion of education; development of skills; promotion of gender equality; empowerment of women; environmental sustainability; protection of national heritage; promotion of sports; promotion of scientific research especially in the area of technology; helping differently-able persons; providing vocational training; providing sanitation facilities; support to rural development projects. The Company is a 100% subsidiary of IOL Chemicals and Pharmaceuticals Limited.

The Company incurs expenditure by way of project expenses which represent initiatives / activities undertaken by the Company. The Company is incorporated and domiciled in India. The address of its registered office is #85, Industrial Area -A Ludhiana, Punjab 141003.

The financial statements for the year ended 31-Mar-2023 were approved by the Board of Directors and authorised for issue on April 27, 2023.

Note 2 (i): Significant accounting policies / critical accounting estimates and judgements**I. Statement of compliance**

The financial statements of the company have been prepared in accordance with the Indian Accounting Standards (IND AS) specified under section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standard) Rules, 2015, as amended from time to time. The financial statements have been prepared on going concern basis and all the applicable Ind AS effective as on the reporting date have been complied with.

II. Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value.

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

III. Functional and presentation currency

The functional currency of the group is Indian rupee (INR). The standalone financial statements are presented in Indian rupees (INR) and all values are rounded to nearest lakhs up to two decimals, unless otherwise stated.

IV. Use of estimates and judgements

The preparation of standalone financial statements, in conformity with Ind AS requires the company to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the standalone financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgements and use of assumptions in these standalone financial statements have been disclosed in notes. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management become aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the standalone financial statements in the period in which changes are made, and if material, their effects are disclosed in the notes to the financial statements.



V. Revenue recognition

i) Donations

Donations/ grants are recognised as income upon compliance with the significant condition, if any and where it is reasonable to expect ultimate collection.

ii) Interest Income

Interest income from a financial asset is recognised using effective interest rate method

VI. Employee Benefits

Short term Employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by the employees are recognized as an expense during the period when employees render the services.

VII. Accounting for taxes on income

The company has been incorporated under section 8 of Companies Act 2013 and granted registration under section 12A of the Income tax Act, 1961. Hence the company is eligible for tax exemption. The Company has also obtained a certificate under Section 80 G of the Income tax Act, 1961.

VIII. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Initial recognition and measurement

All financial assets and liabilities are recognized at fair value on initial recognition.

Transaction cost in relation to financial assets and financial liabilities other than those carried at fair value through income and expenditure (FVTIE) are added to the fair value on initial recognition.

Transaction cost that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are carried at fair value through income and expenditure are immediately recognized in the statement of income and expenditure.

ii. Subsequent measurement

➤ **Non-derivative financial instruments**

1. Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset 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 on the principal amount outstanding.

2. Financial liabilities

The financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the consolidated balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

IX. Cash flow statement

The cash flow statement is prepared in accordance with the Indian Accounting Standard (Ind AS) – 7 “Statement of Cash flows” using the indirect method for operating activities.



X. Cash and cash equivalent

Cash and cash equivalent for the purpose of statement of cash flows include bank balances, where the original maturity is three months or less. Other short term highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are included as a component of cash and cash equivalent for the purpose of statement of cash flow.

XI. Provisions

A provision is recognized if, as a result of past event, the group has a present obligation (legal or constructive) and on management judgement that is reasonably estimable and it is probable that an outflow of economic benefits will be required to settle the obligation.

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

XII. Current and non-current classification

The group has ascertained its operating cycle as twelve months for the purpose of current / non-current classification of assets and liabilities. This is based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents. Current Assets and current liabilities includes current portion of non-current financial assets and non-current financial liabilities respectively.

XIII. Property, Plant and Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Cost of an item of Property, Plant and Equipment comprises:

- a) Its purchase price net of recoverable taxes wherever applicable and any attributable expenditure (directly or indirectly) for bringing the asset to its working condition for its intended use.
- b) Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.
- c) Initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, if any, the obligation for which an entity incurs either where the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Depreciation is provided for property, plant and equipment so as to expense the cost over their estimated useful lives on straight line method as prescribed in Schedule II to the Companies Act, 2013.

Note 2 (ii): Recent accounting pronouncements.

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:



IOL-Foundation

Notes forming part of financial statements

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.



IOL-FOUNDATION

Notes forming part of financial statements

Note 3 : Property, Plant and Equipment**Current period**

Particulars	Gross carrying value		Depreciation and Amortisation		Net carrying value	
	As at 15-Mar-2022	As at 31-Mar-2023 Additions Disposals	As at 15-Mar-2022 For the period	As at 31-Mar-2023 Disposals	As at 31-Mar-2023	As at 15-Mar-2022
CSR ASSETS						
Vehicles	-	53.05	-	-	50.22	-
Total	-	53.05	-	-	50.22	-



IOL-FOUNDATION

Notes forming part of financial statements

4 Cash and Cash Equivalents		Amount in ₹ Lakh	
Particulars		As at 31-Mar-2023	
Balances with banks			
- In current accounts			24.66
Total			24.66
5 Other Bank Balances		As at 31-Mar-2023	
Balances with banks			
Fixed deposits with original maturity of more than twelve months but remaining maturity of less than twelve months			50.00
Total			50.00
6 Other Financial Assets - Current		As at 31-Mar-2023	
(Unsecured considered good)			
Interest receivable			2.06
Total			2.06
7 Other Current Assets		As at 31-Mar-2023	
(Unsecured considered good)			
Advances other than capital advances			
Advances against supply of goods and services			35.75
TDS Receivable			0.41
Total			36.16
8 Equity Share Capital		As at 31-Mar-2023	
Particulars		Number	₹ Lakh
Authorised			
Equity shares of ₹ 10/- each (par value)		100000	10.00
Issued, subscribed and fully paid-up			
Equity shares of ₹ 10/- each (par value)		100000	10.00
Closing Balance		100000	10.00



IOL-FOUNDATION

Notes forming part of financial statements

a

Reconciliation of number of shares and amount outstanding at the end of reporting period

Equity Shares	As at 31-Mar-2023	
	No of Shares	₹ Lakh
Balance at the beginning of the period	-	-
Issued during the year	100000	10.00
Balance at the end of the period	100000	10.00

b **Rights and restrictions attached to shares**

Equity shares

The Company has one class of equity shares having a par value of ₹ 10 each. The shareholders of the Company do not have any right to dividend. As per clause 10 of Memorandum of Association (MoA) of the Company, in the event of winding up or dissolution of the Company, the holder of equity shares will not be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. The amount remaining, if any, shall be given or transferred to such other company having similar objects, subject to such conditions as the Tribunal may impose, or may be sold and proceeds thereof credited to Rehabilitation and Insolvency Fund formed under Section 269 of the Companies Act, 2013.

c **Details of shares held by holding company and shareholders holding more than 5% of the aggregate shares in the Company**

Equity shares	As at 31-Mar-2023	
	No of Shares	% Holding
IOL Chemicals and Pharmaceuticals Limited*	1,00,000	100%

*includes 6 equity shares held by individuals of which beneficial ownership is held with IOL Chemical and Pharmaceuticals Limited

d **Shareholding of Promoters & Promoter Groups**

Sr No	Shareholder's Name	As at 31-Mar-2023		
		No. of Shares	% of total shares	% Change during the period
i	IOL Chemicals and Pharmaceuticals Limited	99994	100	No Change as first year
ii	Varinder Gupta*	1	-	
iii	Dimple Gupta*	1	-	
iv	Vikas Gupta*	1	-	
v	Abhiraj Gupta*	1	-	
vi	Aditi Gupta*	1	-	
vii	Pardeep Kumar Khanna*	1	-	
Total Shares held by promoter and Promoter Group at the end of the period		100000	100	

*Beneficial interest held by IOL Chemicals and Pharmaceuticals Limited

9 **Other Equity**

Particulars	As at 31-Mar-2023
Reserve & surplus	
Retained earnings	
Opening balance	-
Excess of Income over Expenditure for the period 15-Mar-2022 to 31-Mar-2023	120.07
Closing balance	120.07

Nature and purpose of reserve**Retained Earnings**

This reserve represents accumulated excess of income over expenditure of the company as on the balance sheet date.



IOL-FOUNDATION

Notes forming part of financial statements

10	Other Financial Liabilities	As at
Particulars		31-Mar-2023
Other Payables		
- Related Party		-
- Others		32.69
Total		32.69

11	Other Financial Liabilities	As at
Particulars		31-Mar-2023
Statutory remittances - TDS		0.34
Total		0.34

12	Income	Period ended
Particulars		31-Mar-2023
Donations		404.00
Total		404.00

13	Other Income	Period ended
Particulars		31-Mar-2023
Interest Income		4.05
Total		4.05

14 Project expenses represent expenses towards Corporate Social Responsibility projects which are executed by the Company.

15	Other Expenses	Period ended
Particulars		31-Mar-2023
Auditor's Remuneration		
- Statutory Audit Fee		1.19
Preliminary Expenses		0.03
Fees & Taxes		0.28
Legal & Professional		0.17
Others		0.01
Total		1.68



IOL-FOUNDATION

Notes forming part of financial statements

16 Related party disclosures

In accordance with the requirements of IND AS 24, on Related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are:

A. Related party and their relationship:-**Key Management Personnel:**

i	Directors	Mr. Varinder Gupta
		Mr. Vikas Gupta
		Mr. Abhiraj Gupta
		Ms. Sandhya Mehta (from 20-July-2022 to 27-March-2023)

Related parties

	Nature of relationship	Name of related party
i.	Holding company	IOL Chemicals and Pharmaceuticals Limited

B Details of transactions entered into with related parties during the year as required by Ind AS 24 on "Related Party Disclosures" of Companies (Indian Accounting Standards) Rules 2015.

Amount in ₹ Lakh

Sr. No.	Particulars	Holding company	Total
		Period 15-Mar-2022 to 31-Mar-2023	Period 15-Mar-2022 to 31-Mar-2023
1	Donation received	404.00	404.00
2	Equity Share capital issued	10.00	10.00

C Details of balances outstanding as at the end of the period

Amount in ₹ Lakh

Sr. No.	Particulars	Period ended 31-Mar-2023	
		Holding company	Total
1	Amount receivable/payable on the last day the period	-	-



IOL-FOUNDATION

Notes forming part of financial statements

17 Contingent liabilities and commitments (to the extent not provided for)**Capital commitments**

There are no contracts remaining to be executed on capital account and not provided for (net of advances) as at 31-Mar-2023.

Contingent liabilities

There are no contingent liabilities as at 31-Mar-2023.

18 Earnings per share (EPS) is not applicable to IOL Foundation as it is a section 8 company.

19 Segment Reporting

The Company is engaged in promoting and funding projects and / or programs, relating to Corporate Social Responsibility (CSR) in India, which in the context of Ind AS 108 Operating Segments is considered as the only reportable segment. The Company does not have any geographical segments.

20 Capital Management and Financial Instruments**A Capital Management**

The company manages its capital structure and make adjustment in light of changes in operating and economic condition.

B Financial Instruments**Valuation**

All financial instruments are initially recognized and subsequently re-measured at Fair Value.

Liquidity Risk

Liquidity Risk is the risk that suitable sources of funding for the company's business activities may not be available. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due, so that the company is not forced to obtain funds at higher rates. The company monitors rolling forecasts of the company's cash flow position and ensure that the company is able to meet its financial obligation at all times including contingencies.

Credit Risk

Credit Risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due causing financial loss to the company. It arises from cash and cash equivalents, financial instruments and principally from credit exposure to customers relating to outstanding receivables. The company doesn't have any receivable pending.

Fair Value Measurement Hierarchy of Financial Instruments

Amount in ₹ Lakh

Particulars	As at 31-Mar-2023				
	At Amortised Cost	At fair value through profit or loss	At fair value through OCI	Total carrying value	Total Fair value
Financial Assets					
Cash & Cash Equivalents	24.66	-	-	24.66	-
Other Bank Balances	50.00	-	-	50.00	-
Other Current Financial Assets	2.06	-	-	2.06	-
Total	76.72	-	-	76.72	-
Financial Liabilities					
Other Financial Liabilities	32.69	-	-	32.69	-
Total	32.69	-	-	32.69	-
Total	44.03	-	-	44.03	-



IOL-FOUNDATION

Notes forming part of financial statements

21 Auditor's Remunerations Amount in ₹ Lakh
Particulars As at
31-Mar-2023

Statutory Audit Fee 1.19

Total **1.19****22 Additional Regulatory Information as per schedule III of Companies Act 2013, to the extent applicable, is as follows:-**

Ratio	Numerator	Denominator	Current Period	% variance	Reason for variance
Current Ratio (In times)	Current Assets	Current Liabilities	3.42	NA	This being the first Financial Statement. Hence no variance can be determined.

Other ratios related to revenue, profit and equity are not applicable to IOL Foundation as it is a section 8 company.

23 The Company has been incorporated as on 15th day of March,2022, being its first financial statements, previous year figures are not given.

As per our report of even date attached
For Ashwani & Associates
Chartered Accountants
Firm Registration Number:000497N

Arvind Jain
Partner
M.No. 097549

Place : Ludhiana
Date: 27th April 2023

**For and on behalf of the Board of Directors**

Varinder Gupta
Director
(DIN:00044068)

Vikas Gupta
Director
(DIN:07198109)