

**VODAFONE FOUNDATION**  
**Financial Statements**  
**For the year ended March 31, 2023**

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Vodafone Foundation

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of Vodafone Foundation ("the Company"), which comprise the Balance Sheet as at March 31 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including 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 financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its loss including other 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 financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### **Other Information**

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Board of Directors' Report, but does not include the standalone financial statements and our auditor's report thereon. The Board of Directors' Report is expected to be made available to us after the date of this auditor's report.

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 when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.



## **Responsibility of Management 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those 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 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 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.

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. The report does not contain a 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 sub-section (11) of section 143 of the Act, as in our opinion and according to information and explanations given to us, the Order is not applicable to the Company.
2. As required by Section 143(3) of the Act, 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 the Statement of Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the 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 Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (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 over financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1" to this report;
  - (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2023;
  - (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;



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- 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 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 persons or entities, 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;  
  
b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("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; and  
  
c) Based on such 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 (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per **Amit Poddar**  
Partner

Membership Number: 509192  
UDIN: 23509192BHADJE3431



Place of Signature: Mumbai

Date: May 22, 2023

**Annexure '1' to the Independent Auditor's Report of even date on the Financial Statements of Vodafone Foundation****Report on the Internal Financial Controls 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 Vodafone Foundation ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls 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 ("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 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 controls with reference to these 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") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 these 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 these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these financial statements included obtaining an understanding of internal financial controls over financial reporting with reference to these 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 these financial statements.

**Meaning of Internal Financial Controls with reference to these Financial Statements**

A Company's internal financial controls with reference to these 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 these 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



# **S.R. BATLIBOI & ASSOCIATES LLP**

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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 these Financial Statements**

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

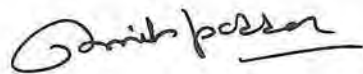
## **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to these financial statements and such internal financial controls with reference to these financial statements were operating effectively as at March 31, 2023, 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 issued by the ICAI.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per **Amit Poddar**

Partner

Membership Number: 509192

UDIN: 23509192BHADJE3431



Place: Mumbai

Date: May 22, 2023

# Vodafone Foundation

Financial Statements for the year ended March 31, 2023

(All amounts are in Rs. thousands, except per share data and unless stated otherwise)

## Balance Sheet as at March 31, 2023

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
<b>Assets</b>			
<b>Non-current assets</b>			
Financial assets			
Deposits with body corporate and others		10	10
Other non-current assets	6	3,651	3,235
<b>Total non-current assets (A)</b>		<b>3,661</b>	<b>3,245</b>
<b>Current assets</b>			
Financial assets			
Cash and cash equivalents	7	5,739	5,393
Bank balance other than cash and cash equivalents	8	484,664	488,960
Other current financial assets	9	370	78
Other current assets	10	-	4,566
<b>Total current assets (B)</b>		<b>490,773</b>	<b>498,997</b>
<b>Total Assets (A+B)</b>		<b>494,434</b>	<b>502,242</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity share capital	11	2	2
Other equity	12	(124)	1,384
<b>Total equity (A)</b>		<b>(122)</b>	<b>1,386</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Financial liabilities			
Short term borrowings	13	5,200	5,200
Trade payables			
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	14	1,178	4,751
Other current financial liabilities	15	487,142	488,996
Other current liabilities	16	1,036	1,909
<b>Total current liabilities (B)</b>		<b>494,556</b>	<b>500,856</b>
<b>Total Equity and Liabilities (A+B)</b>		<b>494,434</b>	<b>502,242</b>

The accompanying notes are an integral part of the Financial Statements

As per our report of even date  
For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration No: 101049W/E300004

For and on behalf of the Board of Directors of  
Vodafone Foundation

Amit Poddar  
Partner  
Membership No.: 509192

Paulrajan Balaji  
Director  
(DIN: 02943481)

Abhijit Kishore  
Director  
(DIN: 0009042186)

Place : Mumbai  
Date : May 22, 2023

Place : New Delhi  
Date : May 22, 2023

Place : Mumbai  
Date : May 22, 2023



# Vodafone Foundation

Financial Statements for the year ended March 31, 2023

(All amounts are in Rs. thousands, except per share data and unless stated otherwise)

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

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Income</b>			
Donations	17	459,765	460,239
Other income	18	2,797	3,395
<b>Total income</b>		<b>462,562</b>	<b>463,634</b>
<b>Operating expenditure</b>			
Donations		444,643	447,344
Advertisement and business promotion expenditure		-	342
Other expenses	19	18,445	12,554
<b>Total expenditure</b>		<b>463,088</b>	<b>460,240</b>
<b>Excess of income over expenditure / (excess of expenditure over income) before finance costs and tax</b>		<b>(526)</b>	<b>3,394</b>
Finance costs	20	-	1
<b>Excess of income over expenditure / (excess of expenditure over income) before tax</b>		<b>(526)</b>	<b>3,393</b>
Tax expense:	22		
- Current tax		982	-
<b>Excess of income over expenditure / (excess of expenditure over income) after tax for the year</b>		<b>(1,508)</b>	<b>3,393</b>
<b>Other comprehensive income / (loss)</b>			
<b>Items not to be reclassified to profit or loss in subsequent periods:</b>			
		-	-
<b>Other comprehensive income / (loss) for the year, net of tax</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income/(loss) for the year</b>		<b>(1,508)</b>	<b>3,393</b>
<b>Earnings / (loss) per equity share of Rs. 10 each:</b>	23		
Basic (Rs.)		-	-
Diluted (Rs.)		-	-
The accompanying notes are an integral part of the Financial Statements			

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration No: 101049W/E300004

For and on behalf of the Board of Directors of

Vodafone Foundation

Amit Poddar

Partner

Membership No.: 509192

Paulrajan Balaji

Director

(DIN: 02943481)

Abhijit Kishore

Director

(DIN: 0009042186)

Place : Mumbai

Date : May 22, 2023

Place : New Delhi

Date : May 22, 2023

Place : Mumbai

Date : May 22, 2023

# Vodafone Foundation

Financial Statements for the year ended March 31, 2023

(All amounts are in Rs. thousands, except per share data and unless stated otherwise)

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

### A. Equity share capital:

#### Equity shares of Rs. 10 each issued, subscribed and fully paid

	Numbers	Amount
<b>As at April 1, 2021</b>	200	2
Issue of share capital	-	-
<b>As at March 31, 2022</b>	200	2
Issue of share capital	-	-
<b>As at March 31, 2023</b>	<b>200</b>	<b>2</b>

### B. Other equity

Particulars	Retained earnings
<b>As at April 1, 2021</b>	<b>(2,009)</b>
Excess of income over expenditure / (excess of expenditure over income) for the year ended March 31, 2022	3,393
Other comprehensive income/(loss) for the year ended March 31, 2022	-
<b>As at March 31, 2022</b>	<b>1,384</b>
Excess of income over expenditure / (excess of expenditure over income) for the year ended March 31, 2023	(1,508)
Other comprehensive income/(loss) for the year ended March 31, 2023	-
<b>As at March 31, 2023</b>	<b>(124)</b>

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration No: 101049W/E300004

For and on behalf of the Board of Directors of  
Vodafone Foundation

Amit Poddar  
Partner  
Membership No.: 509192

Paulrajan Balaji  
Director  
(DIN: 02943481)

Abhijit Kishore  
Director  
(DIN:0009042186)

Place : Mumbai  
Date : May 22, 2023

Place : New Delhi  
Date : May 22, 2023

Place : Mumbai  
Date : May 22, 2023

# Vodafone Foundation

Financial Statements for the year ended March 31, 2023

(All amounts are in Rs. thousands, except per share data and unless stated otherwise)

## Statement of Cash Flows for the year ended March 31, 2023

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Operating activities</b>		
Excess of income over expenditure / excess of (expenditure over income) before tax	(526)	3,393
<b>Adjustments to reconcile excess of expenditure over income before tax to net cash flows:</b>		
Finance costs	-	1
Interest income	(2,797)	(3,395)
<b>Working capital adjustments</b>		
Decrease in financial assets	8,862	86,733
(Decrease)/Increase in trade payables	(3,573)	954
(Decrease) in other financial and non-financial liabilities	(2,727)	(87,323)
<b>Cash flows (used in) / from operating activities</b>	<b>(761)</b>	<b>363</b>
Income tax paid (including TDS) (net)	(1,398)	(1,549)
<b>Net cash flows (used in) operating activities</b>	<b>(2,159)</b>	<b>(1,186)</b>
<b>Investing activities</b>		
Interest received	2,505	3,408
<b>Net cash flows from investing activities</b>	<b>2,505</b>	<b>3,408</b>
<b>Net increase in cash and cash equivalents during the year</b>	<b>346</b>	<b>2,222</b>
Cash and cash equivalents at the beginning of the year	5,393	3,171
<b>Cash and cash equivalents at the end of the year (refer note 7)</b>	<b>5,739</b>	<b>5,393</b>

### 1. Disclosure of changes in liabilities arising from financing activities on account of non-cash transactions

Particulars	Short term borrowings	Interest accrued but not due
<b>Balance as at April 1, 2021</b>	5,200	1,694
(i) Cash flow Items		
Payment of Interest and finance charges	-	-
(ii) Non - cash items		
Finance cost accrued (charged to profit and loss)		1
Interest related to other liabilities	-	(1)
<b>Balance as at March 31, 2022</b>	<b>5,200</b>	<b>1,694</b>
(i) Cash flow Items		
Payment of Interest and finance charges	-	-
(ii) Non - cash items		
Finance cost accrued (charged to profit and loss)	-	-
<b>Balance as at March 31, 2023</b>	<b>5,200</b>	<b>1,694</b>

1. The above Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 on Statement of Cash Flows.

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

As per our report of even date  
For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration No: 101049W/E300004

For and on behalf of the Board of Directors of  
Vodafone Foundation

Amit Poddar  
Partner  
Membership No.: 509192

Paulrajan Balaji  
Director  
(DIN: 02943481)

Abhijit Kishore  
Director  
(DIN:0009042186)

Place : Mumbai  
Date : May 22, 2023

Place : New Delhi  
Date : May 22, 2023

Place : Mumbai  
Date : May 22, 2023

# Vodafone Foundation

Financial Statements for the year ended March 31, 2023

(All amounts are in Rs. thousands, except per share data and unless stated otherwise)

## Notes to Financial Statements

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### 1. Corporate Information

Vodafone Foundation (herein referred to as "VF" or "the Company"), a not for profit company, and a wholly owned subsidiary of Vodafone Idea Limited ("VIL") was incorporated on May 23, 2008 under the provisions of the Companies Act, 1956 applicable in India. The Company had been granted a license under Section 25 of the erstwhile Companies Act, 1956 by Government of India, vide its letter No. RD / S.25(i)/1/ 09/ 4306 dated May 21, 2008. The Company is registered under Section 12AA of the Income Tax Act, 1961 vide Registration no. 49056 granted w.e.f. April 1, 2016 vide letter dated February 21, 2017. The Company is also registered for exemption under Section 80G of the Income Tax Act, 1961 vide Registration no. CIT(E)/80G/2118(A)/2016-17 letter dated March 15, 2017. Pursuant to the enactment of Companies Act, 2013 and Section 135 of the Companies Act, 2013, the Company, is an implementing agency and carries out Corporate Social Responsibility ('CSR') activities as per CSR policy adopted by VIL and its subsidiaries, associates, joint ventures, promoter group companies of VIL and subsidiaries of Vodafone Group plc in line with the Schedule VII of the Companies Act, 2013. The Company primarily focuses on CSR activities that includes promoting and development of (a) education, (b) financial literacy, (c) empowerment of women, (d) healthcare, (e) environment, (f) eradication of poverty, (g) improving socio-economic condition of farmers. The registered office of the Company is at 10<sup>th</sup> floor, Birla Centurion, Century Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai – 400030, India.

The financial statements for the year ended March 31, 2023 were approved by the Board of Directors and authorised for issue on May 22, 2023.

### 2. Statement of compliance

The financial statements of the Company comprising of Balance Sheet, Statement of Income and Expenditure, Statement of Changes in Equity and Statement of Cash Flows together with the notes have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

### 3. Basis of preparation

The financial statements have been prepared on a historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services on the transaction date.

All financial information presented in Rs. has been rounded off to thousands unless otherwise stated.

The Company has elected to present Excess of income over expenditure / (excess of expenditure over income) before finance costs and tax as a separate line item on the face of the Statement of Profit and Loss. In such measurement, the company does not include finance costs and tax.

The financial statements are based on the classification provisions contained in Ind AS 1, 'Presentation of Financial Statements' and division II of schedule III of the Companies Act, 2013.

### 4. Significant Accounting Policies

#### a) Donations

Donations received with restrictions as to use are recognised in the Statement of Income and Expenditure account as income in the year of utilisation and as at balance sheet date, the unutilised amount is represented by 'Restricted funds'. These donations are subject to certain restrictions set out by the contributor and agreed upon by the Company when accepting the contribution.

Donations received for which there are no restrictions as to use are recognised in the statement of income and expenditure account as income in the year of receipt.

Donations received with stipulation as to corpus are credited to corpus fund in the Balance Sheet. Such donations are transferred to Statement of Income and Expenditure as per the direction of the management for carrying out the activities of the Company. Interest income generated from assets held in corpus fund is also credited to corpus fund.

#### b) Functional currency

The Company's financial statements are presented in Indian Rupees (Rs.) which is also the Company's functional currency.

# Vodafone Foundation

Financial Statements for the year ended March 31, 2023

(All amounts are in Rs. thousands, except per share data and unless stated otherwise)

## Notes to Financial Statements

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### c) Taxes

Company has been granted exemption from income tax under section 12A read with section 12AA of the Income tax act, 1961.

### d) Current / Non – Current Classification

An asset is classified as current when;

- a) It is expected to be realized or consumed in the respective company's normal operating cycle;
- b) It is held primarily for the purpose of trading;
- c) It is expected to be realized within twelve months after the reporting period; or
- d) If it is cash or cash equivalent, unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Any asset not conforming to the above is classified as non-current.

A liability is classified as current when;

- a) It is expected to be settled in the normal operating cycle of the respective companies;
- b) It is held primarily for the purposes of trading;
- c) It is expected to be settled within twelve months after the reporting period; or
- d) The respective companies have no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Any liability not conforming to the above is classified as non-current.

### e) Borrowing Costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. All borrowing costs are expensed in the period in which they are incurred.

### f) Cash and cash equivalents

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

### g) Financial Instruments

#### Initial recognition and measurement

Financial Instruments (assets and liabilities) are recognised when the Company becomes a party to a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

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 those designated as fair value through profit or loss (FVTPL), 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 FVTPL are recognised immediately in the statement of income and expenditure.

#### i. Financial assets

All regular way purchase or sale of financial assets are recognised and derecognised on a trade date basis. Regular way purchase or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

#### Subsequent measurement

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets:

- a) Financial assets measured at amortised cost
- b) Financial assets measured at fair value through profit or loss (FVTPL) - The Company does not have any assets classified as FVTPL.
- c) Financial assets measured at fair value through other comprehensive income (FVTOCI) – The Company does not have any assets classified as FVTOCI.

# Vodafone Foundation

Financial Statements for the year ended March 31, 2023

(All amounts are in Rs. thousands, except per share data and unless stated otherwise)

## Notes to Financial Statements

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### Financial assets measured at amortised cost

A financial asset is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the instruments give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. EIR is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the debt instrument or where appropriate, a shorter period, to the net carrying amount on initial recognition.

The EIR amortisation is included in other income in the statement of income and expenditure. The losses arising from impairment are recognised in the statement of income and expenditure. This category generally applies to trade and other receivables, loans, etc.

### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'passthrough' arrangement; and either
  - the Company has transferred substantially all the risks and rewards of the asset, or
  - the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

## ii. Financial liabilities

### Subsequent measurement

All financial liabilities are subsequently measured at amortised cost using the EIR method or at FVTPL. The Company does not have any liability classified as FVTPL.

### Financial liabilities at amortised cost

After initial recognition, interest-bearing borrowings and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of income and expenditure when the liabilities are derecognised as well as through the EIR amortisation process. 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 as finance costs in the statement of income and expenditure.

### De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. In case, an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in Statement of Income and Expenditure.

### v. Offsetting financial instruments

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

## h) Fair value measurement

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.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

# Vodafone Foundation

Financial Statements for the year ended March 31, 2023

(All amounts are in Rs. thousands, except per share data and unless stated otherwise)

## Notes to Financial Statements

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) (a) on the date of the event or change in circumstances that caused the transfer or (b) at the end of each reporting period or (c) at the beginning of each reporting period.

### i) Earnings per share

The earnings considered in ascertaining the Company's Earnings per share (EPS) is the net profit after tax.

EPS is disclosed on basic and diluted basis. Basic EPS is computed by dividing the profit / loss for the period attributable to the shareholders of the Company by the weighted average number of shares outstanding during the period. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless the effect of the potential dilutive equity shares is anti-dilutive.

### j) Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, 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 expense relating to a provision is presented in the statement of income and expenditure.

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.

### Contingent Liabilities

A Contingent Liability is disclosed where there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Contingent Assets are not recognised.

## 5. Use of Estimates, assumptions and judgments

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures including the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require an adjustment to the carrying amount of assets or liabilities in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialise.

The Company has based its assumptions and estimates on parameters available when the financial statements are prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

# Vodafone Foundation

## Financial Statements for the year ended March 31, 2023

(All amounts are in Rs. thousands, except per share data and unless stated otherwise)

### Notes to Financial Statements

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#### New Amendments adopted during the year

i) Amendments to Ind AS

MCA vide notification no. G.S.R. 255(E) dated March 23, 2022 has issued Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends following Ind AS:

- Ind AS 103 Business Combinations
- Ind AS 109 Financial Instruments
- Ind AS 16 Property, Plant and Equipment
- Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets
- Ind AS 106 Exploration for and Evaluation of Mineral Resources

The amendments are applicable for annual periods beginning after April 1, 2022, however, these do not have material impact on the Financial Statements of the Company.

ii) Amendments to Ind AS issued but not yet effective

MCA vide notification no. G.S.R. 242(E) dated March 31, 2023 has issued Companies (Indian Accounting Standards) Amendment Rules, 2023 which amends following Ind AS:

- Ind AS 101 First Time Adoption of Indian Accounting Standards
- Ind AS 102 Shared based Payment
- Ind AS 12 Income Taxes
- Ind AS 107 Financial Instrument Disclosures
- Ind AS 103 Business Combinations
- Ind AS 109 Financial Instruments
- Ind AS 115 Revenue from Contracts with Customers
- Ind AS 1 Presentation of Financial Statements
- Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Ind AS 34 Interim Financial Reporting

The amendments are applicable for annual periods beginning after April 1, 2023. The company has evaluated the amendments and the impact is not expected to be material.

#### Estimates and Assumptions

##### Provisions and Contingent Liabilities

Provisions and contingent liabilities are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Evaluations of uncertain provisions and contingent liabilities and assets requires judgement and assumptions regarding the probability of realization and the timing and amount, or range of amounts, that may ultimately be incurred. Such estimates may vary from the ultimate outcome as a result of differing interpretations of laws and facts.



## Vodafone Foundation

Financial Statements for the year ended March 31, 2023

(All amounts are in Rs. thousands, except per share data and unless stated otherwise)

### Notes to Financial Statements

#### Note 6

##### Other non-current assets

Particulars	As at March 31, 2023	As at March 31, 2022
Advance income tax (TDS recoverable) (net)	3,651	3,235
<b>Total</b>	<b>3,651</b>	<b>3,235</b>

#### Note 7

##### Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks in current accounts	5,739	5,393
<b>Total</b>	<b>5,739</b>	<b>5,393</b>

#### Note 8

##### Bank balance other than cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Earmarked balances with banks <sup>1</sup> (refer note 25 & 26)		
- In current accounts	538	36,960
- In fixed deposits	484,126	452,000
<b>Total</b>	<b>484,664</b>	<b>488,960</b>

<sup>1</sup> Represents amount to be spent towards CSR activities.

#### Note 9

##### Other current financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Interest receivable	370	78
<b>Total</b>	<b>370</b>	<b>78</b>

#### Note 10

##### Other current assets

Particulars	As at March 31, 2023	As at March 31, 2022
Others	-	4,566
<b>Total</b>	<b>-</b>	<b>4,566</b>

# Vodafone Foundation

Financial Statements for the year ended March 31, 2023

(All amounts are in Rs. thousands, except per share data and unless stated otherwise)

## Notes to Financial Statements

### Note 11

#### Equity share capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	Numbers	Amount	Numbers	Amount
<b>EQUITY SHARE CAPITAL</b>				
<b>Authorised share capital</b>				
Equity Shares of Rs. 10 each	10,000	100	10,000	100
	<b>10,000</b>	<b>100</b>	<b>10,000</b>	<b>100</b>
<b>Issued, subscribed and paid-up share capital</b>				
Equity Shares of Rs. 10 each fully paid up	200	2	200	2
	<b>200</b>	<b>2</b>	<b>200</b>	<b>2</b>

#### (a) Reconciliation of number of shares outstanding

Particulars	As at March 31, 2023		As at March 31, 2022	
	Numbers	Amount	Numbers	Amount
Equity shares outstanding at the beginning of the year	200	2	200	2
Issue of share capital	-	-	-	-
Equity shares outstanding at the end of the year	200	2	200	2

#### (b) Terms/ rights attached to issued, subscribed and paid up equity shares

The Company has issued single class of equity shares having par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. As the Company is a private company limited by shares formed under section 8 of the Companies Act, 2013, no dividend is to be proposed and paid to the shareholders. In the event of winding up or dissolution of the Company, after the satisfaction of all its debts and liabilities, any property whatsoever shall be given or transferred to such other body having objects similar to the objects of the Company, to be determined by the members of the Company at or before the time of dissolution or in default thereof by the High Court of Judicature that has or may acquire jurisdiction in the matter.

#### (c) Details of shareholders holding more than 5% shares in the Company

Name of the shareholders	As at March 31, 2023		As at March 31, 2022	
	Numbers	% holding in the class	Numbers	% holding in the class
<b>Equity shares of Rs. 10 each fully paid</b>				
Vodafone Idea Limited, the holding company and its nominees	200	100%	200	100%

### Note 12

#### Other Equity

Particulars	As at	As at
	March 31, 2023	March 31, 2022
<b>Retained Earnings</b>		
Opening balance	1,384	(2,009)
Excess of income over expenditure / (excess of expenditure over income) for the year	(1,508)	3,393
<b>Closing balance</b>	<b>(124)</b>	<b>1,384</b>

### Note 13

#### Short term borrowings

Particulars	As at	As at
	March 31, 2023	March 31, 2022
<b>Unsecured Loans</b>		
Loan from related parties (refer note 24) <sup>(1)</sup>	5,200	5,200
<b>Total</b>	<b>5,200</b>	<b>5,200</b>

<sup>(1)</sup> The interest rate is Nil (March 31, 2022 : Nil)

# Vodafone Foundation

Financial Statements for the year ended March 31, 2023

(All amounts are in Rs. thousands, except per share data and unless stated otherwise)

## Notes to Financial Statements

### Note 14

The following is ageing schedule of trade payables:

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31, 2023</b>						
(i) Micro enterprises and small enterprises	-	-	-	-	-	-
(ii) Other than micro enterprises and small enterprises	-	218	-	-	-	218
	-	<b>218</b>	-	-	-	<b>218</b>
<b>Accrued expenses</b>						<b>960</b>
<b>Total</b>						<b>1,178</b>
<b>As at March 31, 2022</b>						
(i) Micro enterprises and small enterprises	-	-	-	-	-	-
(ii) Other than micro enterprises and small enterprises	748	3,642	-	57	-	4,447
	<b>748</b>	<b>3,642</b>	-	<b>57</b>	-	<b>4,447</b>
<b>Accrued expenses</b>						<b>304</b>
<b>Total</b>						<b>4,751</b>

### Note 15

#### Other current financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Restricted funds <sup>(1)</sup>	539	21,893
Corpus funds <sup>(1)</sup>	484,909	465,409
Interest accrued on borrowings	1,694	1,694
<b>Total</b>	<b>487,142</b>	<b>488,996</b>

<sup>(1)</sup> Represents unused grant balance for specified objects received from related parties (refer note 25 & 26)

### Note 16

#### Other current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Taxes and other liabilities	1,036	1,909
<b>Total</b>	<b>1,036</b>	<b>1,909</b>

### Note 17

#### Donations

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
- On utilisation of restricted funds (including amount referred in note 24 & refer note 25)	459,765	458,692
- On utilisation of corpus funds (Refer note 26)	-	1,547
<b>Total</b>	<b>459,765</b>	<b>460,239</b>

### Note 18

#### Other income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income	2,797	3,395
<b>Total</b>	<b>2,797</b>	<b>3,395</b>

# Vodafone Foundation

Financial Statements for the year ended March 31, 2023

(All amounts are in Rs. thousands, except per share data and unless stated otherwise)

## Notes to Financial Statements

### Note 19

#### Other expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Repairs and maintenance		
Others	4,661	-
Bank charges	-	4
Legal and professional charges	4,405	7,141
Audit fees (refer note 21)	408	354
Business process outsourcing cost	453	404
Support service charges (including amount referred in note 24)	8,518	4,651
<b>Total</b>	<b>18,445</b>	<b>12,554</b>

### Note 20

#### Finance costs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on others	-	1
<b>Total</b>	<b>-</b>	<b>1</b>

### Note 21

#### Auditor's Remuneration

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Statutory audit fees	408	354
<b>Total Remuneration</b>	<b>408</b>	<b>354</b>

### Note 22

#### Income tax expenses

##### (a) Major components of tax expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Current Tax</b>		
Adjustments for tax on prior period	982	-
<b>Total Current Tax Expense</b>	<b>982</b>	<b>-</b>
<b>Total Tax Expense</b>	<b>982</b>	<b>-</b>

##### b) Reconciliation of average effective tax rate and applicable tax rate

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Excess of income over expenditure / (excess of expenditure over income) before tax	(526)	3,393
<b>Applicable Tax Rate</b>	<b>31.20%</b>	<b>31.20%</b>
Effects of expenses / income that are not deductible / considered in determining the taxable profits (net)	(217.89)%	0.00%
Other Items*	0.00%	(31.20)%
<b>Effective Tax Rate</b>	<b>(186.69)%</b>	<b>0.00%</b>

\* Represents effects of exempt income.

# Vodafone Foundation

Financial Statements for the year ended March 31, 2023

(All amounts are in Rs. thousands, except per share data and unless stated otherwise)

## Notes to Financial Statements

### Note 23

#### Basic & Diluted Earnings/(Loss) per Share

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Nominal value of per equity share Rs.	10	10
Excess of income over expenditure / (excess of expenditure over income) after Tax	(1,508)	3,393
Excess of income over expenditure / (excess of expenditure over income) attributable to equity shareholders	-	-
Weighted average number of equity shares outstanding during the year	200	200
Basic and diluted earnings per share	-	-

### Note 24

#### Related party transactions

The Company has transactions with the below related parties:

Relationship	Related Party
Holding Company	Vodafone Idea Limited
Fellow Subsidiary	Vodafone Idea Business Services Limited
	Vodafone Idea Shared Services Limited
Entities having significant influence [includes Subsidiaries of the entity to which the Holding company of the Company is a JV]	Cable & Wireless Networks India Private Limited
	Vodafone UK Foundation
	Vodafone Global Services Private Limited
	Vodafone India Services Private Limited
	Indus Towers Limited
Key Managerial Personnel (KMP)	Mr. Venkatesh Vishwanathan (Non-Executive Director)*
	Mr. Abhijit Kishore (Appointed as Non-Executive Director on January 18, 2022)*
	Mr. Paulrajan Balaji (Non-Executive Director)*
	Mr. Suraj Kalra (Resigned as Non-Executive Director on March 26, 2022)*

\* No transactions during the year

#### A. Transactions with Related Parties for the year ended March 31, 2023 and March 31, 2022

Particulars	Holding company	Fellow subsidiary	Entities having significant influence
Purchase of Services	-	1,353	-
	-	(937)	-
Expense incurred on Company's behalf by	6,246	-	-
	(2,891)	-	-
Donations received	114,200	305	303,811
	(204,900)	(2,381)	(150,149)

(Figures in bracket are for the year ended March 31, 2022)

#### B. Balances with Related Parties

Particulars	Holding company	Fellow subsidiary
Interest Accrued but not due	1,694	-
	(1,694)	-
Outstanding loan payable	5,200	-
	(5,200)	-
Trade and Other Payables	-	213
	(92)	(163)

(Figures in bracket are as on March 31, 2022)

# Vodafone Foundation

Financial Statements for the year ended March 31, 2023

(All amounts are in Rs. thousands, except per share data and unless stated otherwise)

Notes to Financial Statements

**C. The significant related party transactions are summarised below for the year ended March 31, 2023 and March 31, 2022:**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Donations received</b>		
Vodafone India Services Private Limited	87,793	-
Indus Towers Limited	209,240	112,907

## Note 25

### Movement of Restricted Funds

Restricted Funds (Purpose)	Opening balance as at April 1, 2022	Reallocation during the Year	Additions (Donations received during the year)	Utilisation during the year <sup>1</sup>	Closing balance as at March 31, 2023
Donation for Financial Literacy programme	-	-	9,009	9,009	-
Donation for scholarships and education programme through technology in classrooms	21,816	-	156,801	178,617	-
Gurushala (Impact Assessment)	-	-	1,034	1,034	-
Impact Assessment of Projects	-	-	2,900	2,900	-
Digital Village	-	-	13,908	13,908	-
Empowerment -Connecting for Good	-	-	10,000	10,000	-
Smart Agriculture	-	-	204,887	204,887	-
Scholarship	-	-	4,000	4,000	-
Robotics/ Digital Lab	-	-	17,500	16,966	534
Overhead	-	-	18,369	18,369	-
<b>Overhead on Corpus Donation</b>					
Covid 19 (FCRA)	5	-	-	-	5
Overhead (FCRA)	72	-	3	75	-
<b>Total</b>	<b>21,893</b>	<b>-</b>	<b>438,411</b>	<b>459,765</b>	<b>539</b>

<sup>1</sup> Utilisation during the year includes accruals for the year.

## Note 26

### Movement of Corpus Funds

#### Movement of Corpus funds

Particulars	Opening balance as at April 1, 2022	Additions (Donations received during the year)	Utilisation during the year	Closing balance as at March 31, 2023
Corpus donation	451,196	-	-	451,196
Interest accrued	14,213	19,500	-	33,713
<b>Total</b>	<b>465,409</b>	<b>19,500</b>	<b>-</b>	<b>484,909</b>

The Company has received corpus donation of Rs 463,269 from Indus Towers Limited ('Indus') in earlier years starting from 2019 till 2021 and earned interest of Rs 49,951 on the unutilised portion which is then added to this corpus fund, to be utilized for programs on education and improving socio economic condition of farmers out of which the Company has utilised Rs 28,311 [Corpus - Rs 12,073; Interest - Rs 16,238] till date leaving a balance outstanding of Rs. 484,909 [Corpus – Rs 451,196; Interest – Rs 33,713]. The Company is in the process of finalising a plan with Indus for utilization of the unspent amount on various programs. The Company is compliant with applicable CSR laws.

# Vodafone Foundation

Financial Statements for the year ended March 31, 2023

(All amounts are in Rs. thousands, except per share data and unless stated otherwise)

## Notes to Financial Statements

### Note 27

#### Financial instruments

a) **Financial Instruments by Category:** The following table provides categorisation of all financial instruments at carrying value -

Particulars	As at	As at
	March 31, 2023	March 31, 2022
	<b>Amortised Cost</b>	
<b>Financial Assets</b>		
Deposits with body corporate and others	10	10
Cash and cash equivalents	5,739	5,393
Bank balance other than cash and cash equivalents	484,664	488,960
Interest receivable	370	78
<b>Total Financial Assets</b>	<b>490,783</b>	<b>494,441</b>

Particulars	As at	As at
	March 31, 2023	March 31, 2022
	<b>Amortised Cost</b>	
<b>Financial Liabilities</b>		
Short term borrowings including Interest accrued but not due	6,894	6,894
Trade Payables	1,178	4,751
Restricted funds	539	21,893
Corpus funds	484,909	465,409
<b>Total Financial Liabilities</b>	<b>493,520</b>	<b>498,947</b>

#### (b) Fair value hierarchy

The carrying amounts of the financial assets and financial liabilities are reasonable approximation of their fair values. Accordingly, the fair values of such financial assets and financial liabilities have not been disclosed separately.

### Note 28

#### Financial risk management objectives and policies

The Company's principal financial liabilities comprise of corpus fund and restricted fund. The Company's principal financial assets comprise bank balance.

The Company is exposed to various financial risks such as market risk, credit risk and liquidity risk. The Directors of the Company oversees management of these risks and assure that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

#### Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include borrowings.

#### a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has no exposure to the risk of changes in market interest as the Company has borrowed loan from Holding Company with nil interest rate.

# Vodafone Foundation

## Financial Statements for the year ended March 31, 2023

(All amounts are in Rs. thousands, except per share data and unless stated otherwise)

### Notes to Financial Statements

#### b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument, leading to a financial loss.

##### - Other financial assets and cash deposits

Credit risk from balances with banks is managed by treasury department of the holding company.

The Company maintains its Cash and cash equivalents with banks and financial institutions having good reputation, good past record and high quality credit rating and reviews their credit worthiness on an on-going basis in close co-ordination with its holding company's Treasury team.

The Company's maximum exposure to credit risk for the components of the balance sheet as at March 31, 2023 and March 31, 2022 on its carrying amounts as disclosed in notes 7, 8 and 9.

#### c) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Particulars	Carrying Value	Less than 1 year	1 to 5 years	> 5 years	Total payments
<b>As at March 31, 2023</b>					
Borrowings and Interest thereon <sup>1</sup>	6,894	6,894	-	-	6,894
Trade and other payables	1,178	1,178	-	-	1,178
Corpus funds	484,909	484,909	-	-	484,909
Restricted funds	539	539	-	-	539
	<b>493,520</b>	<b>493,520</b>	-	-	<b>493,520</b>
<b>As at March 31, 2022</b>					
Borrowings and Interest thereon <sup>1</sup>	6,894	6,894	-	-	6,894
Trade and other payables	4,751	4,751	-	-	4,751
Corpus funds	465,409	465,409	-	-	465,409
Restricted funds	21,893	21,893	-	-	21,893
	<b>498,947</b>	<b>498,947</b>	-	-	<b>498,947</b>

<sup>1</sup>Interest accrued but not due of Rs. 1,694 thousands (March 31, 2022: Rs. 1,694 thousands) has been excluded from other financial liabilities and included in borrowings and interest thereon.

#### Note 29

##### Additional disclosure as per requirement of Schedule III

##### Ratios for the year ended March 31, 2023 and March 31, 2022

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	% Variance	Reason for variance
Current Ratio <sup>(1)</sup>	1.00	1.01	0%	
Debt Equity Ratio <sup>(2)</sup>	(42.62)	3.75	(1,236)%	Mainly due to (excess of expenditure over income) during the year

<sup>(1)</sup> Current Ratio = [Current assets/Current liabilities (excluding short term borrowings)]

<sup>(2)</sup> Debt-Equity Ratio = [Debt (excluding interest accrued but not due)/ Equity]



# Vodafone Foundation

Financial Statements for the year ended March 31, 2023

(All amounts are in Rs. thousands, except per share data and unless stated otherwise)

## Notes to Financial Statements

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### Note 30

Previous year's figures have been regrouped / rearranged wherever necessary to conform to the current year grouping.

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration No: 101049W/E300004

For and on behalf of the Board of Directors of

Vodafone Foundation

Amit Poddar

Partner

Membership No.: 509192

Paulrajan Balaji

Director

(DIN: 02943481)

Abhijit Kishore

Director

(DIN: 0009042186)

Place : Mumbai

Date : May 22, 2023

Place : New Delhi

Date : May 22, 2023

Place : Mumbai

Date : May 22, 2023