

Water for Public Good



Hindustan Unilever Foundation
(Subsidiary of Hindustan Unilever Limited)
Annual Report 2022-23

Contents

Messages

- 02 Chairman's Statement
- 04 Chief Executive Officer's Statement

About Hindustan Unilever Foundation

- 06 Who We Are
- 10 Collaborative Reach
- 12 Governance

Review of the year

14 Supply-side Programmes

- 16 Usharmukti – Rejuvenating Seven Rivers in West Bengal
- 18 Revival of Ancient Tanks System in Bundelkhand
- 20 Community-led Watershed Development in Jalna District
- 22 Delivering Drinking Water Security in Surgana block, Nashik



Front Cover Image Credit: Professional Assistance for Development Action (PRADAN)



Back Cover Image Credit: Professional Assistance for Development Action (PRADAN)

24 Demand-side Programmes

- 26 Transforming Water Security and Farm Yields in Northern Gujarat
- 28 Building Government Capacity to Drive Behaviour Change at Scale in Odisha
- 30 Ensuring Long-Term Agricultural Viability in Punjab
- 32 Water Conservation under Prabhat
- 34 Driving Economically Rewarding Agriculture for Small Farmers in East UP
- 36 An Evergreen Agriculture Model in West Bengal
- 38 Marathwada District Transformation Model
- 40 Innovative Solutions for Water Conservation and Efficient Use in Agriculture

42 Building Thought Leadership on Water

44 Conclusion

46 Statutory Reports and Financial Statements

- 46 Report of Board of Directors
- 50 Independent Auditors' Report
- 54 Balance Sheet
- 55 Statement of Income and Expenditure
- 56 Statement of Changes in Equity
- 57 Statement of Cash Flows
- 58 Notes to the financial statements

Water for Public Good

India will face severe water stress by 2030 if the country's water usage in agriculture, industry and households continues at the current rate. India draws more than 25% of the world's groundwater – more than the US and China combined – primarily for agriculture and to meet more than 50% of drinking water needs. Due to this excessive extraction, nearly 60% of India's districts face water stress or quality issues.

Depleting groundwater, coupled with changing rainfall patterns, is compounding the country's water woes. As our villages and cities brace for this impending crisis, we need community-driven and collaborative solutions involving multiple stakeholders – non-profit organisations, private and public sector enterprises, experts and government.

To secure India's water future, we need to focus on the following:

- Augmenting water supply through the creation of water harvesting structures, soil and moisture conservation activities, and restoring and rejuvenating traditional water harvesting systems and structures;
- Empowering farmers to reduce water usage in agriculture through better practices and the introduction of water-efficient agriculture technologies;
- Promoting institutions and governance mechanisms to ensure the decentralised and equitable distribution of water

At Hindustan Unilever Foundation (HUF), we recognise the urgent need to address this issue on a war footing to usher in a prosperous shared future. Backed by innovative solutions and leveraging strategic partnerships, HUF's 'Water for Public Good' programme has remarkably impacted water conservation and management in India. In the process, we also empower communities to become active change agents.

Impact Highlights

Water Potential Created

>2.6 trillion litres*

Since Inception

>692.5 billion litres

in FY 2021-22

Increase in Yield

>1.7 million tonnes

Since Inception

>0.42 million tonnes

in FY 2021-22

Employment Days Created

>110 million person days

Since Inception

>48.5 million person days

in FY 2021-22

*HUF's collective and cumulative impact (independently assured up to 2021-22)

Chairman's Statement



“

We look forward to a sustainable, equitable and water-secure future. At Hindustan Unilever Foundation, we will continue to identify, innovate and execute solutions for improved water management and create a movement for large-scale action on water.

”

The British American poet, W. H. Auden famously wrote: “Thousands have lived without love, not one without water,” and Leonardo da Vinci declared, “Water is the driving force of all nature”. Water is the driving force for life and prosperity and the key to a thriving society. In recent times, as the world heats up and climate change looms large on humanity, protecting water has increasingly become critical.

According to the Water Resources Group (WRG), by 2030, India will only have 50% of the water it needs. This imminent crisis is likely to be the worst in India’s history and will disproportionately impact agriculture. We need to take concrete action to manage water resources, and the time to act is now.

“Alone, we can do so little; together, we can do so much.” Thus, corporates, the government, the social sector and civil society must join hands in securing India’s water future. Water is a resource that we all share as humanity. The onus of securing it rests with everyone. It is with this goal and to secure large scale action on water conservation, governance and judicious water use that Hindustan Unilever Foundation (HUF) was created in 2010. A unique aspect of HUF’s work is that it looks not just at the enhancement of water availability in water-stressed regions but also proactively works at behavioural changes to govern water effectively and reduce wasteful consumption of water.

HUF, together with its partners, has collectively and cumulatively created a water potential of more than 2.6 trillion litres, adequate to meet the drinking water needs of India for about two years.

Now in its 13th year, HUF has made significant progress in helping find solutions for India’s water security at scale.

This report showcases the diversity of programmes that HUF has supported over the years and the range of solutions that have been implemented customised to local topography and water availability scenarios. These solutions are replicable at scale.

We realise we have a long way to go in our journey to ensure water security. At HUF, we will continue to relentlessly identify new solutions and amplify those that work across the country in the coming years.

Warm regards,
Sanjiv Mehta
 Chairman

Chief Executive Officer's Statement



“

HUF was set up to help improve India's water security. Over the past thirteen years, HUF has delivered significant impact with the help of our partners. Together, we have worked on community oriented solutions across diverse topography, agricultural practices and social norms.

”

HUF works with its partners to create and implement scalable, replicable solutions to help secure India's water future. Over the past decade, we have developed a strong network of partners who have worked closely with the communities they serve to help alleviate the issues and risks of water security.

The range of HUF-supported interventions is extensive and befitting a large and diverse country like India. The strategy has been to seek different water-stressed conditions and create customised solutions, as a one-size fits all approach doesn't work here.

Much of HUF's work impacts the lives of the most marginalised sections of society. We have several programmes in the NITI Ayog's aspirational districts, irrespective of whether these districts are in the hilly, forested tracts across central India, the Chhota Nagpur Plateau, or the drought-susceptible regions of Bundelkhand and Marathwada.

In our search for programmatic solutions, we seek to integrate traditional wisdom with cutting-edge modern practices, including the best digital tools like Internet of Things (IoT) and Geographic Information System (GIS). We realise that raising the spectre of despair will not serve any purpose, but optimism for a secured water future will. Awakening this consciousness is vital, and active community engagement is instrumental in our efforts to drive behaviour change. For instance, a concept like making a water budget for the village carries a power of conviction far beyond what one imagines.

Integrating traditional wisdom with modern practices and digital tools like IoT and GIS to find programmatic solutions

In many of our programmes, the torchbearers of behaviour change are women. They bear the brunt of any water shortage their community faces. Engaging with change leaders such as women, village panchayat officials, frontline cadres gives us the confidence that these regions will remain committed to water security long after the HUF-supported initiative concludes.

Team HUF takes great pleasure in presenting to you, our portfolio of programmes and commits to doing its utmost to help create a watersecure future. Hope you enjoy reading it.

Warm regards,

Shraman Jha

Chief Executive Officer

Who We Are

Building a Water-Secure Future

HUF was established in 2010 as the philanthropic arm of Hindustan Unilever Limited, one of India's largest fast-moving consumer goods companies. HUF's mission is to make water security commonplace in India. Its 'Water for Public Good' programme focuses on improving water access and equitable use for underserved communities.



Image Credit: Villgro Innovations Foundation

HUF's Reach (in Financial Year 2021-22)*

8

States

10,000+

Villages

2

Union Territories

15

Partners

46

Districts

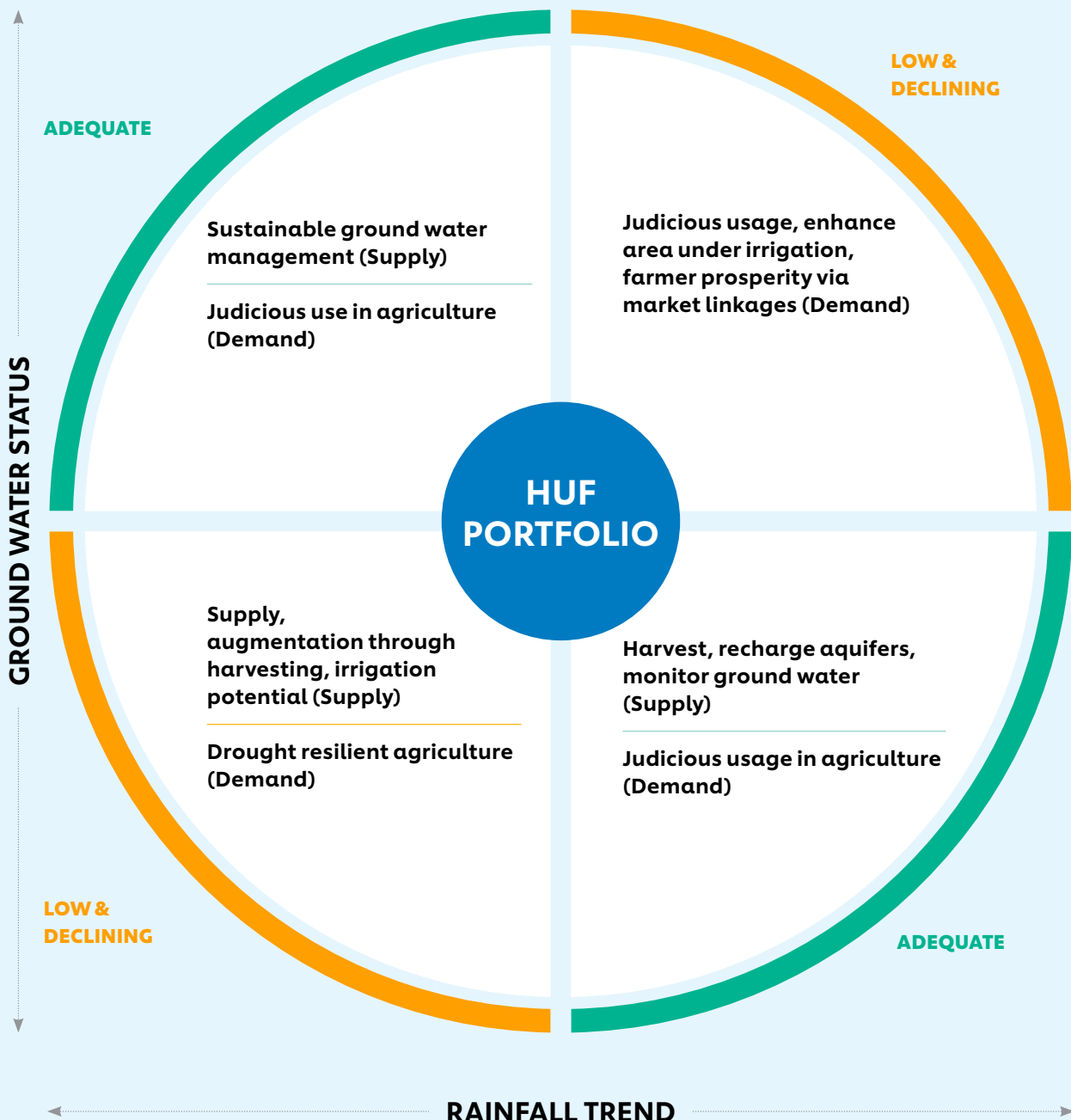
3,00,000+

Lives Benefitted

* Independently assured up to 2021-22.

Our Approach (Amplify Solutions that Work)

HUF's 'Water for Public Good' programme is anchored in the belief that water is common and must be governed by citizen communities. Given the diversity of water challenges in the country, HUF supports NGO partners who design context-appropriate solutions based on groundwater and rainfall access.



Who We Are

While solutions are diverse, the core principles driving programme outcomes are consistent. With communities and farmers at the core, our programmes enable them to 'Know More' about their critical water resources, 'Save More' using scientific conservation methods, and 'Use Less' water in agriculture.

Focusing on Three Key Pillars



Know More

Water numeracy

Build water numeracy to quantify availability, budget, and allocate water resources.



Widescale deployment of low-cost technologies and tools (e.g., water budgets) to help communities and individuals map water sources, estimate water needs and quantify use.



Save More

Science-led conservation

Equip communities to lead scientific water conservation efforts



Adoption of technology (GIS and digital) for data-driven measurement, decision making and governance for communities to lead their conservation efforts for ground and surface water.



Use Less

Behaviour change

Drive behaviour change for responsible water use in agriculture



Demonstrate evidence-based sustainable agricultural solutions on input use, soil health and yield improvement to help farmers adopt judicious irrigation practices and crop choices.



Image Credit: Swayam Sikshan Prayog, Maharashtra

HUF programmes prioritise community participation, enabling farmers and rural communities to understand their water resources better, deploy science-based solutions for water conservation, and optimise water usage in agriculture.

Impact to Date

Water Potential

>2.6 trillion*
litres

Increase in Yield

>1.7 million
tonnes

Additional Employment

>110 million
person days

*HUF's collective and cumulative impact (independently assured up to 2021-22)

Enablers of Scale

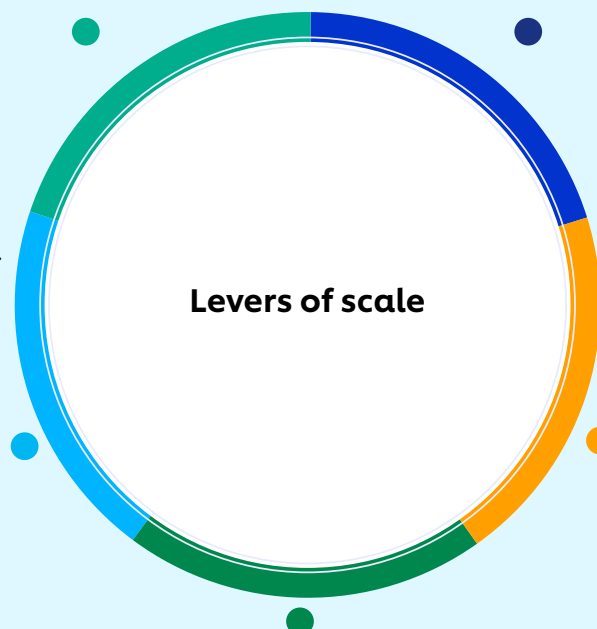
To deliver water security solutions at scale, HUF programmes leverage the following multipronged enablers

Convergence with Flagship Government Programmes

Water conservation, irrigation access and efficient use of water in agriculture is covered through many government backed flagship programmes.

Innovative Technology Enabled tools

To create water numeracy and hence enable effective water management decisions at scale, GIS-based mapping or simulation-based water budget.



Supporting women in pivotal roles

Supporting women ensures higher outcomes on water conservation, equitable norms with comparison to gender-neutral programs.

Local Cadres of Para-professionals

Training related to water and agriculture for sustainable impact. Frontline roles ensure job creation and knowledge stays within communities.

Extensive Adoption of Regenerative Agriculture Practices

Paving sustainable and climate-appropriate alternatives to the mono-cropping system in India through on-farm demonstration and measurement.



Collaborative Reach

Strong Partnerships, Strategic Presence

HUF's partners have been instrumental in shaping HUF's understanding of water-related issues.

HUF partners with non-profit organisations that work extensively with rural communities on water issues. HUF values partners with insightful hydrogeological expertise and a deep commitment to empowering rural communities to secure their water future.

Partners

Field Implementation Partners



BAIF Development Research Foundation (BAIF)



Centres for International Projects Trust (CIPT)



Foundation for Ecological Security (FES)



Mysore Resettlement and Development Agency (MYRADA)



People's Action for National Integration (PANI)



Professional Assistance for Development Action (PRADAN)



Parmarth Samaj Sevi Sansthan (PSSS)



Self-Reliant Initiatives through Joint Action (SRIJAN)



Swaym Sikshan Prayog (SSP)



Vikram Sarabhai Centre for Development Interaction (VIKSAT)



Villgro Innovations Foundation



Watershed Organisation Trust (WOTR)

Non-Field Partners



Advanced Centre for Water Resources Development and Management (ACWADAM)



Development Support Centres (DSC)



Forum for Knowledge and Social Impact (FKSI)

HUF's Reach in 2021-22

HUF's programmes operate across 8 States, 2 Union Territories and 46 Districts representing India's varied groundwater and rainfall conditions.



State	District	Partner
Uttar Pradesh	Balrampur	PANI
	Chitrokoot	SRIJAN
	Etah	PSSS
	Hamirpur	PSSS
Punjab	Amritsar	CIPT
	Ludhiana	CIPT
	Moga	CIPT
	Sangrur	CIPT
Madhya Pradesh	Chhatarpur	SRIJAN
	Tikamgarh	SRIJAN
	Niwari	SRIJAN
	Chhindwara	PSSS
	Mahoba	SRIJAN

State	District	Partner
Gujarat	Banaskantha	VIKSAT
	Sabarkantha	VIKSAT
	Kachchh	BAIF
Dadra and Nagar Haveli	Dadra and Nagar Haveli	BAIF
Maharashtra	Buldana	BAIF
	Jalna	WOTR
	Nashik	BAIF
	Osmanabad	SSP
West Bengal	Puruliya	PRADAN
	Paschim Midnapur	PRADAN
	Paschim Bardhaman	PRADAN
	Jhargram	PRADAN
		PRADAN

State	District	Partner
	Bankura	PRADAN
	Malda	PRADAN
	Murshidabad	PRADAN
	Nadia	PRADAN
	Dakshin Dinajpur	PRADAN
Odisha	Birbhum	PRADAN
	Bolangir	FES-OLM
	Deogarh	FES-OLM
	Keonjhar	FES-OLM
	Nayagarh	FES-OLM
Puducherry	Sambalpur	FES-OLM
	Puducherry	MYRADA
Tamil Nadu	Krishnagiri	MYRADA

Source: CGWA, GOI
Map not to scale. For illustrative purposes only.

Governance

Board of Directors and Key Management Personnel



Sanjiv Mehta
Chairman



Dev Bajpai
Director



Ritesh Tiwari
Director



Deepak Subramanian
Director



Shraman Jha
Chief Executive Officer



Image Credit: Villgro Innovations Foundation

Supply-side Programmes

Build, Rejuvenate and Harvest

HUF's supply-side programmes aim at improving regional water security through supply augmentation measures that focus on:

- (a) Rejuvenation of water bodies and/or creation of new water harvesting structures and/or soil and water conservation measures
- (b) Governance-related interventions

HUF programmes that focus on enhancing supply of water range from construction of new water structures or restoration of defunct structures to capacitating government officials and frontline workers. Water conservation forms a large part of programmes such as the Mahatma Gandhi National Rural Employment Guarantee Scheme, the Atal Bhujal Yojana, and the Jal Yukt Shivr, among others.

Impact Highlights

59,243

Farmers Benefitted

268.75 billion litres

Water Potential Created

11,178 tonnes

Additional Annual Yield and Biomass Produced

41.10 million+

Person Days Generated

Focus stories



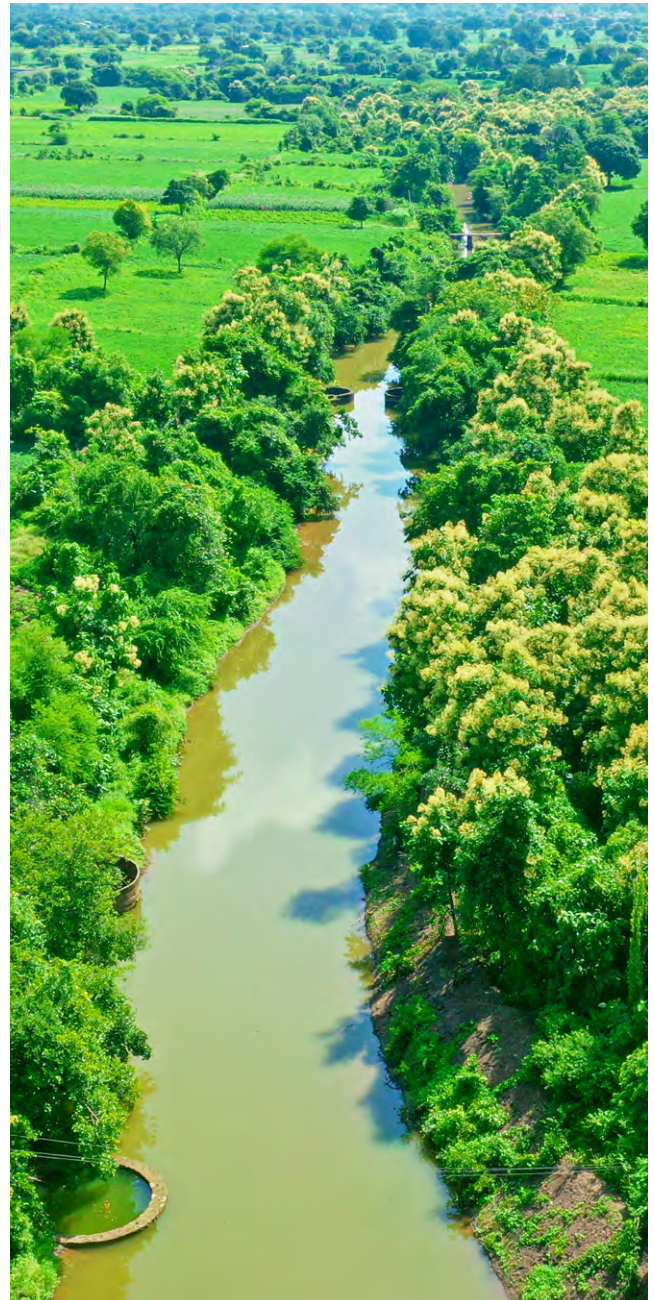
PRADAN,
West Bengal



BAIF,
Maharashtra



SRIJAN,
Uttar Pradesh and
Madhya Pradesh



WOTR,
Maharashtra



Usharmukti – Rejuvenating Seven Rivers in West Bengal

Innovative Solutions, Positive impact

The plateau regions of West Bengal have an undulating topography, and high rainfall in the region leads to heavy soil erosion. Over dependence on forests has reduced tree cover, washed away soils and affected the base flows of seven regional rivers, impacting the lives and livelihoods of the tribal communities living in this region.

51,875

Farmers Benefitted

161.77

billion litres

Water Potential Created

40 million+

Person Days Generated



Programme Partner: Professional Assistance for Development Action (PRADAN)



Image Credit: Professional Assistance for Development Action (PRADAN)

The Usharmukti project aims to improve water security in Purulia, Bankura, Jhargram, Birbhum, Paschim Midnapore and Paschim Bardhaman districts of West Bengal. Usharmukti means “salvation from barrenness”, the project adopts a watershed approach to improve land productivity through soil and water conservation measures. Planting forests and orchards in the uplands with mandatory soil-water conservation structures forms a major part of the work undertaken in this programme. The project is in its third year of implementation, led by PRADAN and six other Civil Society Organisations (CSOs).

HUF supported PRADAN to form a Project Management Unit (PMU). This PMU engages with a) the state and district level officials to effectively plan and approve tasks under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), and b) CSOs placed within the blocks and GPs to develop comprehensive Detailed Project Reports (DPRs). The DPR outlines all water conservation works for the GP leading to the creation of long-term water harvesting assets (tanks, *happas*, ponds, etc.) that the communities use to secure agriculture.

The PMU developed a digital decision support solution to track work progress at each watershed vis-à-vis what was planned

The PMU developed a digital decision support solution to track work progress at each watershed vis-à-vis what was planned. This tool helped plan tasks and activities, execution gaps and provide evidence for government action. The PMU also liaised effectively with different government departments (for instance, the Horticulture department to source saplings for plantations) to unlock significant government convergence.

This integrated planning and execution approach can serve as an effective model to improve the water security in the entire Chhota Nagpur plateau belt of central India. Within West Bengal, the model is extended to 10 new blocks through Government financial support.



“

I took charge of getting women together to demand their right to work under the MGNREGS. The MNREGS entitles us to 100 days of paid labour from the Panchayat to build water structures of our choice. Since the water levels in our village were declining, we needed to build a pond that would store water and allow it to replenish the groundwater table gradually.

”

Lilabati Mahato
Purulia, West Bengal

Revival of Ancient Tanks System in Bundelkhand

Preserving Traditional Water Sources

The Bundelkhand region in Uttar Pradesh and Madhya Pradesh is widely recognised as being water scarce. In recent years, increased population, agriculture, climate change, mismanagement of water resources, and neglect of traditional water sources have all led to acute water scarcity in the region. Thousands of traditional cascading tanks built a thousand years ago have fallen into disrepair compounding the regional water challenge.



Programme Partner: Self-Reliant Initiatives through Joint Action (SRIJAN)

6,253

Farmers Benefitted

10.39

billion litres

Water Potential Created

1,552 tonnes

Additional Annual Yield and Biomass Produced

33,809

Person Days Generated



Image Credit: Self-Reliant Initiatives through Joint Action (SRIJAN)

HUF is supporting SRIJAN since 2019 to revive 110 traditional tanks through active community participation. To do this, SRIJAN mobilised local community members to restore and ensure the maintenance of the restored tanks. This programme spans 93 villages covering 15,000 farmers across five districts of the Bundelkhand region.

SRIJAN formed community-based institutions or Tank Management Committees (TMCs) to manage each tank. These TMCs are responsible for organising regular meetings and making decisions regarding each tank's repair, maintenance, and water use.

The TMCs effectively "de-silted" these water bodies. Over the years, soil had accumulated in the tanks, which impacted the storage capacity of these tanks. Once removed, farmers applied this silt to their fields, which led to improved agricultural productivity.

These TMCs are responsible for organising regular meetings and making decisions regarding each tank's repair, maintenance, and water use

The programme, through co-funding also promotes the established 50 Prakritik Kendras (PKs) as a supplement to tank rejuvenation. Farmers can procure organic formulations from these PKs to use in their farms, reducing input expenses and increasing farm yields.

In its present phase, the programme supplements the most critical supply gaps by constructing water harvesting structures such as dohas and further strengthening the TMCs to mainstream them with local Gram Panchayats. This would help replicate and scale the model across the Bundelkhand region.



“

I have 6.5 bighas of farmlands and applied silt in 1 bigha during the tank de-siltation work. This increased my yield from 2-3 quintals to 6 quintals of Groundnut. I also plan to cultivate wheat in the Rabi season, giving me an additional income of ₹12,000.

”

Dashrath Yadav
Niwari, Madhya Pradesh

Community-led Watershed Development in Jalna District

Addressing Drought, Cultivation Challenges

The Vidarbha and Marathwada regions of Maharashtra face challenges with water security and intermittent droughts. This Central Maharashtra Plateau Zone region is drought-prone and receives an average annual rainfall of 650-700 mm. Frequent droughts, poor cultivation practices and improper land husbandry management are common challenges farmers face. The programme with Watershed Organisation and Trust (WOTR), covering three blocks of the Jalna district in Maharashtra, addressed these challenges.



Programme Partner:
Watershed Organisation
Trust (WOTR)

1,115

Farmers Benefitted

96.59

billion litres

Water Potential Created

9,626 tonnes

Additional Annual Yield and Biomass Produced

0.37 million

Person Days Generated



Image Credit: Watershed Organisation Trust (WOTR)

HUF's partnership with WOTR aimed to help farmers break out of a cycle of low water availability and low agricultural productivity. The programme adopted a participatory model – building on the role of village development committees. Each Gram Panchayat engaged a Vasundhara Sevak (a frontline cadre) to plan water infrastructure and improve water governance.

HUF's partnership with WOTR helps farmers break out of a cycle of low water availability and low agricultural productivity

The programme leveraged complementary strengths of the Government, private sector, NGO, and local communities to reduce regional water vulnerabilities. Through its focused intervention on land treatment, the project led to unlocking additional water harvesting potential, topsoil conservation, and increased agricultural productivity and sub-surface water. The programme also provided employment opportunities for the communities during droughts.

This approach of improving water accessibility and use, working with farmers on good crop choices and focus on restoring soil health can serve the entire Maharashtra Central Plateau region.



“

Community engagement and participation is critical for ensuring water security. WOTR works in collaboration with multiple stakeholders to bring about holistic, sustainable and scalable actions on the ground.

”

Harish Daware, WOTR
Pune, Maharashtra

Delivering Drinking Water Security in Surgana block, Nashik

Converging Community and Technology

In 2019, an article in the Times of India described the treacherous journey of the women in Nashik in search of water for their families. Despite sufficient annual rainfall, some villages in Nashik suffered due to the hilltop location of their village and poor groundwater recharge potential. This prompted HUF's Board to intervene and partner with BAIF to address this challenge.



Programme Partner: BAIF Development Research Foundation (BAIF)

~20 million litres

Water Potential Created

HUF partnered with BAIF Development Research Foundation and initiated a technical assessment of the terrain, soil, and water. The assessment concluded that the regional water challenge was due to the shallow soil depth and ballistic rock formation. Improving water access required a long-term, multi-pronged plan. Based on the ridge-to-valley approach, the study predicted ideal locations for water conservation structures to help water percolate into the soil and increase yield in water bodies. In addition, BAIF prepared a plan to repair existing water bodies.



Image Credit: BAIF Development Research Foundation (BAIF)

Along with reviving community structures, BAIF promoted rainwater harvesting at the community and individual levels. Galwad, Mahismal and Khandolsa have community rooftop rainwater harvesting tanks that allow one family to store ~ 5,000 litres of water and use it when everything else dries up.

Scientific and nature-based solutions play an important role in enhancing water availability and safeguarding freshwater ecosystems

Once operational, the Gram Panchayats took over the infrastructure and instated panipatti charges for managing these structures. Each resident pays Rs. 450 towards this, a fraction of what they used to spend on water tankers. Villages established water committees, with equitable representation of women (Anganwadi sevikas and Arogya sevikas, etc.). These water committees are responsible for water governance norms and ensuring no fights over distribution. The secret to the project's success lies in this sense of collaboration and ownership.

One of the big learnings from the programme is that scientific and nature-based solutions play an important role in enhancing water availability and safeguarding freshwater ecosystems. This could emerge as a model to be adopted in neighbouring places with parched areas or hilly terrain.



“

Wells and ponds that used to run dry by December now have water until June. This has set off demand for these solutions from nearby rural clusters in hilly terrains that face similar challenges. Pari bai is happy and relaxed. “Now I can walk to the tap in a couple of minutes any time of the day. It is like amrut (nectar) to me,” she says.

”

Pari Bai
Nashik, Maharashtra



Demand-side Programmes

Cultivating More with Less

Agriculture is India's largest freshwater consumer. HUF programmes work with farmers, especially small landholders, to help them better manage water use in agriculture.

These demand-side programmes aim to:

- (a) Improve irrigated water use application efficiency
- (b) Enhance yield with lower water consumption by using an improved variety of seeds
- (c) Increase water usage efficiency with intercropping - cultivating another crop alongside the main crop; and
- (d) Shift to relatively less water-consuming crops.

Programme Highlights

0.25 million+

Farmers Benefitted

423.82 billion litres

Water Potential Created

0.4 million tonnes+

Additional Annual Yield and Biomass Produced

7.43 million+

Person Days Generated

Focus stories



VIKSAT,
Gujarat



FES,
Odisha



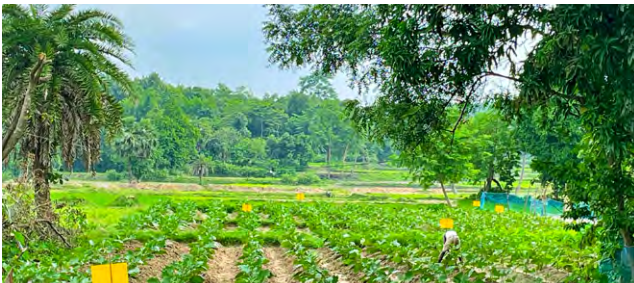
CIPT,
Punjab



Prabhat,
Maharashtra, Gujarat, Uttar Pradesh,
Madhya Pradesh, Puducherry,
Dadra and Nagar Haveli



PANI,
Uttar Pradesh



PRADAN ,
West Bengal



SSP,
Maharashtra



Villgro,
Chennai



Transforming Water Security and Farm Yields in Northern Gujarat

From Water Scarcity to Water Security

Tribal populations dominate the northern Gujarat districts of Banaskantha and Sabarkantha. Agriculture is the primary and only occupation for most of these rural households. Landholdings are small, and groundwater potential is limited. The community needs help resolving the huge water gap between availability and demand.



Programme Partner:
Vikram Sarabhai Centre
for Development
Interaction (VIKSAT)

10,767

Farmers Benefitted

9.33 billion litres

Water Potential Created

2,007 tonnes

Additional Annual Agriculture and Biomass Produced

98,095

Person Days Generated



Image Credit: Vikram Sarabhai Centre for Development Interaction (VIKSAT)

In 2019, VIKSAT and HUF partnered to address the water challenge in these tribal-dominated areas with small land holdings. The programme’s key focus was building “water literacy” as the foundation for collective action towards water security.

Every year, post-monsoons, women from the local community start with a water budgeting exercise, highlighting the water situation of their village through a water scorecard. Collective decisions on farming and crop choices are based on these water scorecards. VIKSAT also promotes improved agriculture practices through demonstration plots to enhance water use efficiency, leading to more crop per drop. Today, water budgets have been mainstreamed in these communities. More than 10,000 women farmers from 53 villages are driving the change towards optimum water use by adopting improved agricultural practices.

The programme’s key focus was building “water literacy” as the foundation for collective action towards water security

Now, the women run a Sabar Aart Farmer Enterprise Producer Company (SAFE) FPO, and the program has helped almost double annual returns for small landholders, from Rs.40,000 to Rs. 94,000 per acre. The programme has evolved as a scalable solution for tribal-dominated areas facing water scarcity.



“This is the first time we learned about crop water budgeting. Once we knew what it was, we started to conserve water by adopting soil moisture conservation work like building field bunds and check dams. We also changed the variety of wheat we used, irrigation at critical stages and the use of cow dung as manure. I have earned 2 Lakh from selling vegetable saplings through Hi-Tech nursery.

”
Dabhi Ramilaben Harishbhai
Banaskantha, Gujarat



Building Government Capacity to Drive Behaviour Change at Scale in Odisha

Breaking Silos, Driving Convergence

Most state government programmes have ambitious water security and livelihood goals. These goals are delivered through different departments that operate in silos. However, through consistent engagement, planning and participation of various departmental heads, and upskilling and capacity building of the large government field forces (Krishi Mitras and Gram Rojgar Sahayaks, etc.), it is possible to drive convergence and deliver successful programmes for the communities.



Programme Partner:
Foundation for Ecological
Security (FES)

96,251

Farmers Benefitted

140.57

billion litres

Water Potential Created

71,070 tonnes

Additional Annual Yield and Biomass Produced

1.38 million+

Person Days Generated



Image Credit: Foundation for Ecological Security (FES)

The HUF programme with Foundation for Ecological Security (FES) demonstrates a model for capability and capacity development of the state's field extension workers across the Agriculture, Rural Development and Panchayati Raj departments. This enhancement in capacity led to the creation of appropriate water conservation infrastructure in programme villages and districts. This helped large-scale farmer behaviour change regarding water usage in agriculture.

The programme spanned five districts of the state. The engagement with the Odisha Livelihoods Mission (OLM) focused on capacity building of the agri-based frontline cadres (*Krishi Mitras and Krushak Sathis*). With MGNREGS, the focus was on the capacity building of *Gram Rojgar Sahayaks* for planning and executing water conservation structures. By improving the frontline cadres' ability to plan and govern water usage, their effectiveness in facilitating climate-resilient livelihoods for farming communities enhanced considerably.

FES equipped the frontline workers with skills to engage with village communities, generate plans for water conservation structures and encourage farmers to adopt progressive agricultural practices

FES equipped the frontline workers with skills to engage with village communities, generate plans for water conservation structures and encourage farmers to adopt progressive agricultural practices. The interventions promoted sustainable agriculture practices relying on locally available resources (centred on soil, seed and water). The programme increased water usage productivity in the principal crops of the region and helped realise higher incomes. The programme also focussed on building water conservation assets through converging with MGNREGS to aid and support critical irrigation requirements for kharif and rabi crops.



“

I started using organic compositions and adopted the practices as advised by FES Master Trainer for last couple of years in my crop field. I am getting more production in paddy and vegetables with less investment.

”

Monalisa Pattnaik
Balangir, Odisha



Ensuring Long-Term Agriculture Viability in Punjab

Catalysing Sustainable Agriculture

Agriculture is critical to Punjab's economy and India's staple food production. Since the Green Revolution in the mid-1960s, agriculture in the state has transformed into rice-wheat monoculture. The average annual rainfall of the programme districts is in the range of 400 mm-600 mm. The canal coverage in the programme regions is ~25%. To meet the water requirement for paddy and wheat crops, farmers resort to groundwater extraction. This has resulted in severe depletion of groundwater levels.



Programme Partner:
Centres for International
Projects Trust (CIPT)

12,935

Farmers Benefitted

67.5 billion litres

Water Potential Created

12,299 tonnes

Additional Annual Yield and Biomass Produced

75,515

Person Days Generated



Image Credit: Centres for International Projects Trust (CIPT)

To overcome Punjab's unique situation, HUF partnered with CIPT in 2019. Farmers in Punjab depend on the extensive co-operative network within the state that is responsible for providing inputs, advisory and credit to farmers. CIPT engaged 76 co-operative societies across 205 villages in five programmes.

The programme reached over 20,000 farmers, and as many as 12,000 farmers with over 2 Lakh acres of land were supported through field training, demos, expert consultations, and the *Kheti App* (an android app to provide agricultural advisory and instantly address queries on core crops).

The programme reached over 20,000 farmers, and as many as 12,000 farmers with over 2 Lakh acres of land were supported through field training, demos, expert consultations, and the Kheti App

The programme's local community played a key role in engaging and supporting farmers throughout the year on improved practices such as varietal change (shift from long to short duration paddy cultivation), land levelling, Alternate Wetting and Drying (AWD), Direct Seeding of Rice (DSR) and deployment of IoT-based sensors to track water usage in paddy cultivation. The programme is also supported by experts from the Department of Agriculture and Farmer Welfare and Punjab Agriculture University in an advisory capacity.

In addition, promoting on farm (in-situ) and off farm (ex-situ) crop residue management practices helped reduce stubble burning and endorsed using stubble as a fuel. The programme has developed a feasible model towards addressing the efficiency of water use in agriculture for the entire state of Punjab and Haryana.



“

After receiving training from CIPT, I successfully practised Direct Seeding of Rice (DSR) on 4 acres of land which saved 15%- 20% of water and ₹3,000-₹3,500 in costs, without affecting production compared to transplanted rice. In the last Kharif season, I only sprayed those weedicides that were advised during CIPT camps, and the results were even better when I followed the recommended application technique. I have stopped burning paddy straw and use the super seeder to sow wheat.

”

Parambir Singh
Amritsar, Punjab



Water Conservation under Prabhat

Improving Access, Increasing Income

The water pillar of Prabhat works with reputed NGOs to deliver Water for Public Good in communities near HUL's key factory sites. Under this collaborative model, HUF designs the programme framework and helps identify the implementing NGOs, while HUL's supply chain team drives the programme on the ground and the Prabhat team anchors it.



Programme Partner:
Parmarth Samaj Sevi
Sansthan (PSSS)



Programme Partner:
Mysore Resettlement and
Development Agency
(MYRADA)

Programme Partner: BAIF
Development Research
Foundation (BAIF)

BAIF	MYRADA	PSSS
Factory sites		
Khamgaon, Silvassa, Gandhidham	Hosur, Puducherry	Chhindwara, Etah, Sumerpur
Outreach		
4,610 Farmers	2,061 Farmers	4,876 Farmers
Water Potential		
8.92 billion litres	23.01 billion litres	20.95 billion litres
Person Days Generated		
2,448,704 Days	125,398 Days	198,332 Days
Additional Agricultural production		
45,763 Tonnes	7,658.06 Tonnes	5,734.7 Tonnes



Image Credit: BAIF Development Research Foundation (BAIF)

The water conservation programmes at each site focus primarily on working with farming communities around factories to improve access to water, build storage infrastructure (wherever required), strengthen community-based management and governance of water, and encourage the adoption of water-efficient practices in agriculture.

Eight priority factory sites in India confirmed a partnership with the following entities:

BAIF Development Research Foundation (BAIF) <div>25</div> <div>No. of villages</div> <div>February 2019 – January 2023</div> <div>Factory sites: Khamgaon, Silvassa, Gandhidham</div>
Mysore Resettlement and Development Agency (MYRADA) <div>31</div> <div>No. of villages</div> <div>December 2021 – May 2023</div> <div>Factory sites: Hosur, Puducherry</div>
Parmarth Samaj Sevi Sansthan (PSSS) <div>36</div> <div>No. of villages</div> <div>September 2021 – May 2023</div> <div>Factory sites: Chhindwara, Etah, Sumerpur</div>

Each site has a unique groundwater and rainfall profile ranging from safe to critical. Almost all sites face water shortage (some for only a few days a year and some for a few months), and their prospect of water availability is acute. This has serious implications for soil conservation, agricultural production, and livelihoods. Prabhat’s water pillar also promotes mechanisms that efficiently use water in agriculture and allied activities and help cope with challenges due to climate change.

The projects are based on the strategy of conjunctive use of water conservation, efficient utilisation of water and increasing income/productivity from available water resources. The project interventions at each site are led by a local cadre of professionals with integrated skills in groundwater and agriculture to serve the needs of their respective villages.



“

I cultivate paddy for three seasons. But then I learned about Systematic Rice Intensification (SRI). Compared to traditional cultivation, in SRI, the input cost is low, plus the crop requires far less water, the weeding cost is low due to using cono weeder. The best part is all this led to additional yield of 4bags (75kg/bag) and more income for me and my family.

”

V. S. Arumugam
Puducherry



Driving Economically Rewarding Agriculture for Small Farmers in East UP

Catalysing Adoption of Sustainable Practices

Agriculture is becoming unviable for small and marginal farmers due to high input costs (including water), poor yields and low-price realisations. Small farmers in the Balrampur district believe higher farm inputs – water and fertilisers drive higher yields. Therefore, agriculture here has high input costs, low returns, and depleting resources (water and soil).



Programme Partner: People's Action for National Integration (PANI)

66,130

Farmers benefitted

131.21

billion litres

Water potential created

245,362 tonnes

Additional annual yield and biomass produced

815,259

Person days generated



Image Credit: People's Action for National Integration (PANI)

Balrampur is an aspirational district in East UP. HUF partnered with PANI to establish a sustainable and profitable agriculture model for small and marginal farmers of East UP. The programme has trained over 300 women from local villages as agri-water professionals. This all-women cadre supports farmers through a combination of initiatives, including video dissemination, on-farm crop demonstrations, access to improved inputs and measurement of outcomes (yield, costs and incomes). Each cadre adopts a collective of farmers (*Mahila Kisan Sanghs*) and connects them to local entrepreneur-run Farmer Resource Centres (FRCs) to access quality seeds and reliable bio-inputs.

The programme has trained over 300 women from local villages as agri-water professionals. This cadre has catalysed the adoption of sustainable water practices and economic growth in their villages

Launched in 2019, the programme covers 300 villages reaching 70,000 farmers across six blocks of Balrampur. As a result of the training and extensive mentoring, the cadre has catalysed the adoption of sustainable water practices and economic growth in their villages. The programme's current phase aims to scale up key drivers of behavioural change among farmers at the block level. This could emerge as a model of sustainable solutions for water-efficient and economically rewarding agriculture for the entire state of Uttar Pradesh.



“

“I feel proud to be known as a successful woman farmer. Difficult times have come, but I have learnt to stay strong. I am my own role model. To all women, I would stress the importance of grit and patience to bring about a change in their families and communities.”

”

Priya Sharma
Balrampur, UP



An Evergreen Agriculture Model in West Bengal

Restorative and Regenerative Agriculture

The Paschimanchal region of West Bengal has a unique topography and poor water infrastructure – less than 10% area is under irrigation. The region is inhabited by small tribal farmers who depend on their land for their livelihoods. Given the substantial work done in the area through the Usharmukti, Evergreen in the East aims to establish an alternative agricultural system that focuses on restorative and regenerative principles as the pathway for this region to address its poverty and food insecurity.



Programme Partner:
Professional Assistance
for Development
Action (PRADAN)

3,467
Farmers benefitted

6.01 billion litres
Water potential created

1,228 tonnes
Additional annual yield and biomass produced

1.7 million
Person days generated



Image Credit: Professional Assistance for Development Action (PRADAN)

HUF’s partnership with PRADAN is based in the Bankura district and covers two blocks. The programme activated a base of frontline workers (*Chasi Bandhus*) as the key interface for local farmers to promote improved agronomic practices at the farm level. They also advise farmers on suitable crop choices and sustainable water usage practices.

Given the low irrigation coverage in the region, the programme also supports farmers to drive convergence and leverage other departments to improve access to water at the farm level.

Given the low irrigation coverage in the region, the programme also supports farmers to drive convergence and leverage other departments to improve access to water at the farm level

West Bengal has a rich legacy of heirloom varieties of rice known for aromatic properties, nutrition value and climate hardiness. The programme encourages the adoption of these heirloom varieties across a larger area, promotes knowledge of improved practices among farmers, and builds market connections to transform the state’s paddy production into a model of sustainable agriculture.



“God himself helps those who dare”. Sarathi Mandi from Ramgarh of Bankura district lived up to this adage by going against inorganic practices in mustard cultivation and reaping a bountiful harvest. She is now applying her newfound knowledge to diversified crops including heirloom varieties of paddy.

Sarathi Mandi
Bankura, West Bengal

Marathwada District Transformation Model

Empowering Women to Drive Prosperity

Osmanabad is an aspirational district in southern Marathwada, known among Maharashtra's most drought-affected regions. The average annual rainfall is between 600-850 mm and an irregular pattern, securing farm produce is challenging for the local communities. The Centre and State have launched several schemes to address the region's water crisis. While fund deployment is adequate, utilisation is inadequate.



Programme Partner: Swayam Sikshan Prayog (SSP)

48,000*

Farmers benefitted

100*

Farm ponds supported

* New Programme, figures yet to be assured.



Image Credit: Swayam Sikshan Prayog (SSP)

HUF is partnering with SSP to implement a district-wide integrated 'Sustainable Water for Agriculture' model relevant for farmers in climate-risk and drought-prone regions. SSP will establish a 'sakhi cadre' of women village leaders to execute the model across the district of Osmanabad. The model rests on a three-pronged approach, focusing on:

1. **Kissan:** Expansion of a well-established vegetable farming model (1-Acre model) that helps farmers improve nutritional sufficiency, increase productivity and household incomes with a significantly reduced water footprint (30-40% compared to sugarcane/soya);
2. **Sarkaar:** Drive engagement with GPs by mobilising community demand to effectively allocate and utilise government funds for creating village-level water infrastructure;
3. **Bazaar:** Establish a replicable market model for local produce by activating 2 FPOs.

This integrated approach will prompt other farmers in the region to adopt the model and become a replicable solution for Maharashtra's drought-prone districts. The district transformation model is built on the philosophy that, if adequately equipped, women can transform their districts' water future and lead the path from deficiency to prosperity.

HUF is partnering with SSP to implement a district-wide integrated 'Sustainable Water for Agriculture' model relevant for farmers in climate-risk and drought-prone regions



“

With the right training and awareness, it is possible to change the farmer's life, even if it is a small percent. I have convinced 3200 farmers to start organic farming practices. I am also excited about working with our Gram Panchayat to access Government schemes around water. I can see a pathway to connect communities towards sustainable livelihood.

”

Priya Rakhunde
Osmanabad, Maharashtra

Innovative Solutions for Water Conservation and Efficient Use in Agriculture

Harnessing Technology

The evolution of AgTech space has led to innovative solutions for water conservation and sustainable use in agriculture. Market-based solutions can scale rapidly. HUF works with tech-savvy social entrepreneurs and its implementation partner network to test and adopt innovative solutions in the agriculture and water ecosystem.



Programme Partner: Villgro Innovations Foundation

7,366

Farmers Benefitted

416

Water Borewells Recharged

0.59 billion litres

Water Potential Created

45 tonnes

Additional Annual Yield and Biomass Produced



Image Credit: Villgro Innovations Foundation

HUF partnered with Villgro, India's leading social enterprise incubator, to identify and support social enterprises that can help solve India's water scarcity challenges. The programme screens and shortlists potential entrepreneurs in the agriculture-water value chain and provides incubation support in scaling up the most promising ideas.

Through this process, Villgro reviewed more 3,500+ start-ups and shortlisted 31 social entrepreneurs to present their pitches. Finally, Villgro and HUF selected 9 start-ups for incubation support, with engagement periods varying from 6-18 months.

Throughout this period, Villgro provided mentorship and technical assistance, while HUF provided access to field partners for the innovators to validate their solutions in the field, make adjustments to their solutions, assess market fit, and make solutions market ready for scale-up.

Villgro and HUF selected 9 start-ups for incubation support, with engagement periods varying from 6-18 months

For HUF, this was a learning experience to engage with 9 start-ups who were at different stages of their journey. HUF was also exposed to diverse domains such as water recharge, water flow management, farm advisory, soil moisture sensors and IoT, irrigation management, mechanised paddy transplantation, water budgeting and market linkages.



“

After using the sensors, I have reduced my weekly irrigation cycles. The crops are greener, stronger, and fungal attacks have lessened. We are also saving on insect spraying. In the other plot, where sensors are not set up, there is a visible difference in the quality and the quantity of yield. The overall convenience is unparalleled.

”

Sardar Balwant Singh
Sangrur, Punjab



Building Thought Leadership on Water

Collaborative Solutions for Water Conservation

HUF has partnered with mission-driven organisations since 2010. HUF programmes focus on water conservation and promotion of the efficient use of water in agriculture across India's most water-vulnerable regions. Given the range of water problems and solutions in India there is a clear need to:

- Consolidate and curate insights on solutions, methods, and tools that have served as powerful water solutions in different parts of the country.
- Amplify the insights and solutions at scale using appropriate communication methods and channels
- Build engagement and a collaborative dynamic amongst different stakeholders to learn from and of each other



Forum for Knowledge and Social Impact (FKSI)



Development Support Centres (DSC)



Advanced Centre for Water Resources Development and Management (ACWADAM)



Gujarat Water Solutions Study

HUF supported Development Support Centre (DSC) on a research-driven approach to build informed and scalable water security solutions for Gujarat based on the state's distinct regional water typologies. The study consulted knowledge institutions such as ACWADAM and INREM Foundation. The group was steered by a committee comprising eminent water management experts.

The study focussed on seven parameters:

- Rainfall
- Surface water
- Irrigation infrastructure
- Groundwater and its quality
- Soil type and its quality
- Agriculture
- Animal husbandry

Animal husbandryBased on these parameters, the study identifies clear regional clusters with similar characteristics and identifies high-impact solutions that work in that context.

DSC and its collaborating partners released a first-of-its-kind report providing a detailed assessment of the state's water security and solutions. The report provides key insights and recommendations on water conservation through access, use efficiency, and managed aquifer recharge.

The report was released in February 2023 through a consultative workshop involving civil society, academia, philanthropic institutions, and government representatives.



IDR Communications Partnership

HUF is keen to share the knowledge, learnings, and expertise gained since 2010 through its work across different regions and stakeholders. To do this effectively, HUF partnered with India Development Review (IDR), Asia's largest media platform for development.

HUF's Partnership with IDR Focuses on:

Designing, developing and distributing communications assets around water:

The learnings communicated are done through innovative approaches drawn from HUF and its partners to a wide range of stakeholders via IDR's website, social media channels, and HUF's digital presence;

Building the communications capacity of HUF's partners:

IDR will develop and conduct communications workshops to leverage different media channels and mainstream publications;

Drive dialogues around water among key stakeholders:

To help amplify the insights and solutions at scale using appropriate communication methods and channels. IDR will help support HUF evangelise and amplify a range of solutions to address the water challenges in India.



ACWADAM

HUF's partnership with ACWADAM provides technical support to implementation partners by building their capability on designing water security solutions that are appropriate for the region. ACWADAM supports the NGO partners who are implementing the programme around HUL and group's eight factory location: Chhindwara, Sumerpur, Etah, Khamgaon, Silvassa, Gandhidham, Hosur, and Pondicherry covered through three nodal implementation NGO partners, namely, Parmarth Samaj Sevi Sansthan (PSSS), BAIF Development Research Foundation (BAIF), and MYRADA.

The project's primary purpose is to develop science-based, community-driven groundwater augmentation and management and governance solutions around HUL's factory sites. This partnership builds capabilities of local communities, NGO partners, and factory teams for comprehensively mapping groundwater, implementing appropriate water conservation measures, and encouraging behavioural changes regarding water usage amongst farming communities.

The project builds an integrated approach to water security that could be replicated for companies with a manufacturing footprint in India.

Conclusion

Together for a Better Tomorrow

HUF has gained and demonstrated valuable insights into tackling complex water challenges and driving meaningful impact in India. Its focus on leveraging government programmes, supporting women in pivotal roles, and building a national network of practitioners and domain specialists, has transformed millions of lives. HUF recognises that partnerships with various stakeholders will be crucial to achieve its goals and reap positive changes.



Future Outlook

Based on insights from past programmes, HUF aims to focus on the following key pivotal spaces over the next 3-5 years through various programmes and partnerships:



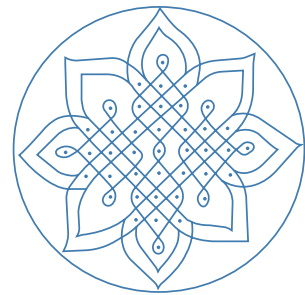
Leverage Government Programmes

Partner with flagship government programmes on water conservation and farmer schemes through decision support tools and capacity building of government field staff and functionaries.



Women for Water

Support women in pivotal roles such as frontline professionals, entrepreneurs, and farmers' leaders – they are most affected by water challenges and least represented in solutions or policy initiatives.



National Paddy Network

Build a nationwide network of practitioners, funders, and domain specialists like agronomists to scale up solutions to reduce paddy's water footprint by half (paddy is a major contributor to India's water usage).



Image Credit: People's Action for National Integration (PANI)

"It Will Take More Than Just Us"

India's water challenges are complex. Helping communities solve their challenges at scale will require partnerships with the government, funders, industry bodies, academia, and citizen forums. HUF is committed to building these partnerships with a shared sense of purpose. Timely, concerted, and decisive action could turn the tide for the better.



Report of Board of Directors

To the Members,

Your Directors are pleased to present the 13th Annual Report of the Company along with Audited financial statements for the financial year ended 31st March, 2023.

FINANCIAL RESULTS

	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Total Income	3,268.10	1,414.65
Less: Total Expenditure	3,308.90	1,737.17
(Shortfall) / Excess of Income over Expenditure	(40.80)	(322.52)

(₹ in lakhs)

OPERATIONAL REVIEW

The Company is a not-for-profit Company that anchors water management related community development and sustainability initiatives of Hindustan Unilever Limited (HUL).

The Company operates the 'Water for Public Good' programme, with a specific focus on water conservation, building local community institutions to govern water resources and enhancing farm-based livelihoods through adoption of judicious water practices. The Company supports and amplifies scalable solutions that can help address water challenges and help communities in the hinterland to find solutions to safeguard water resources.

Till now, the Company's programmes have reached 14,000 villages* in 13 states and 2 union territories across India in partnership through NGO partners and multiple co-funders. The Company also supports several knowledge initiatives in water conservation, governance and behaviour change.

By the end of financial year 2021-22, the cumulative and collective achievements through partnered programmes of the Company (independently assured) include:

- **Water Conservation:** Over 2.6 trillion litres of water potential created.
- **Crop Yield:** Additional agriculture production of over 1.7 million tonnes has been generated.
- **Livelihoods:** Over 110 million person-days of employment have been created through water conservation and increased agriculture production*.

TRANSFER TO RESERVES

The Company has not transferred any amount to General Reserve.

REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

During the year under review, the Company did not have any subsidiary or associate or joint venture company.

THE BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The composition of the Board of the Company is in line with the applicable provisions of Companies Act, 2013 (the Act).

During the year, Ms. Prabha Narasimhan, Director of the Company, has resigned with effect from 30th April, 2022. The Board placed on record, its sincere appreciation for the services rendered by Ms. Prabha Narasimhan during her tenure as a Director of the Company.

During the year, Mr. Deepak Subramanian was appointed as an Additional Director on the Board of the Company with effect from 15th July, 2022 to hold office up to the forthcoming Annual General Meeting (AGM) of the Company. Being eligible, Mr. Deepak Subramanian has offered his candidature for appointment as a Director of the Company.

The Board recommended the appointment of Mr. Deepak Subramanian as a Director of the Company and the resolution proposing aforesaid appointment pursuant to Section 152 of the Act forms part of the Notice of AGM.

During the year, Ms. Reshma Anand, resigned from the office of the Chief Executive Officer (CEO) of the Company with effect from 22nd August, 2022. The Board placed on record, its sincere appreciation for the services rendered by Ms. Reshma Anand during her tenure as the CEO of the Company.

Mr. Shraman Jha was appointed as the CEO of the Company, in succession of Ms. Reshma Anand with effect from 11th October, 2022. Mr. Shraman Jha has accorded his consent to act as a CEO of the Company and is qualified and eligible to be appointed as a CEO in accordance with the provisions of the Act.

Except as mentioned above, there was no change in the Board of Directors and Key Managerial Personnel of the Company during the financial year under review.

* The significant reach and livelihood impact are on account of the Company's support to MGNREGS programme partnership in West Bengal with PRADAN, a reputed non-profit organisation. This programme reaches out to over 7,000 villages across 53 blocks in 6 districts.

In accordance with the provisions of the Act, one-third of the Directors of the Company are liable to retire by rotation at every AGM and accordingly, Mr. Ritesh Tiwari shall retire by rotation at the forthcoming AGM and being eligible, offers his candidature for re-appointment.

BOARD MEETINGS

The Board of Directors meet at regular intervals to discuss and decide on Company's operation, business policies or projects to be undertaken and strategy apart from other Board business. The Board Meetings are pre-scheduled and a tentative calendar of each of the Board Meeting is circulated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolution by circulation, as permitted by law, which is noted and confirmed at the subsequent Board Meeting.

The Notice of Board Meeting is given well in advance to all the Directors. Usually, meetings of the Board are held in Mumbai. The Agenda is circulated a week prior to the date of meeting. However, during certain circumstances Agenda is circulated on a shorter notice with due consent of the Directors. The Agenda for the Board Meetings include detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

During the financial year ended 31st March, 2023, four Board Meetings were held on 22nd April, 2022, 15th July, 2022, 10th October, 2022 and 13th January, 2023. The interval between any two meetings was well within the maximum allowed gap of 120 days.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the expenditure of the Company for that period;
- they have taken proper and sufficient care for the 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 fraud and other irregularities;

- they have prepared the annual accounts on a going concern basis; and
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

PERSONNEL

Disclosure with respect to remuneration of employee as per Section 197 of the Act and Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31st March, 2023 is appended as an Annexure to this Annual Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

There have been no loans or guarantees made by the Company in accordance with the provisions of Section 186 of the Act during the financial year under review.

RELATED PARTY TRANSACTIONS

During the year, the Company received donations from related parties for the purpose of Corporate Social Responsibility activities and the same were appropriated accordingly.

DEPOSITS

The Company has not accepted any public deposits under Chapter V of the Act during the financial year under review.

ANNUAL RETURN

Pursuant to provisions of Section 92(3), 134(3)(a) of the Act read with the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the website of the Company at www.huf.co.in. Further a copy of Annual Return shall be filed with the Registrar of Companies.

DECLARATIONS AND CONFIRMATIONS

The Company has adequate internal financial control system in place with reference to the financial statements which operates effectively. According to the Board of Directors of the Company, elements of risks that threaten the existence of the Company are very minimal. Hence, no separate Risk Management Policy is formulated.

There were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.



Report of Board of Directors

The Company is not required to maintain cost records as specified by the Central Government under Section 148(1) of the Act.

The Company had less than 10 employees during the year under review and hence, provisions relating to the constitution of Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are not applicable to the Company.

There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of the Report.

The provisions of Secretarial Standard – 1 and Secretarial Standard – 2 relating to ‘Meetings of the Board of Directors’ and ‘General Meetings’, respectively issued by The Institute of Company Secretaries of India are not applicable to the Company. However, the Company has complied with the applicable provisions of the Act relating to the Board Meetings and General Meetings.

AUDITORS

M/s. B S R & Co. LLP, Chartered Accountants (Firm’s Registration No.: 101248W/W-100022) were re-appointed as Statutory Auditors of the Company for a second term of five (5) consecutive years at the AGM held on 28th June, 2019.

The report given by the Statutory Auditors on the financial statements of the Company forms part of this Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Statutory Auditors in their report.

There were no incidences of reporting of frauds by Statutory Auditors of the Company under Section 143(12) of the Act read with Companies (Accounts) Rules, 2014.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

The requirements under Section 134(3)(m) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014 in so far as energy conservation, technology absorption and foreign exchange are concerned, are not applicable to the Company.

ENVIRONMENT, SAFETY, HEALTH AND QUALITY

The Company is committed to excellence in safety, health, environment and quality management. It accords the highest priority to the health and safety of its employees and other stakeholders as well as protection of environment. The management of the Company is strongly focused on continuous improvement in these areas which are fundamental to the sustainable growth of the Company.

DETAILS OF PROCEEDINGS PENDING OR APPLICATION MADE UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016

No application was filed for Corporate Insolvency Resolution Process, by a financial or operational creditor or by the Company itself under the Insolvency and Bankruptcy Code, 2016 before the National Company Law Tribunal.

DETAILS OF DIFFERENCE BETWEEN VALUATION DONE AT THE TIME OF TAKING LOAN FROM BANK AND AT THE TIME OF ONE TIME SETTLEMENT ALONGWITH REASONS

There was no instance of one time settlement with any Bank or Financial Institution.

ACKNOWLEDGEMENT

The Directors take this opportunity to thank all the stakeholders for their support and co-operation.

On behalf of the Board

Sanjiv Mehta

Director

DIN: 06699923

Dev Bajpai

Director

DIN: 00050516

Mumbai, 24th April, 2023

Annexure to the Report of Board of Directors

Statement of Disclosure of remuneration under Section 197 of the Act and Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name	Age	Qualification	Date of employment	Designation / Nature of duties	Remuneration received		Experience (In years)	Last employment
					Gross (₹)	Net (₹)		
Shraman Jha*	52	MBA, IIM Calcutta	08.09.2022	Chief Executive Officer	72,69,860	47,86,877	29	WWF-India

*employed only for part of the year

- Gross Remuneration includes salary, allowances, commission, performance linked variable pay disbursed, taxable value of perquisites and Company's contribution to provident fund. Net Remuneration includes Gross Remuneration less income tax, profession tax and employees contribution to provident fund.
- Remuneration excludes provision for / contributions to pension, gratuity and leave encashment, special awards, payments made in respect of earlier years including those pursuant to settlements during the year, payments made under voluntary retirement schemes and stock options granted. However, contributions to pension in respect of employees who have opted for contribution defined scheme has been included.
- Nature of employment is permanent for employees.
- Other terms and conditions as per Company's Rules.
- Employee is not related to any Director of the Company.
- None of the employees is covered under Rule 5(3)(viii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Section 197 of the Act.

On behalf of the Board

Sanjiv Mehta

Director

DIN: 06699923

Dev Bajpai

Director

DIN: 00050516

Mumbai, 24th April, 2023



Independent Auditor's Report

To the Members of Hindustan Unilever Foundation

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Hindustan Unilever Foundation (the "Company") which comprise the balance sheet as at 31st March, 2023, and the statement of income and expenditure (including other comprehensive income), statement of changes in equity and statement of cash flows 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 ("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 31st March, 2023, and its shortfall of income over expenditure and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) 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 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 opinion on the financial statements.

Other Information

The Company's Management and Board of Directors are 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 auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and 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 state of affairs, excess/shortfall of income over expenditure and other comprehensive income, changes in equity and cash flows 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. 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 judgements 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, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is 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 judgement 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 the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements 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 include a statement on the matters specified on 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 in our opinion and according to the information and explanations given to us, the said Order is not applicable to the Company.

2A. 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 income and expenditure (including other comprehensive income), the 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 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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".

B. 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, in our opinion and to the best of our information and according to the explanations given to us:

- (a) The Company does not have any pending litigations which would impact its financial position.
- (b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (d) (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 26 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever



Independent Auditor's Report

by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 26 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- (e) The Company has neither declared nor paid any dividend during the year.

- (f) As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1st April, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

According to the information and explanations given to us and based on our examination of the records, there is no remuneration paid to the directors during the current year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

Aniruddha Godbole

Partner

Membership No.: 105149

ICAI UDIN: 23105149BGYFQU7331

Mumbai
24th April, 2023

Annexure A

to the Independent Auditor's Report on the financial statements of Hindustan Unilever Foundation for the year ended 31st March, 2023

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Hindustan Unilever Foundation ("the Company") as of 31st March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31st March, 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note 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 were 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 with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls 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 controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to 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 controls 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.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Aniruddha Godbole
Partner

Mumbai
24th April, 2023

Membership No.: 105149
ICAI UDIN: 23105149BGYFQU7331



Balance Sheet

as at 31st March, 2023

(All amounts in ₹ lakhs unless otherwise stated)

Particulars	Note	As at 31st March, 2023	As at 31st March, 2022
ASSETS			
Non-Current Assets			
Property, plant and equipment	3	-	-
Non-Current tax assets	4	1.97	1.08
TOTAL NON-CURRENT ASSETS (A)		1.97	1.08
Current Assets			
Financial Assets			
Cash and cash equivalents	5	148.96	198.43
Other Current Assets	6	0.94	-
TOTAL CURRENT ASSETS (B)		149.90	198.43
TOTAL ASSETS ((A)+(B))		151.87	199.51
EQUITY AND LIABILITIES			
Equity			
Equity share capital	7A	1.00	1.00
Other equity	7B	123.39	164.19
TOTAL EQUITY (A)		124.39	165.19
Liabilities			
Current Liabilities			
Financial Liabilities			
Trade payables	8		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		2.63	11.15
Other financial liabilities	9	-	1.20
Other current liabilities	10	24.85	21.97
TOTAL CURRENT LIABILITIES (B)		27.48	34.32
TOTAL EQUITY & LIABILITIES (A)+(B)		151.87	199.51
Basis of preparation, measurement and significant accounting policies	2		

The accompanying notes 1 to 27 are an integral part of these financial statements.

As per our report of even date attached
For **BSR & Co. LLP**
Firm's Registration No. 101248W/W-100022
Chartered Accountants

For and on behalf of Board of Directors of Hindustan Unilever Foundation
CIN: U93090MH2010NPL201468

Aniruddha Godbole
Partner
Membership No. 105149
Mumbai: 24th April, 2023

Sanjiv Mehta
Director
[DIN: 06699923]
Mumbai: 24th April, 2023

Ritesh Tiwari
Director
[DIN: 05349994]
Mumbai: 24th April, 2023

Statement of Income and Expenditure

for the year ended 31st March, 2023

(All amounts in ₹ lakhs unless otherwise stated)

Particulars	Note	Year ended 31st March, 2023	Year ended 31st March, 2022
INCOME			
Donations Received	11	3,259.20	1,403.89
Other Income	12	8.90	10.76
Total Income		3,268.10	1,414.65
EXPENDITURE			
Donations paid	13	2,808.37	1,341.39
Employee benefits expense	14	365.71	325.14
Depreciation expense	3	-	-
Other expenses	15	134.82	70.64
Total Expenses		3,308.90	1,737.17
Shortfall of Income over Expenditure (A)		(40.80)	(322.52)
Other Comprehensive Income for the Year (B)		-	-
Total Comprehensive Loss for the Year (A+B)		(40.80)	(322.52)
Earnings per equity share			
Basic and diluted (Face value of ₹10 each)	19	(408.00)	(3,225.19)
Basis of preparation, measurement and significant accounting policies	2		

The accompanying notes 1 to 27 are an integral part of these financial statements.

As per our report of even date attached
For **B S R & Co. LLP**
Firm's Registration No. 101248W/W-100022
Chartered Accountants

For and on behalf of Board of Directors of Hindustan Unilever Foundation
CIN: U93090MH2010NPL201468

Aniruddha Godbole
Partner
Membership No. 105149
Mumbai: 24th April, 2023

Sanjiv Mehta
Director
[DIN: 06699923]
Mumbai: 24th April, 2023

Ritesh Tiwari
Director
[DIN: 05349994]
Mumbai: 24th April, 2023



Statement of Changes in Equity

for the year ended 31st March, 2023

(All amounts in ₹ lakhs unless otherwise stated)

A. EQUITY SHARE CAPITAL

	Note	As at 31st March, 2023	As at 31st March, 2022
Balance as at the beginning of the year	7A	1.00	1.00
Changes in equity share capital due to prior period errors		-	-
Restated Balance as at the beginning of the year	7A	1.00	1.00
Changes in equity share capital during the year		-	-
Balance as at the end of the year	7A	1.00	1.00

B. OTHER EQUITY

	Note	Retained Earnings	Total
As at 31st March, 2021		486.71	486.71
Changes due to prior period error		-	-
Restated balance as at 1st April, 2021	7B	486.71	486.71
Shortfall of income over expenditure for the year		(322.52)	(322.52)
As at 31st March, 2022		164.19	164.19
Changes due to prior period error		-	-
Restated balance as at 1st April, 2022	7B	164.19	164.19
Shortfall of income over expenditure for the year		(40.80)	(40.80)
As at 31st March, 2023	7B	123.39	123.39

Refer Note 7B for nature and purpose of reserve

The accompanying notes 1 to 27 are an integral part of these financial statements.

As per our report of even date attached
For **BSR & Co. LLP**
Firm's Registration No. 101248W/W-100022
Chartered Accountants

For and on behalf of Board of Directors of Hindustan Unilever Foundation
CIN: U93090MH2010NPL201468

Aniruddha Godbole

Partner
Membership No. 105149
Mumbai: 24th April, 2023

Sanjiv Mehta

Director
[DIN: 06699923]
Mumbai: 24th April, 2023

Ritesh Tiwari

Director
[DIN: 05349994]
Mumbai: 24th April, 2023

Statement of Cash Flows

for the year ended 31st March, 2023

(All amounts in ₹ lakhs unless otherwise stated)

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
A CASH FLOWS FROM OPERATING ACTIVITIES:		
Shortfall of income over expenditure	(40.80)	(322.52)
Adjustments for:		
Interest Income	(8.90)	(10.76)
Cash used in operations before working capital charges	(49.70)	(333.28)
Changes in working capital:		
(Increase) in other current assets	(0.94)	-
(Decrease)/increase in trade payables	(8.52)	2.29
Increase in other current liabilities	2.88	14.02
(Decrease)/increase in other financial liabilities	(1.20)	1.20
Cash used in operations	(57.48)	(315.77)
Income tax paid	(0.89)	(1.08)
Net cash flows used in Operating activities - [A]	(58.37)	(316.85)
B CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest received	8.90	10.76
Net cash flows generated from Investing activities - [B]	8.90	10.76
C CASH FLOWS FROM FINANCING ACTIVITIES:		
Net cash flows generated from/(used in) Financing Activities - [C]	-	-
Net (decrease) in Cash and Cash equivalents - [A+B+C]	(49.47)	(306.09)
Add: Cash and cash equivalents at the beginning of the year	198.43	504.52
Cash and cash equivalents at the end of the year (Refer note 5)	148.96	198.43

Note: The above Statement of Cash Flows has been prepared under the indirect method as set out in the Ind AS 7, 'Statement of Cash Flows'.

The accompanying notes 1 to 27 are an integral part of these financial statements.

As per our report of even date attached
For **B S R & Co. LLP**
Firm's Registration No. 101248W/W-100022
Chartered Accountants

For and on behalf of Board of Directors of Hindustan Unilever Foundation
CIN: U93090MH2010NPL201468

Aniruddha Godbole
Partner
Membership No. 105149
Mumbai: 24th April, 2023

Sanjiv Mehta
Director
[DIN: 06699923]
Mumbai: 24th April, 2023

Ritesh Tiwari
Director
[DIN: 05349994]
Mumbai: 24th April, 2023



Notes

to the financial statements for the year ended 31st March, 2023

(All amounts in ₹ lakhs unless otherwise stated)

1) COMPANY INFORMATION

Hindustan Unilever Foundation (the "Company") is established to pursue the main objects - viz., to promote and implement the Social Responsibility Agenda - to work in the area of social, economic and environmental issues such as women empowerment, water harvesting, health and hygiene awareness, conservation and management of environment and natural resources in India, and enable the less privileged segments of the society to improve their livelihood by enhancing their means and capabilities to meet the emerging opportunities. The Company has been incorporated on 30th March, 2010 as a private Company and has been granted a license under Section 25 of the erstwhile Companies Act, 1956 (Section 8 of the Companies Act, 2013) by Government of India, vide its letter No. Reg. Dir / 68/ S.25(1)/ STA/ 9/ 09/ 10764 dated 26th February, 2010. The Company is registered under Section 12AA of the Income Tax Act, 1961 vide Registration no. 43786 granted w.e.f. 1st April, 2010 vide letter dated 21st January, 2011. The Company is also registered for exemption under Section 80G of the Income Tax Act, 1961 vide Registration no. DIT(P)/MC/80G/1059/2011-12 letter dated 25th July, 2011 with effect from 8th February 2011.

2) BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation and Measurement

(a) Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs (MCA) pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle, paragraph 66 and 69 of Ind AS 1 and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013.

An asset is treated as current when it is:

- (a) Expected to be realised or intended to be sold or consumed in normal operating cycle;
- (b) Held primarily for the purpose of trading;
- (c) Expected to be realised within twelve months after the reporting period; or
- (d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- (a) It is expected to be settled in normal operating cycle;
- (b) It is held primarily for the purpose of trading;

- (c) It is due to be settled within twelve months after the reporting period; or
- (d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

The financial statements are presented in Indian Rupee (₹), the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

The Company has decided to round off the figures to the nearest lakhs. Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0.00" in the relevant notes to these financial statements.

The financial statements of the Company for the year ended 31st March, 2023 were approved for issue in accordance with the resolution of the Board of Directors on 24th April, 2023.

(b) Basis of measurement

These financial statements are prepared under the historical cost convention except for certain class of financial assets/ liabilities that are measured at fair value.

The accounting policies adopted are the same as those which were applied for the previous financial year.

2.2 New Standards, Interpretations and Amendments Adopted by the Company

Ministry of Corporate Affairs (MCA), vide notification dated 31st March, 2023, has made the following amendments to Ind AS which are effective 1st April, 2023:

- (a) Amendments to Ind AS 1, Presentation of Financial Statements where the companies are now required to disclose material accounting policies rather than their significant accounting policies.
- (b) Amendments to Ind AS 8, Accounting policies, Changes in Accounting Estimates and Errors where the definition of 'change in account estimate' has been replaced by revised definition of 'accounting estimate'.
- (c) Amendments to Ind AS 12, Income Taxes where the scope of Initial Recognition Exemption (IRE) has been narrowed down.

Based on preliminary assessment, the Company does not expect these amendments to have any significant impact on its financial statements.

2.3 Significant Accounting Policies

The significant accounting policies used in preparation of the financial statements have been included in the relevant notes to the Financial Statements.

(All amounts in ₹ lakhs unless otherwise stated)

3) PROPERTY, PLANT & EQUIPMENT

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Income and Expenditure during the year in which they are incurred.

Gains or losses arising on retirement or disposal of assets are recognised in the Statement of Income and Expenditure.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation is calculated on pro rata basis on straight-line method based on estimated useful life prescribed under Schedule II of the Companies Act, 2013. The useful life is as follows:

Asset	Useful life
Office equipment	5-10 years

	As at 31st March, 2023	As at 31st March, 2022
Office equipment		
Gross Block		
- Balance as at the beginning of the year	3.44	3.44
- Additions	-	-
- Disposals	-	-
- Balance as at the end of the year	3.44	3.44
Accumulated Depreciation		
- Balance as at the beginning of the year	(3.44)	(3.44)
- Additions	-	-
- Disposals	-	-
- Balance as at the end of the year	(3.44)	(3.44)
Net Block	-	-

The Company has not revalued any of its property, plant and equipment.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

4) NON-CURRENT TAX ASSETS

Current tax is the expected tax payable/receivable on the taxable income/loss for the year using applicable tax rates for the relevant period, and any adjustment to taxes in respect of previous years.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on net basis.

Interest received on income tax refunds is recognised as other income.

The Company is exempt from Income Tax under Section 12AA of the Income Tax Act, 1961 and hence no provision for taxation is required for current year tax expense. As, the Company is exempt from Income Tax, no deferred tax (asset or liability) is recognised in respect of timing differences.

	As at 31st March, 2023	As at 31st March, 2022
Non-Current Tax Assets (TDS Receivable)	1.97	1.08
	1.97	1.08



Notes

to the financial statements for the year ended 31st March, 2023

(All amounts in ₹ lakhs unless otherwise stated)

5) CASH AND CASH EQUIVALENTS

Cash and cash equivalents are cash, balances with bank and short-term (three months or less from the date of placement), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

	As at 31st March, 2023	As at 31st March, 2022
Balances with banks		
In current accounts	148.96	198.43
	148.96	198.43

6) OTHER CURRENT ASSETS

	As at 31st March, 2023	As at 31st March, 2022
Other advances (includes prepaid expenses, advance to suppliers, etc.)	0.94	-
	0.94	-

7A) EQUITY SHARE CAPITAL

	As at 31st March, 2023	As at 31st March, 2022
Authorised		
500,000 (31st March, 2022: 500,000) equity shares of ₹10 each	50.00	50.00
Issued, subscribed and fully paid up		
10,000 (31st March, 2022: 10,000) equity shares of ₹10 each fully paid	1.00	1.00
	1.00	1.00

a) Reconciliation of the number of shares

	As at 31st March, 2023		As at 31st March, 2022	
	Number of shares	Amount	Number of shares	Amount
Equity Shares:				
Balance as at the beginning of the year	10,000	1.00	10,000	1.00
Add: Issued during the year	-	-	-	-
Balance as at the end of the year	10,000	1.00	10,000	1.00

b) Rights, preferences and restrictions attached to shares

Equity Shares: The Company has only one class of equity shares having a par value of ₹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 some other institution(s) having object 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.

c) Shares held by Holding Company and Subsidiary of Holding Company in aggregate

	As at 31st March, 2023	As at 31st March, 2022
Equity Shares of ₹10 held by:		
7,600 (31st March, 2022: 7,600) shares are held by Hindustan Unilever Limited, the Holding Company	0.76	0.76
2,400 (31st March, 2022: 2,400) shares are held by Unilever India Exports Limited, Subsidiary of Holding Company	0.24	0.24

(All amounts in ₹ lakhs unless otherwise stated)

d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at 31st March, 2023	As at 31st March, 2022
Number of shares of ₹10 each held by:		
Hindustan Unilever Limited, the Holding Company	7,600	7,600
% of Holding	76%	76%
Unilever India Exports Limited, Subsidiary of the Holding Company	2,400	2,400
% of Holding	24%	24%

e) Details of shareholdings by the Promoter's of the Company

Sr. No.	Promoter Name	As at 31st March, 2023		As at 31st March, 2022		% change during the year
		Number of shares	% of Total shares	Number of shares	% of Total shares	
1	Hindustan Unilever Limited	7,600	76%	7,600	76%	-
2	Unilever India Exports Limited	2,400	24%	2,400	24%	-
TOTAL		10,000	100%	10,000	100%	-

Sr. No.	Promoter Name	As at 31st March, 2022		As at 31st March, 2021		% change during the year
		Number of shares	% of Total shares	Number of shares	% of Total shares	
1	Hindustan Unilever Limited	7,600	76%	7,600	76%	-
2	Unilever India Exports Limited	2,400	24%	2,400	24%	-
TOTAL		10,000	100%	10,000	100%	-

7B) OTHER EQUITY

a) Summary of Other Equity Balance:

	Retained Earnings
Opening balance as at 1st April, 2021	486.71
Shortfall of income over expenditure for the year	(322.52)
Opening balance as at 1st April, 2022	164.19
Shortfall of income over expenditure for the year	(40.80)
As at 31st March, 2023	123.39

b) Nature and purpose of reserves:

Retained earnings: Retained earnings are the excess/(shortage) of income over expenditure that the Company has received till date.

	As at 31st March, 2023	As at 31st March, 2022
Balance at the beginning of the year	164.19	486.71
Add: Shortfall of income over expenditure for the year	(40.80)	(322.52)
Balance at the beginning of the year	123.39	164.19

8) TRADE PAYABLES

Refer Note 22 for accounting policy on Trade payables

	As at 31st March, 2023	As at 31st March, 2022
Total outstanding dues of Micro Enterprises and Small Enterprises (as per the intimation received from vendors)	-	-
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	2.63	11.15
	2.63	11.15



Notes

to the financial statements for the year ended 31st March, 2023

(All amounts in ₹ lakhs unless otherwise stated)

Disclosure as required by Micro, Small and Medium Enterprises Development Act, 2006

	As at 31st March, 2023	As at 31st March, 2022
a) (i) Principal amount remaining unpaid	-	-
a) (ii) Interest due thereon remaining unpaid	-	-
b) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
d) Interest accrued and remaining unpaid	-	-
e) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

Ageing for trade payables from the due date of payment for each of the category as at 31st March, 2023 is as follows:

		Outstanding for following periods from due date of payment				
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Undisputed dues of creditors other than micro enterprises and small enterprises	2.55	0.08	-	-	-	2.63
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
TOTAL	2.55	0.08	-	-	-	2.63

Ageing for trade payables from the due date of payment for each of the category as at 31st March, 2022 is as follows:

		Outstanding for following periods from due date of payment				
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Undisputed dues of creditors other than micro enterprises and small enterprises	11.15	-	-	-	-	11.15
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
TOTAL	11.15	-	-	-	-	11.15

9) OTHER FINANCIAL LIABILITIES

	As at 31st March, 2023	As at 31st March, 2022
Salaries and Bonus Payable	-	1.20
	-	1.20

10) OTHER CURRENT LIABILITIES

	As at 31st March, 2023	As at 31st March, 2022
Statutory dues (including provident fund, Tax Deducted at Source and others)	24.85	21.97
	24.85	21.97

(All amounts in ₹ lakhs unless otherwise stated)

11) DONATIONS RECEIVED

Donations are recognised as income in the Statement of Income and Expenditure in the year in which the collections are actually received. Donation is received and applied for objects as mentioned in Memorandum of Association of the Company.

	Year ended 31st March, 2023	Year ended 31st March, 2022
Donation Received (Refer Note 16)	3,259.20	1,403.89
	3,259.20	1,403.89

12) OTHER INCOME

Interest income is recognised using the effective interest rate (EIR) method.

Interest on Investments is recognised on a time proportion basis taking into account the amounts invested and the rate of interest.

	Year ended 31st March, 2023	Year ended 31st March, 2022
Interest Income		
On bank deposits	8.90	10.76
	8.90	10.76

13) DONATIONS PAID

Donation paid is accounted upon disbursement.

	Year ended 31st March, 2023	Year ended 31st March, 2022
Donations Paid	2,808.37	1,341.39
	2,808.37	1,341.39

14) EMPLOYEE BENEFIT EXPENSE

Short-term Employee Benefits

Short-term employee benefits including salaries and performance incentives, are charged to Statement of Income and Expenditure on an undiscounted, accrual basis during the period of employment.

Defined contribution plans

Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund, superannuation scheme, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution, in respect of certain employees, is made to a Government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

Defined benefit plans

In respect of certain employees, provident fund contributions are made to a trust administered by the Holding Company. The interest rate payable to the members of the trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall, if any, shall be made good by the Holding Company. The liability in respect of the shortfall of interest earnings of the Fund is determined on the basis of an actuarial valuation.

The Company also provides for retirement/post-retirement benefits in the form of gratuity, compensated absences (in respect of certain employees) and long-term service awards. The Company's Gratuity Fund Scheme is considered as defined benefit plans and the gratuity fund assets are being controlled by separate independent trust for entire Hindustan Unilever Limited and its subsidiaries including Hindustan Unilever Foundation. The group's liability is determined on the basis of an actuarial valuation using the projected unit credit method as at Balance Sheet date, made by independent actuaries.



Notes

to the financial statements for the year ended 31st March, 2023

(All amounts in ₹ lakhs unless otherwise stated)

As per Ind AS 19 Employee Benefits, in respect of group plans that share risks between various enterprises under common control, the net defined benefit cost is recognised in the separate financial statements of the group enterprise that is legally the sponsoring employer for the plan. Hence, the gratuity plan assets, liabilities towards gratuity, leave encashment and long term service awards are recognised in the books of the holding company for the group. Actuarial gains and losses in respect of the defined benefit plans are recognised in the Statement of Profit and Loss of the parent company in the year in which they arise.

	Year ended 31st March, 2023	Year ended 31st March, 2022
Salaries and bonus	347.46	310.53
Contribution to provident fund and other funds (Refer Note 18)	18.25	14.61
	365.71	325.14

15) OTHER EXPENSES

	Year ended 31st March, 2023	Year ended 31st March, 2022
Travelling expenses	34.03	4.69
Payment to auditors		
- Statutory audit fees	1.10	1.50
Professional Fees	78.45	59.94
Miscellaneous expenses	21.24	4.51
	134.82	70.64

16) RELATED PARTY DISCLOSURES

A Enterprises exercising control

Ultimate Holding Company: Unilever PLC

Holding Company: Hindustan Unilever Limited

B Fellow subsidiaries with whom the Company had transactions during the year

Unilever India Exports Limited

Unilever Industries Private Limited

Lakme Lever Private Limited

C Key Managerial Personnel

Chief Executive Officer: Reshma Anand (till 22nd August, 2022); Shraman Jha (wef 11th October, 2022)

D Employees' Benefit Plans where there is significant influence of Holding Company

The Union Provident Fund

E Disclosure of transactions between the Company and Related parties and the status of outstanding balance as on 31st March, 2023

	Year ended 31st March, 2023	Year ended 31st March, 2022
Holding Company		
Donation received	2,643.61	2,170.00
Donation returned	-	1,118.61
Reimbursement of expenses to holding company	2.44	-
Receivables as at the year end	0.94	-
Fellow Subsidiaries		
Donation received		
Unilever India Exports Limited	325.59	260.00
Unilever Industries Private Limited	275.00	85.00
Lakme Lever Private Limited	15.00	7.50
Contributions during the year (Employer's contribution only)	17.49	14.61

(All amounts in ₹ lakhs unless otherwise stated)

Key Management Personnel compensation

	Year ended 31st March, 2023	Year ended 31st March, 2022
Short-term employee benefits	106.56	139.88

17) DEFINED BENEFIT PLANS

Refer note 14 for accounting policy on defined benefit plans

Gratuity assets are being controlled by separate independent Trusts for Hindustan Unilever Limited, the Holding Company and its subsidiaries including the Company. These trusts maintain their assets at the group level and do not have assets identifiable specifically for the Company. Thus all the disclosures required by Ind AS 19 "Employee Benefits" have been made in the Holding Company's Financial Statements.

18) DEFINED CONTRIBUTION PLANS

Refer note 14 for accounting policy on defined benefit plans

During the year, the Company has recognised the following amounts in Statement of Income and Expenditure.

	Year ended 31st March, 2023	Year ended 31st March, 2022
Employer's Contribution to provident fund	17.49	14.61
Employer's contribution to pension funds	0.76	-

19) EARNINGS PER SHARE

Basic earnings per share is computed by dividing the net excess/(shortfall) for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net excess/(shortfall) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

	Year ended 31st March, 2023	Year ended 31st March, 2022
Shortfall of income over expenditure for the year	(40.80)	(322.52)
Weighted average number of equity shares outstanding	10,000.00	10,000.00
Earnings per share (₹) – basic and diluted (face value of ₹ 10 per share)	(408.00)	(3,225.19)

20) GOING CONCERN

Having regard to the continued support of the Company's Holding Company, Hindustan Unilever Limited, the financial statements are prepared on a going concern basis.

21) 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. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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

There are no contingent liabilities as at 31st March, 2023 (Nil for 31st March, 2022).



Notes

to the financial statements for the year ended 31st March, 2023

(All amounts in ₹ lakhs unless otherwise stated)

22) FINANCIAL INSTRUMENTS

The Company has disclosed financial instruments such as cash and cash equivalents, trade payables & other financial liabilities at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short-term nature.

23) ACCOUNTING RATIOS

Name of the Ratio	Numerator	Denominator	FY 23	FY 22	% variance	Reason for variance
Current Ratio (in times)	Current assets	Current liabilities	5.45	5.78	-6%	
Trade payables turnover ratio (in times)	Net purchases	Average trade payables	19.57	7.06	177%	Increase in variance due to payments made to vendors

Definitions:

- (a) Net purchases = Net purchases consist of gross purchases minus purchase return
- (b) Average trade payables = (Opening trade payables balance + Closing trade payables balance) / 2

The following ratios are not applicable to the entity since the Company is a Not for Profit Organisation or does not have the relevant transactions

- 1) Debt Equity ratio
- 2) Debt Service coverage ratio
- 3) Inventory Turnover Ratio
- 4) Trade receivables turnover ratio
- 5) Net capital turnover ratio
- 6) Return on Investment
- 7) Net Profit Ratio
- 8) Return on Capital Employed
- 9) Return on equity

24) DISCLOSURE OF STRUCK OFF COMPANIES

The Company does not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

25) NO TRANSACTIONS TO REPORT AGAINST THE FOLLOWING DISCLOSURE REQUIREMENTS AS NOTIFIED BY MCA PURSUANT TO AMENDED SCHEDULE III:

- (a) Crypto Currency or Virtual Currency
- (b) Benami Property held under Benami Transactions (Prohibition) Act, 1988 (45 of 1988)
- (c) Registration of charges or satisfaction with Registrar of Companies
- (d) Relating to borrowed funds:
 - i. Wilful defaulter
 - ii. Utilisation of borrowed funds & share premium
 - iii. Borrowings obtained on the basis of security of current assets
 - iv. Discrepancy in utilisation of borrowings

(All amounts in ₹ lakhs unless otherwise stated)

26) 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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

27) OTHER MATTERS

Information with regard to the additional information and other disclosures to be disclosed by way of notes to Statement of Income and Expenditure as specified in Schedule III to the Companies Act, 2013 is either 'nil' or 'not applicable' to the Company for the year.

As per our report of even date attached
For **B S R & Co. LLP**
Firm's Registration No. 101248W/W-100022
Chartered Accountants

For and on behalf of Board of Directors of Hindustan Unilever Foundation
CIN: U93090MH2010NPL201468

Aniruddha Godbole
Partner
Membership No. 105149
Mumbai: 24th April, 2023

Sanjiv Mehta
Director
[DIN: 06699923]
Mumbai: 24th April, 2023

Ritesh Tiwari
Director
[DIN: 05349994]
Mumbai: 24th April, 2023



Notes

[illegible]

For further information
please visit our website
www.huf.co.in



Hindustan Unilever Foundation

Registered Office:
Unilever House
B. D. Sawant Marg, Chakala
Andheri (East), Mumbai - 400 099
CIN: U93090MH2010NPL201468