

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF TATA STEEL FOUNDATION**

#### **Report on the Indian Accounting Standards (Ind AS) Financial Statements**

1. We have audited the accompanying financial statements of **Tata Steel Foundation** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Income and Expenditure, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Ind AS Financial Statements**

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements to give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) 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 judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

## **Opinion**

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its statement of Income and expenditure, its cash flows and the changes in equity for the year ended on that date.

## **Other Matter**

9. The Ind AS financial statements of the Company for the year ended March 31, 2017, were audited by another firm of chartered accountants under the Companies Act, 2013 who, vide their report dated June 6, 2017, expressed an unmodified opinion on those financial statements. Our opinion is not qualified in respect of this matter.

## **Report on Other Legal and Regulatory Requirements**

10. This report does not contain a statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order") as, in our opinion, and according to the information and explanations given to us, the Order is not applicable in the case of this Company.
11. 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, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 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.
  - (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

- i. The Company does not have any pending litigations as at March 31, 2018 which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2018.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018.
- iv. The Company did not have any holdings or dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 – Refer Note [10.4]

For Price Waterhouse & Co Chartered Accountants LLP  
Firm Registration Number: 304026E/E300009  
Chartered Accountants

Mumbai  
May 14, 2018

Rupen Shah  
Partner  
Membership Number: 116240

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## **Annexure A to Independent Auditors' Report**

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of **Tata Steel Foundation** on the financial statements as of and for the year ended March 31, 2018

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act**

1. We have audited the internal financial controls over financial reporting of **Tata Steel Foundation** ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

#### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

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## **Annexure A to Independent Auditors' Report**

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of **Tata Steel Foundation** on the financial statements as of and for the year ended March 31, 2018

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

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse & Co Chartered Accountants LLP  
Firm Registration Number: 304026E/E300009  
Chartered Accountants

Kolkata  
May 14, 2018

Rupen Shah  
Partner  
Membership Number: 116240

**TATA STEEL FOUNDATION**

Balance Sheet as at 31st March 2018

	Note	As at 31.03.2018	Rs In Lakhs As at 31.03.2017
<b>(I) ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment		-	-
(b) Capital Work In progress		-	-
(c) Other Intangible Assest		-	-
(d) Intangible assets under development		-	-
(e) Financial assets		-	-
(i) Investments		-	-
(ii) Trade Receivables		-	-
(iii) Loans		-	-
(iv) Other financial assets		-	-
(f) Other non current assets		-	-
<b>(2) Current assets</b>			
(a) Inventories		-	-
(b) Financial assets		-	-
(i) Investments		-	-
(ii) Trade receivables		-	-
(iii) Loans		-	-
(iv) Other financial assets		-	-
(v) Cash and cash equivalents	3	1,121.41	1,899.29
(c) Current tax assets		-	-
(d) Other current assets	4	102.17	-
		<b>1,223.58</b>	<b>1,899.29</b>
<b>TOTAL ASSETS</b>		<b>1,223.58</b>	<b>1,899.29</b>
<b>(II) EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity Share Capital	5	100.00	100.00
(b) Other Equity		765.44	1,799.17
		<b>865.44</b>	<b>1,899.17</b>
<b>(2) Non-current liabilities</b>			
(a) Financial liabilities		-	-
(i) Trade payables		-	-
(ii) Other financial liabilities		-	-
(b) Provisions		-	-
(c) Other non- current liabilities		-	-
<b>(3) Current liabilities</b>			
(a) Financial liabilities		-	-
(i) Trade payables	6	353.93	0.12
(ii) Other financial liabilities		-	-
(b) Other current liabilities	7	4.21	-
(c) Provisions		-	-
(d) Current tax liabilities		-	-
		<b>358.14</b>	<b>0.12</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,223.58</b>	<b>1,899.29</b>

See accompanying notes forming part of the financial statements

In terms of our report of even date

For & on behalf of the Board of Directors

For Price Waterhouse & Co Chartered Accountants LLP

Chartered Accountants

Firm Registration Number: 304026E/E300009

T. V. Narendran

DIN-03083605

Mr. Rupen shah

Partner

Membership Number: 116240

Koushik Chatterjee

DIN-00004989

Mumbai, 14th May, 2018

Sunil Bhaskaran

DIN-03512528

**TATA STEEL FOUNDATION****Statement of Income & Expenditure for the year ended 31st March 2018**

	Note	For the year ended 31st March 2018	Rs. in lakhs For the period ended 31st March 2017
<b>I INCOME</b>			
(a) Grant Income		-	1,800.00
(b) Other Income	8	57.66	2.11
<b>Total Income (I)</b>		<b>57.66</b>	<b>1,802.11</b>
<b>II EXPENDITURE</b>			
Education		1,089.96	-
Other Expenses	9	1.43	2.94
<b>Total Expenditure (II)</b>		<b>1,091.39</b>	<b>2.94</b>
<b>Surplus/(Deficit)</b>		<b>(1,033.73)</b>	<b>1,799.17</b>

See accompanying notes forming part of the financial statements

In terms of our report of even date

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

**For Price Waterhouse & Co Chartered Accountants LLP**

Chartered Accountants

Firm Registration Number: 304026E/E300009

**T. V. Narendran**

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**TATA STEEL FOUNDATION**

**Cash Flow Statement for the year ended 31st March 2018**

	For the year ended 31st March 2018	Rs. in lakhs For the period ended 31st March 2017
<b>A. Cash Flow from Operating activities:</b>		
<b>Surplus/(Deficit)</b>	(1,033.73)	1,799.17
Adjustments for:		
Interest Income	(57.66)	(2.11)
<b>Operating profit before working capital changes</b>	<b>(1,091.39)</b>	<b>1,797.06</b>
Adjustments for:		
Other current Assets	(102.17)	-
Trade and other payables	358.03	0.12
Other Current Liability		
<b>Cash generated from operations</b>	<b>(835.54)</b>	<b>1,797.18</b>
Taxes paid	-	-
<b>Net cash from operating activities</b>	<b>(835.54)</b>	<b>1,797.18</b>
<b>B. Cash Flow from Investing activities:</b>		
Interest received	57.66	2.11
<b>Net cash from investing activities</b>	<b>57.66</b>	<b>2.11</b>
<b>C. Cash Flow from Financing activities:</b>		
Issue of Equity Capital	-	100.00
<b>Net cash from financing activities</b>	<b>-</b>	<b>100.00</b>
<b>Net increase or decrease in cash and cash equivalents</b>	<b>(777.88)</b>	<b>1,899.29</b>
<b>Opening Cash &amp; cash equivalents</b>	<b>1,899.29</b>	<b>-</b>
<b>Closing Cash &amp; cash equivalents</b>	<b>1,121.41</b>	<b>1,899.29</b>

See accompanying notes forming part of the financial statements

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

Notes:

- (1) Cash & cash equivalents represents balances with saving bank (Refer note 3).
- (2) Figures in brackets represent outflows.
- (3) Previous year's figures have been recast/restated where necessary.

In terms of our report of even date

**T. V. Narendran**  
DIN-03083605

**For Price Waterhouse & Co Chartered Accountants LLP**

Chartered Accountants

Firm Registration Number: 304026E/E300009

**Koushik Chatterjee**  
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Partner

Membership Number: 116240

**Sunil Bhaskaran**  
DIN-03512528

Mumbai, 14th May, 2018



**TATA STEEL FOUNDATION****Statement of changes in equity for the year ended 31st March 2018**

	<b>As at 31.03.2018</b>		<b>Rs In Lakhs As at 31.03.2017</b>	
	<b>Share capital</b>	<b>Other equity</b>	<b>Other equity</b>	<b>Other equity</b>
	<b>Equity Share Capital</b>	<b>Retained Earnings</b>	<b>Equity Share Capital</b>	<b>Retained Earnings</b>
At beginning of the period	100.00	1,799.17	-	-
Issue of capital during the period	-	-	100.00	-
Transfer from Income & Expenditure account	-	(1,033.73)	-	1,799.17
<b>At end of period</b>	<b>100.00</b>	<b>765.44</b>	<b>100.00</b>	<b>1,799.17</b>

See accompanying notes forming part of the financial statements

In terms of our report of even date

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

**For Price Waterhouse & Co Chartered Accountants LLP**

Chartered Accountants

Firm Registration Number: 304026E/E300009

**T. V. Narendran**

DIN-03083605

**Mr. Rupen shah**

Partner

Membership Number: 116240

**Koushik Chatterjee**

DIN-00004989

Mumbai, 14th May, 2018

**Sunil Bhaskaran**

DIN-03512528

## (1) COMPANY INFORMATION

Tata Steel Foundation ("the company") has been incorporated under section 8 of the Companies Act, 2013 limited by shares. The Company is registered u/s 12AA of the Income Tax Act, 1961.

The financial statements are presented in Indian Rupee (INR) which is also the functional currency of the company.

## (2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 2.01 Statement of compliance

The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standard) Rules, 2015.

### 2.02 Basis of preparation and presentation of financial statements

The financial statements of the Company are prepared on accrual basis under the historical cost convention except for certain financial instruments that are measured at fair value at end of each reporting period. Historical cost is generally based on fair value of the consideration given in exchange for goods and services

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

### 2.03 Use of Estimates

The preparation of separate financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the separate financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

### 2.04 REVENUE RECOGNITION

#### (i) Revenue from Donations/Grants

Revenue from Donations/grants are recognised upon compliance with the significant condition, if any, and where it is reasonable to expect ultimate collection. Amounts received with a specific direction from donors that such amounts shall form part of the Corpus of the Foundation are credited as Corpus Fund in Balance Sheet.

#### (ii) Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate applicable.

### 2.05 Taxation

#### i). Current tax

Provision for current tax has not been made in the books of accounts in view of the exemption of income of the Company under Section-11 read with Section 2 (15) of the Income Tax Act., 1961.

### 2.06 Provisions, Contingent liabilities and Contingent assets

#### 02.06.01 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

#### 02.06.02 Contingent liabilities and assets

Contingent liability is a possible obligation that arises from past events and 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 is a present obligation that arises from past events but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. Contingent liabilities are disclosed and not recognised. In the normal course of business, contingent liabilities may arise from litigation and other claims against the company. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the company is involved, it is not expected that such contingencies will

have a material effect on its financial position or profitability.

#### 2.07 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transactions costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through statement of Income & Expenditure ) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transactions cost directly attributable to the acquisition of financial assets or financial liabilities at fair value through statement of income & Expenditure are recognised immediately in the statement of Income & Expenditure.

#### 2.08 Financial assets

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

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

##### 2.08.01 Derecognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

#### 2.09 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, Cash and cash equivalents includes cash on hand , cheques/ drafts on hand and short term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### 2.10 Financial liabilities and equity instruments

##### 2.10.01 Financial liabilities

Financial liabilities are subsequently measured at amortised cost or at Fair value through income or expenditure

Financial liabilities that are not held for trading and are not designated as at FVTPL are measured at amortised cost.

##### 2.10.02 Trade and other payables

These amounts represent liabilities for goods and services received by the Company prior to the end of reporting period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost.

#### 2.11 Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to statement of Income & Expenditure on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

**TATA STEEL FOUNDATION**

**Notes forming part of the Financial Statements**

**3-Cash and cash equivalents**

	<b>As at 31.03.2018</b>	<b>Rs In Lakhs As at 31.03.2017</b>
<b>(a) Balances with banks</b>		
(i) In Saving Account	1,121.41	1,899.29
<b>Total cash and bank balances</b>	<b>1,121.41</b>	<b>1,899.29</b>

**4-Other current assets**

	<b>As at 31.03.2018</b>	<b>Rs In Lakhs As at 31.03.2017</b>
(a) Advance against supplies/services	102.17	-
<b>Total other assets</b>	<b>102.17</b>	<b>-</b>

**TATA STEEL FOUNDATION**

Notes forming part of the Financial Statements

5-Equity Share Capital

	As at 31.03.2018	Rs In Lakhs As at 31.03.2017
<b>Authorised:</b>		
10,00,000 Equity Shares of Rs 10 each	100.00	100.00
	<b>100.00</b>	<b>100.00</b>
<b>Issued:</b>		
10,00,000 Equity Shares of Rs 10 each	100.00	100
<b>Subscribed:</b>		
10,00,000 Equity Shares of Rs 10 each	100.00	100.00
	<b>100.00</b>	<b>100.00</b>

**Reconciliation of number of shares and amount outstanding at the beginning & ending of reporting period.**

Rs in Lakhs	As at 31.03.2018		As at 31.03.2017	
	No. of shares	Amount	No. of shares	Amount
<b>Equity shares:</b>				
Issued, subscribed & fully paid up: At beginning and end of the year	1,000,000	100.00	1,000,000	100.00

Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each equity shareholder is eligible for one vote per share held.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Shareholders holding more than 5% share capital:	As at 31.03.2018		As at 31.03.2017	
	No. of Shares	%	No. of Shares	%
Tata Steel Limited (Holding company) & Nominees	1,000,000	100.00%	1,000,000	100.00%

**TATA STEEL FOUNDATION**

**Notes forming part of the Financial Statements**

**6- Trade Payable**

	<b>As at 31.03.2018</b>	<b>Rs In Lakhs</b> <b>As at 31.03.2017</b>
(a) Creditors for supplies / services	352.75	-
(b) Other Creditors	1.18	0.12
<b>Total trade payables</b>	<b>353.93</b>	<b>0.12</b>

**7-Other current liabilities**

	<b>As at 31.03.2018</b>	<b>Rs In Lakhs</b> <b>As at 31.03.2017</b>
(c) Statutory Dues ( TDS etc)	4.21	-
<b>Total Other current liabilities</b>	<b>4.21</b>	<b>-</b>

**TATA STEEL FOUNDATION****Notes forming part of the Financial Statements****8 - Other income**

		Rs. in lakhs
	For the year ended 31st March 2018	For the period ended 31st March 2017
(a) Interest income	57.66	2.11
<b>Total Other Income</b>	<b>57.66</b>	<b>2.11</b>

**9-Other Expenses**

		Rs In Lakhs
	For the year ended 31st March 2018	For the period ended 31st March 2017
(a) Legal and other professional costs	0.25	0.13
(b) Rates & Taxes	0.18	0.02
(c) Auditors Remuneration		
As Auditors -Statutory Audit	0.50	0.10
For Taxation Matters	0.50	-
(d) Preliminary Expenses	-	2.69
<b>Total Other Expenses</b>	<b>1.43</b>	<b>2.94</b>

10.1 Related Party Disclosures

(a) List of Related Parties and Relationships :

A. Director

Mr. T. V. Narendran Mr. Koushik Chatterjee Mr. Sunil Bhaskaran	Director
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B. Key Management Personnel

Mr. Parvatheesam K	Company Secretary
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C. Party

Tata Steel Limited	Holding Company
Jamshedpur Utilities and Services Company Limited	Fellow Subsidiary

(b) Related Party Transactions during the period

Sl. No.	Transaction	Amount (Rs. in Lacs)
<b>1</b>	<b>Receiving of services:</b>	
(i)	Jamshedpur Utilities and Services Company Limited	<b>1,003.90</b>
		-
<b>2</b>	<b>Grant Received</b>	
(i)	Tata Steel Limited	-
		1,800.00
<b>2</b>	<b>Advance paid:</b>	
(i)	Jamshedpur Utilities and Services Company Limited	<b>185.23</b>
		-
<b>3</b>	<b>Outstanding receivables as on 31.03.2018:</b>	
(i)	Jamshedpur Utilities and Services Company Limited	<b>102.17</b>
		-
<b>4</b>	<b>Outstanding payable as on 31.03.2018:</b>	
(i)	Jamshedpur Utilities and Services Company Limited	<b>306.01</b>
		-

Note : Figures not in bold pertain to the previous period.



**TATA STEEL FOUNDATION**  
**10.2 Financial Instruments**

**10.2.01 Capital Management**

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan also taking into consideration any long term strategic investment and expansion plans. The funding needs are met through equity and cash generated from grant received.

**10.2.02 Financial Risk management objectives**

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

**10.2.03 Market Risk**

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

Interest rate sensitivity analysis:

The sensitivity analysis have been determined based on the exposure to interest rates for financial assets and liabilities at the end of the reporting period. The company does not have variable rate instruments as at the balance sheet date. This mitigates the company market risk.

Foreign currency risk

The sensitivity analysis have been determined based on the exposure to interest rates for financial assets and liabilities at the end of the reporting period. The Company does not have any currency exposures in respect of financial assets and financial liabilities as at 31 March 2018 & 31 March 2017 that result in net currency gains and losses in the income statement and equity arise principally from movement in US Dollar and EURO exchange rates. This mitigates the company foreign currency risk.

Commodity price risk

The company doesn't have any derivative assets and liabilities. This mitigates the company from commodity price risk.

**10.2.04 Credit risk management**

The Company does not have any Trade Receivables at the end of the reporting period. Thus there is no credit risk.

**10.2.05 Liquidity risk management**

The company monitors its risk of a shortage of funds using a liquidity planning tool.

The entity manages the short term and medium term funds and liquidity requirements by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows.

The following table details the entities remaining contractual maturity for its non derivative financial liability with agreed repayment periods. The table has been drawn based on the undiscounted cash flows of financial liabilities based on the earliest date on which the entity can be required to pay. The table includes both interest and principal cash flows. The contractual maturity is based on the earliest date on which the entity may be required to pay.

<b>March 31, 2018</b>	<b>Carrying Amount</b>	<b>less than 1 year</b>	<b>between 1 -5 year</b>
<b>Non-derivative financial liabilities</b>			
Borrowings	-	-	-
Trade payables	353.93	353.93	-
Other financial liabilities	-	-	-
	<u>353.93</u>	<u>353.93</u>	<u>-</u>
<b>March 31, 2017</b>			
<b>Non-derivative financial liabilities</b>			
Borrowings	-	-	-
Trade payables	0.12	0.12	-
Other financial liabilities	-	-	-
	<u>0.12</u>	<u>0.12</u>	<u>-</u>

The following table details the entities expected maturity for its non derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets. The inclusion of the information is necessary in order to understand the entities liquidity risk management as the liquidity is managed on a net asset and liability basis.

<b>Financial Assets:</b>	<b>As at 31.03.2018</b>		
	<b>Amortised Cost</b>	<b>Total Carrying Value</b>	<b>Total Fair Value</b>
Trade Receivables	-	-	-

**TATA STEEL FOUNDATION****10.2 Financial Instruments**

Cash and bank balances	1,121.41	1,121.41	1,121.41
Other financial assets	-	-	-
Other non current investments	-	-	-
<b>Total</b>	<b>1,121.41</b>	<b>1,121.41</b>	<b>1,121.41</b>
Short Term borrowings	-	-	-
Trade payable	353.93	353.93	353.93
Other financial liabilities	-	-	-
<b>Total</b>	<b>353.93</b>	<b>353.93</b>	<b>353.93</b>

**As at 31.03.2017**

<b>Financial Assets:</b>	<b>Amortised Cost</b>	<b>Total Carrying Value</b>	<b>Total Fair Value</b>
Trade Receivables	-	-	-
Cash and bank balances	1,899.29	1,899.29	1,899.29
Other financial assets	-	-	-
Other non current investments	-	-	-
<b>Total</b>	<b>1,899.29</b>	<b>1,899.29</b>	<b>1,899.29</b>
Short Term borrowings	-	-	-
Trade payable	0.12	0.12	0.12
Other financial liabilities	-	-	-
<b>Total</b>	<b>0.12</b>	<b>0.12</b>	<b>0.12</b>

**TATA STEEL FOUNDATION**  
Notes forming part of the Financial Statements

**10.3 Details of due to micro and small enterprises as defined under the MSMED Act, 2006**

The Company does not have suppliers who are registered as micro, small or medium enterprise under the Micro, Small and Medium Enterprises Development Act, 2006 as at 31st March, 2018. The Information regarding micro, small and medium enterprises has been determined on the basis of information available with the management.

**10.4 Disclosure in terms of G.S.R.307(E) read with G.S.R.308(E) dated 30th March, 2017 issued by the Ministry of Corporate Affairs, Government of India.**

The details of the specified bank notes (SBNs) held and transacted during the period from 8 November, 2016 to 30 December, 2016 are as follows:

	Specified Bank Notes	Other denomination notes	Total
Closing cash in hand as on 8th November, 2016	Nil	Nil	Nil
Add : Permitted receipts	Nil	Nil	Nil
Less : Permitted payments	Nil	Nil	Nil
Less : Amount deposited in Banks	Nil	Nil	Nil
Closing cash in hand as on 30th December, 2016	Nil	Nil	Nil

**10.5** Previous year's figures are not comparable with the current year since the company was incorporated on 16th August, 2016 and accordingly the previous year number was disclosed from 17th August, 2016 to 31st March, 2017

**10.6** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

In terms of our report of even date

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

**For Price Waterhouse & Co Chartered Accountants LLP**  
Chartered Accountants  
Firm Registration Number: 304026E/E300009

**T. V. Narendran**  
DIN-03083605

**Mr. Rupen shah**  
Partner  
Membership Number: 116240

**Koushik Chatterjee**  
DIN-00004989

Mumbai, 14th May, 2018

**Parvatheesam K**  
Company Secretary

**Sunil Bhaskaran**  
DIN-03512528