

# Price Waterhouse & Co Chartered Accountants LLP

## Independent auditor's report To the Members of Tata Steel Foundation Report on the audit of the financial statements

### Opinion

1. We have audited the accompanying financial statements of Tata Steel Foundation ("the Company"), which comprise the balance sheet as at March 31, 2019, and the statement of income and expenditure, 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
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019 and total surplus / (deficit), changes in equity and its cash flows for the year then ended.

### Basis for opinion

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

### Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our 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.

### Responsibilities of management and those charged with governance for the financial statements

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

Price Waterhouse & Co Chartered Accountants LLP, 56 & 57, Block DN, Ground Floor, Wing, Chhatra V  
Salt Lake, Kolkata - 700091, India  
T: +91 (33) 44001111 / 44662000, F: +91 (33) 44043065

Registered office and Head office: Plot No. Y-14, Block EP, Sector V, Salt Lake Electronic Complex, Bidhan Nagar, Kolkata-700091

Price Waterhouse & Co. (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026E/E-300009 (ICAI registration number before conversion was 304026E)



# Price Waterhouse & Co Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT  
To the Members of Tata Steel Foundation  
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6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## Auditor's responsibilities for the audit of the financial statements

7. 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.
8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
9. 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.
10. 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.



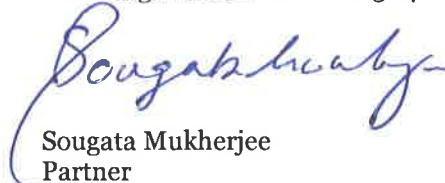
# Price Waterhouse & Co Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT  
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## Report on other legal and regulatory requirements

11. 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 as, in our opinion, and according to the information and explanations given to us, the Order is not applicable in the case of the Company
12. 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 Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company 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 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:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2019.
    - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2019.

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



Sougata Mukherjee  
Partner  
Membership Number: 057084

Gurugram  
April 18, 2019

# Price Waterhouse & Co Chartered Accountants LLP

## Annexure A to Independent Auditors' Report

Referred to in paragraph 12 (f) of the Independent Auditors' Report of even date to the members of **Tata Steel Foundation** on the financial statements for the year ended March 31, 2019

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## Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of **Tata Steel Foundation** ("the Company") as of March 31, 2019 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 with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed 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 with reference to financial statements was 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 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.
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 with reference to financial statements.



# Price Waterhouse & Co Chartered Accountants LLP

## Annexure A to Independent Auditors' Report

Referred to in paragraph 12 (f) of the Independent Auditors' Report of even date to the members of **Tata Steel Foundation** on the financial statements for the year ended March 31, 2019

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### Meaning of Internal Financial Controls with reference to financial statements

6. 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 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.

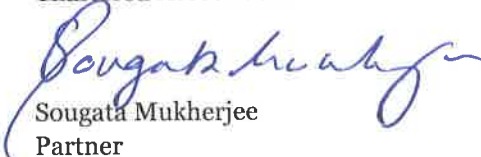
### Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control 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.

### Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, 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

  
Sougata Mukherjee  
Partner  
Membership Number: 057084

Gurugram  
April 18, 2019

# TATA STEEL FOUNDATION

## Balance Sheet as at March 31, 2019

	Notes	Amount in ₹ Lakhs As at March 31, 2019	Amount in ₹ Lakhs As at March 31, 2018
<b>(I) ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment	4	11.24	-
	a	11.24	-
<b>(2) Current assets</b>			
(a) Financial assets			
(i) Investments	5	207.23	-
(ii) Other financial assets	6	13.41	-
(iii) Cash and cash equivalents	7	954.43	1,121.41
(b) Other current assets	8	108.21	102.17
	b	1,283.28	1,223.58
<b>TOTAL ASSETS</b>	a+b	<b>1,294.52</b>	<b>1,223.58</b>
<b>(II) EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity Share Capital	9	100.00	100.00
(b) Other Equity	10	71.00	765.44
	c	171.00	865.44
<b>(3) Current liabilities</b>			
(a) Financial liabilities			
(i) Trade payables		-	-
(a) Total Outstanding dues to micro and small enterprises		-	-
(b) Total Outstanding dues to other than i(a) above	11	1,092.89	353.93
(ii) Other financial liabilities			
(b) Other current liabilities	12	30.63	4.21
	d	1,123.52	358.14
<b>TOTAL EQUITY AND LIABILITIES</b>	c+d	<b>1,294.52</b>	<b>1,223.58</b>

See accompanying notes forming part of the financial statements  
In terms of our report of even date

For and on behalf of the Board of Directors

For Price Waterhouse & Co Chartered Accountants LLP


Chartered Accountants

Firm Registration Number: 304026E/E300009

Sougata Mukherjee

Partner

Membership Number: 057084

  
T. V. Narendran

Chairman

DIN: 03083605

  
Koushik Chatterjee

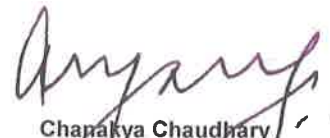
Director

DIN: 00004989

  
Parvathesam K.

Company Secretary

ACS: 15921

  
Chanakya Chaudhary

Director

DIN: 02139568

Gurugram, April 18, 2019



Mumbai, April 18, 2019

# TATA STEEL FOUNDATION

## Statement of Income & Expenditure for the year ended March 31, 2019

	Note	Amount in ₹ Lakhs	Amount in ₹ Lakhs
		For the Year ended As at March 31, 2019	For the Year ended As at March 31, 2018
<b>I INCOME</b>			
(a) Grant Income		4,366.00	-
(b) Other Income	13	47.92	57.66
<b>Total Income (I)</b>		<b>4,413.92</b>	<b>57.66</b>
<b>II EXPENDITURE</b>			
(b) Drinking Water	14	36.42	-
(c) Health	15	2,464.08	-
(d) Agriculture	16	61.93	-
(e) Skill Development	17	449.00	-
(f) Education	18	1,919.10	1,089.96
(j) Sports	19	38.02	-
(k) Rural Infrastructure	20	110.30	-
(l) General Administration	21	26.03	1.43
(k) Depreciation		3.48	-
<b>Total Expenditure (II)</b>		<b>5,108.36</b>	<b>1,091.39</b>
<b>Surplus/(Deficit)</b>		<b>(694.44)</b>	<b>(1,033.73)</b>

See accompanying notes forming part of the financial statements  
In terms of our report of even date

For and on behalf of the Board of Directors

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

T. V. Narendran  
Chairman  
DIN: 03083605

Koushik Chatterjee  
Director  
DIN: 00004989

Sougata Mukherjee  
Partner  
Membership Number: 057084

Parvathesam K.  
Company Secretary  
ACS: 15921

Chanakya Chaudhary  
Director  
DIN: 02139568

Gurugram, April 18, 2019

Mumbai, April 18, 2019



# TATA STEEL FOUNDATION

## Statement of changes in equity for the year ended March 31, 2019

	Amount in ₹ Lakhs For the Year ended As at March 31, 2019		Amount in ₹ Lakhs For the Year ended As at March 31, 2018	
	Share capital	Other equity	Share capital	Other equity
At beginning of the period	100	765.44	100.00	1,799.17
Issue of capital during the period	-	-	-	-
Transfer from Income & Expenditure account	-	(694.44)	-	(1,033.73)
At end of period	100	71.00	100	765.44

See accompanying notes forming part of the financial statements  
In terms of our report of even date

### For Price Waterhouse & Co Chartered Accountants LLP

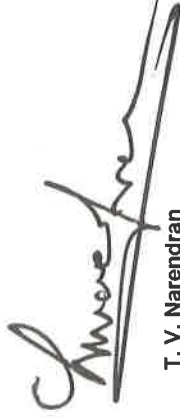
Chartered Accountants

Firm Registration Number: 304026E/E300009

Sougata Mukherjee

Partner

Membership Number: 057084

  
T. V. Narendran  
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DIN: 03083605

  
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ACS: 15921

For and on behalf of the Board of Directors

  
Koushik Chatterjee  
Director  
DIN: 00004989

  
Chanakya Chaudhary  
Director  
DIN: 02139568

Gurugram, April 18, 2019

Mumbai, April 18, 2019





# TATA STEEL FOUNDATION

## Cash Flow Statement for the year ended March 31, 2019

	Amount in ₹ Lakhs For the Year ended As at March 31, 2019	Amount in ₹ Lakhs For the Year ended As at March 31, 2018
<b>A. Cash Flow from Operating activities:</b>		
Surplus/(Deficit)	(694.44)	(1,033.73)
Adjustments for:		
Depreciation and amortisation	3.48	-
Interest income	(26.11)	(57.66)
Income from current investments	(21.81)	-
<b>Operating profit before working capital changes</b>	<b>(738.88)</b>	<b>(1,091.39)</b>
Adjustments for:		
Other current assets	(6.04)	(102.17)
Other financial assets	(13.41)	-
Trade and other payables	765.38	358.02
<b>Cash generated from operations</b>	<b>7.05</b>	<b>(835.54)</b>
<b>Net cash from operating activities</b>	<b>7.05</b>	<b>(835.54)</b>
<b>B. Cash Flow from Investing activities:</b>		
Purchase of fixed assets	(14.72)	-
Purchase of current investments	(207.23)	-
Income from current investments	21.81	-
Interest received	26.11	57.66
<b>Net cash from investing activities</b>	<b>(174.03)</b>	<b>57.66</b>
<b>C. Cash Flow from Financing activities:</b>		
<b>Net cash from financing activities</b>	<b>-</b>	<b>-</b>
<b>Net increase or decrease in cash and cash equivalents</b>	<b>(166.98)</b>	<b>(777.88)</b>
<b>Opening Cash &amp; cash equivalents</b>	<b>1,121.41</b>	<b>1,899.29</b>
<b>Closing Cash &amp; cash equivalents</b>	<b>954.43</b>	<b>1,121.41</b>

See accompanying notes forming part of the financial statements

In terms of our report of even date

For and on behalf of the Board of Directors

For Price Waterhouse & Co Chartered Accountants LLP

Chartered Accountants

Firm Registration Number: 304026E/E300009

  
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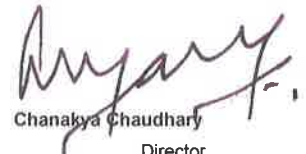
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Parvatheesam K.

Company Secretary

ACS: 15921



Chanakya Chaudhary

Director

DIN: 02139568

Gurugram, April 18, 2019

Mumbai, April 18, 2019



**Tata Steel Foundation**  
**Notes forming part of the Financial Statements**

**(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 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

**(ii) Interest income / Income from Investments**

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**

**2.07.01 Classification**

The company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the statement of profit and loss or other comprehensive income. For investments in debt instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

**2.07.02 Measurement**

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit and loss.



## Tata Steel Foundation

### Notes forming part of the Financial Statements

#### 2.07.03 Equity Instruments

The company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the statement of profit and loss. Dividends from such investments are recognised in the statement of profit and loss as other income when the entity's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

#### 2.07.04 Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

#### 2.07.05 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 group has not retained control of the financial asset. Where the group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### 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

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.

### 2.12 Property, Plant and Equipment

An item of property plant and equipment is recognised at cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items. 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. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

### 2.13 Depreciation and amortisation of Property, Plant and Equipment

Depreciation or Amortisation is provided so as to write off the asset on a straight line basis. These charges are commenced from the dates, the assets are available for their intended use and are spread over their estimated useful life. All assets below ₹25,000 are depreciated over 12 months. Remaining assets are depreciated as per useful life defined in schedule of the Companies Act 2013.

### 3 Recent accounting pronouncements - Standards issued but not yet effective :

#### Ind AS - 116 : Leases

Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2019 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2019 containing the following new amendments to Ind AS which the Company has not applied as they are effective for annual periods beginning April 1, 2019.

Ind AS 116 – Leases -Ind AS 116 will supercede the existing Ind AS 17. The Company is in the process of evaluating the impact of adoption of Ind AS 116 on its financial statements.



# TATA STEEL FOUNDATION

## 4 - Property, Plant and Equipment

	Furniture and fixtures	Office equipment	Total
	Amount in ₹ Lakhs	Amount in ₹ Lakhs	Amount in ₹ Lakhs
Gross Block			
Balance as at April 1, 2017	-	-	-
Additions during the year	-	-	-
Disposals during the year	-	-	-
<b>Balance as at March 31, 2018</b>	-	-	-
Balance as at April 1, 2018	-	-	-
Additions during the year	6.72	8.00	14.72
Disposals during the year	-	-	-
<b>Balance as at March 31, 2019</b>	6.72	8.00	14.72
Depreciation			
Balance as at April 1, 2017	-	-	-
Depreciation for the year	-	-	-
Accumulated depreciation on disposals	-	-	-
<b>Balance as at March 31, 2018</b>	-	-	-
Balance as at April 1, 2018	-	-	-
Depreciation for the year	2.13	1.35	3.48
Accumulated depreciation on disposals	-	-	-
<b>Balance as at March 31, 2019</b>	2.13	1.35	3.48
<b>Net block</b>			
<b>As at March 31, 2018</b>	-	-	-
<b>As at March 31, 2019</b>	4.59	6.65	11.24



## TATA STEEL FOUNDATION

	Amount in ₹ Lakhs As at March 31, 2019	Amount in ₹ Lakhs As at March 31, 2018
<b>5 - Current Investments</b>		
(i) Investment in Liquid Mutual Funds - unquoted		
(a) 7072 units in Tata Liquid Regular Plan - Growth	207.23	-
<b>Total current investments</b>	<b>207.23</b>	<b>-</b>
<b>6 - Other Current Financial Assets</b>		
(a) Receivable others		
(i) Others	13.31	-
(b) Advances		
(i) Other advances	0.10	-
<b>Total other financial assets</b>	<b>13.41</b>	<b>-</b>
<b>7 - Cash and Cash Equivalents</b>		
(a) Balances with banks		
(i) In savings accounts	954.43	1,121.41
<b>Total cash and bank balances</b>	<b>954.43</b>	<b>1,121.41</b>
<b>8 - Other Current Assets</b>		
(a) Advance against supplies/services		
(i) Related party (refer note: 22)	102.98	102.17
(ii) Others	4.91	-
(b) Other advances & prepayments	0.32	-
<b>Total other assets</b>	<b>108.21</b>	<b>102.17</b>



## TATA STEEL FOUNDATION

### 9 - Equity Share Capital

	Amount in ₹ Lakhs As at March 31, 2019	Amount in ₹ Lakhs As at March 31, 2018
<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, subscribed and fully paid up</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 Equity Shares Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Amount in ₹ Lakhs	No. of Shares	Amount in ₹ Lakhs
Balance at the beginning of the year	1,000,000	100.00	1,000,000	100.00
balance at the 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.

Shares held by the holding company and ultimate holding company	As at March 31, 2019	As at March 31, 2018
	Amount in ₹ Lakhs	Amount in ₹ Lakhs
Tata Steel Limited and its nominees	100.00	100.00

#### Details of shareholders holding more than 5% shares in the company

Shareholders holding more than 5% share capital	As at March 31, 2019		As at March 31, 2018	
	No. of shares	% of holding	No. of shares	% of holding
Tata Steel Limited (Holding Company) & Nominees	1000000	100%	1000000	100%

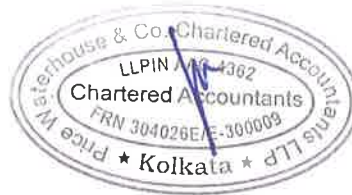
### 10 - Reserves and Surplus

	As at March 31, 2019 Amount	As at March 31, 2018 Amount
Opening balance of reserves and surplus as on April 01, 2018	765.44	1799.17
Less: excess of expenditure over income for the year ended March 31, 2019	(694.44)	(1,033.73)
<b>Closing balance of Reserves and Surplus as on March 31, 2019</b>	<b>71.00</b>	<b>765.44</b>



## TATA STEEL FOUNDATION

	Amount in ₹ Lakhs As at March 31, 2019	Amount in ₹ Lakhs As at March 31, 2018
<b>11 - Trade Payables</b>		
(a) Trade Payable : Micro and small enterprises	-	-
(b) Trade Payable : Related party (refer note: 22)	576.46	306.01
(c) Trade Payable : Others	516.43	47.92
<b>Total trade payables</b>	<b>1,092.89</b>	<b>353.93</b>
<b>12 - Other liabilities</b>		
(a) Grant received in advance	10.00	-
(b) Statutory Dues (TDS, etc)	19.77	4.21
(c) Others	0.86	-
<b>Total Other current liabilities</b>	<b>30.63</b>	<b>4.21</b>



**TATA STEEL FOUNDATION**

	Amount in ₹ Lakhs As at March 31, 2019	Amount in ₹ Lakhs As at March 31, 2018
<b>13 - Other income</b>		
(a) Interest income	26.11	57.66
(b) Income from current investments	21.81	-
<b>Total Other Income</b>	<b>47.92</b>	<b>57.66</b>
<b>14 - Drinking Water</b>		
(a) Installation of piped drinking water supply	36.42	-
<b>Total Drinking Water</b>	<b>36.42</b>	<b>-</b>
<b>15 - Health</b>		
(a) Healthcare infrastructure	2,211.00	-
(b) Mobile medical vans and ambulances	222.99	-
(c) Health Camps	29.94	-
(d) Research in health	0.15	-
<b>Total Health</b>	<b>2,464.08</b>	<b>-</b>
<b>16 - Agriculture</b>		
(a) Water Harvesting structure	61.93	-
<b>Total Agriculture</b>	<b>61.93</b>	<b>-</b>
<b>17 - Skill Development</b>		
(a) Sponsorsip to Technical Institute	107.76	-
(b) Skill Development Programmes	33.61	-
(c) Setting up & running ITI Jaganathpur	63.50	-
(d) Setting up & running TSTI Burmamines	22.95	-
(e) Support girls in Nursing training	113.69	-
(f) Operating ITI Tamar	107.49	-
<b>Total Skill Development</b>	<b>449.00</b>	<b>-</b>
<b>18 - Education</b>		
(a) Model School	1,477.27	1,089.96
(b) Mid day meal Kitchen	7.45	-
(c) Support to drop out students through bridge courses	89.06	-
(d) Support to SC/ST students in education	136.02	-
(e) Support to SC/ST students in higher education	181.87	-
(f) Spoken English & Soft Skill Development	27.43	-
<b>Total Education</b>	<b>1,919.10</b>	<b>1,089.96</b>
<b>19 - Sports</b>		
(a) Organising outdoor & leadership camps	38.02	-
<b>Total Sports</b>	<b>38.02</b>	<b>-</b>
<b>20 - Rural Infrastructure</b>		
(a) Infrastructural support for Rural Development	110.30	-
<b>Total Rural Infrastructure</b>	<b>110.30</b>	<b>-</b>
<b>21 - General Administrative expenses</b>		
(a) Legal and other professional costs	24.20	0.25
(b) Payment to Auditors		
- Audit Fee	0.50	0.50
- Tax Audit Fee	0.50	0.50
(c) Travelling expenses (including TA/DA )	0.66	-
(d) Rates & Taxes	-	0.18
(e) Bank Charges	0.01	-
(f) Communication Expenses	0.16	-
<b>Total General Administrative expenses</b>	<b>26.03</b>	<b>1.43</b>





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

**22 Related party disclosures**

**(a) Name of related parties and nature of relationship**

(i) Where control exists:

Holding company Tata Steel Limited

(ii) Other related parties with whom transactions have taken place during the period:

Fellow subsidiary Jamshedpur Utilities and Services Company Limited

(iii) Directors of the company

Mr. T.V. Narendran

Mr. Koushik Chatterjee

Mr. Chanakya Chaudhary (w.e.f 11th October, 2018)

Mr Sunil Bhaskaran (uptil 30th January, 2019)

**(b) Particulars of transactions with related parties**

Particulars	Period ended March 31, 2019	Period ended March 31, 2018
	Amount in ₹ Lakhs	Amount in ₹ Lakhs
<b>Services Received</b>		
- Jamshedpur Utilities and Services Company Limited	1,439.77	1,003.90
- Tata Steel Limited	25.05	
<b>Grant Received</b>		
- Tata Steel Limited	4,356.00	-

**(c) Balances as at the end of period**

Particulars	As at March 31, 2019	As at March 31, 2018
	Amount in ₹ Lakhs	Amount in ₹ Lakhs
<b>Advance paid</b>		
- Jamshedpur Utilities and Services Company Limited	102.98	102.17
<b>Outstanding Payables</b>		
- Jamshedpur Utilities and Services Company Limited	572.36	306.01
- Tata Steel Limited	4.10	



**TATA STEEL FOUNDATION**

**23 Financial Instruments**

**23.1 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.

**23.2 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.

**23.3 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 2019 & 31 March 2018 that result in net currency gains and losses in the income statement and equity.

Commodity price risk

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

**23.4 Credit risk management**

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

**23.5 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.

March 31, 2019	Carrying Amount	less than 1 year	between 1 -5 year
<b>Non-derivative financial liabilities</b>			
Trade payables	1,092.89	1,092.89	-
	<u>1,092.89</u>	<u>1,092.89</u>	<u>-</u>
<b>March 31, 2018</b>			
<b>Non-derivative financial liabilities</b>			
Trade payables	353.93	353.93	-
	<u>353.93</u>	<u>353.93</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.



**TATA STEEL FOUNDATION****23 Financial Instruments**

As at 31.03.2019

Financial Assets:	Amortised Cost	Total Carrying Value	Total Fair Value
Cash and bank balances	954.43	954.43	954.43
Liquid Fund Investments	207.23	207.23	207.23
Other financial assets	13.41	13.41	13.41
<b>Total</b>	<b>1,175.07</b>	<b>1,175.07</b>	<b>1,175.07</b>

As at 31.03.2019

Financial Liabilities	Amortised Cost	Total Carrying Value	Total Fair Value
Trade payable	1,092.89	1,092.89	1,092.89
<b>Total</b>	<b>1,092.89</b>	<b>1,092.89</b>	<b>1,092.89</b>

As at 31.03.2018

Financial Assets:	Amortised Cost	Total Carrying Value	Total Fair Value
Cash and bank balances	1,121.41	1,121.41	1,121.41
<b>Total</b>	<b>1,121.41</b>	<b>1,121.41</b>	<b>1,121.41</b>

As at 31.03.2018

Financial Liabilities	Amortised Cost	Total Carrying Value	Total Fair Value
Trade payable	353.93	353.93	353.93
<b>Total</b>	<b>353.93</b>	<b>353.93</b>	<b>353.93</b>

**24 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, 2019. The Information regarding micro, small and medium enterprises has been determined on the basis of information available with the management.

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

See accompanying notes forming part of the financial statements

In terms of our report of even date

For and on behalf of the Board of Directors

For Price Waterhouse &amp; Co Chartered Accountants LLP

Chartered Accountants

Firm Registration Number: 304026E/E300009



T.V. Narendran

Chairman

DIN: 03083605



Koushik Chatterjee

Director

DIN: 00004989



Sougata Mukherjee

Partner


Membership Number: 057084



Parvatheesam K.

Company Secretary

ACS: 15921



Chanakya Chaudhary

Director

DIN: 02139568

Gurugram, April 18, 2019

Mumbai, April 18, 2019

