

**INDEPENDENT AUDITORS' REPORT TO  
THE MEMBERS OF NSE FOUNDATION****Report on the Standalone Ind AS Financial Statements**

We have audited the accompanying Standalone Ind AS Financial Statements of **NSE FOUNDATION** ("the company"), which comprise the Balance sheet as at 31 March 2018, the Statement of Income and Expenditure, the Cash flow statement and the Statement of Changes in Equity for the year ended, and a summary of significant accounting policies and other explanatory information.

**Management's responsibility for the Standalone Ind AS Financial Statements**

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 Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Relevant rules issued thereunder.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the company and for preventing and detecting the 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's responsibility**

Our responsibility is to express an opinion on these Standalone Ind AS Financial Statements based on our audit.

We have taken into account the provisions of the Act, 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 there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS Financial Statements are free from material misstatement.





An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Standalone Ind AS Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone 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 Standalone Ind AS Financial Statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An Audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by company's directors, as well as evaluating the overall presentation of the Standalone Ind AS Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS Financial Statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone 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 31<sup>st</sup> March 2018, and its excess of Income over Expenditure and its cash flows for the year ended on that date.

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

1. 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 appears from our examination of those books.
- c) The Balance sheet, Statement of Income and Expenditure and cash flow statement dealt with by this report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.





- e) On the basis of written representations received from the directors as on 31 March, 2018, taken on record by the Board of Directors, none of the directors are disqualified as on 31 March, 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 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 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 has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statements– Refer Note 26 to the Standalone Ind AS Financial Statements.
  - ii. The company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the company.
2. This report does not include 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 Section 143 (11) of the Companies Act 2013, since the Order is not applicable to the Company, being a company licensed to operate under Section 8 of the Companies Act 2013, as specified in paragraph 1(2)(iii) of the said order.

**For Gokhale & Sathe**  
Chartered Accountants  
Firm Reg. No.: 103264W

*Atul A Kale*

**Atul A Kale**  
Partner  
Membership No.109947



**Place: Mumbai**  
**Date: 22<sup>nd</sup> April 2018**



## ANNEXURE A

### **Report on the Internal Financial Controls under Clause(i) of Sub-section 3 of Section 143 of the Companies Act,2013 (“the Act”)**

We have audited the Internal financial controls over financial reporting of NSE FOUNDATION (“the Company”) as of March 31, 2018 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

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

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Companies Act, 2013.

#### **Auditors’ Responsibility**

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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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 was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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 Standalone Ind AS Financial Statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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

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 Standalone Ind AS 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 Standalone Ind AS 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 Standalone Ind AS Financial Statements.

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

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**

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 Gokhale & Sathe**

**Chartered Accountants**

**Firm Reg. No.: 103264W**

*Atul A Kale*

**Atul A Kale**

**Partner**

**Membership No.109947**



**Place: Mumbai**

**Date: 22<sup>nd</sup> April 2018**

NSE FOUNDATION

BALANCE SHEET AS AT MARCH 31, 2018

₹ in Lakhs

	NOTES	As at 31.03.2018
<b>I. ASSETS</b>		
<b>Non Current assets</b>		
Income tax assets (net)	8	0.12
<b>Total Non Current Assets</b>		<b>0.12</b>
<b>Current assets</b>		
<b>Financial assets</b>		
-Cash and Cash equivalents	3	19.20
-Bank balances other than cash and cash equivalents	4	8,239.00
-Other Financial Assets	2	1.04
<b>Total Current Assets</b>		<b>8,259.24</b>
<b>TOTAL ASSETS</b>		<b>8,259.36</b>
<b>II. EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Equity Share capital	5	5.00
Other Equity	6	8,245.51
<b>TOTAL EQUITY</b>		<b>8,250.51</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
<b>Financial Liabilities</b>		
-Other financial liabilities	7	8.09
Other Current Liabilities	9	0.76
<b>Total Current Liabilities</b>		<b>8.85</b>
<b>TOTAL LIABILITIES</b>		<b>8.85</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>8,259.36</b>

Summary of significant accounting policies

1

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

As per our report of even date attached

For Gokhale & Sathe

For and on behalf of the Board of Directors

Chartered Accountants

Firm Registration no: 103264W

*Atul Kale*

Atul Kale

Partner

Membership No.: 109947

Place : Mumbai

Date : May 3, 2018



*Prakash Parthasarathy*

Prakash Parthasarathy

Chairman

[DIN: 02011709]

*Vikram Limaye*

Vikram Limaye

Director

[DIN: 00488534]

*J Ravichandran*

J Ravichandran

Director

[DIN: 00073736]



NSE FOUNDATION

STATEMENT OF INCOME & EXPENDITURE FOR THE PERIOD FROM MARCH 5, 2018 TO MARCH 31, 2018

₹ in Lakhs

Particulars	NOTES	For the period ended 31.03.2018
<b>Income</b>		
Revenue	10	8,255.71
Other income	11	1.15
<b>Total Income</b>		<u>8,256.86</u>
<b>Expenses</b>		
Grants	12	2.50
Other expenses	13	7.58
<b>Total Expenses</b>		<u>10.08</u>
<b>Excess of Income over Expenditure for the period</b>		<u>8,246.78</u>

Summary of significant accounting policies

1

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

**For Gokhale & Sathe**

For and on behalf of the Board of Directors

Chartered Accountants

Firm Registration no: 103264W

*Atul Kale*

**Atul Kale**

Partner

Membership No.: 109947



*Prakash Parthasarathy*

**Prakash Parthasarathy**

Chairman

[DIN: 02011709]

*Vikram Limaye*

**Vikram Limaye**

Director

[DIN: 00488534]

*J Ravichandran*

**J Ravichandran**

Director

[DIN: 00073736]

Place : Mumbai

Date : May 3, 2018





**NSE FOUNDATION**  
**STATEMENT OF CHANGES IN EQUITY**

(A) Equity Share Capital

₹ in Lakhs

Equity Share Capital	As at 31.03.2018
Balance as at March 5, 2018	-
Changes in equity share capital during the period	5.00
Balance as at March 31, 2018	5.00

(B) Other Equity

₹ in Lakhs

Retained Earnings	As at 31.03.2018
Balance as at March 5, 2018	-
Excess of Income over Expenditure	8,246.78
Less: Preliminary Expenses W/off	(1.27)
Balance as at March 31, 2018*	8,245.51

\*Note : Out of the Retained Earnings of ₹ 8,245.51 lakhs for the year ended 31-March-2018, which could not be actually applied for the purpose of the foundation during the year, for an amount of ₹ 3,000.00 lakhs option under 2(i) of explanation 1 to section 11 (1) of the Income Tax Act, 1961 (the Act') has been exercised and for an amount of ₹ 4,009.78 lakhs option under section 11(2) of the Act has been exercised for carrying out the object of the foundation as under:-

- i) ₹ 1,500.00 lakhs towards Primary Education; and
- ii) ₹ 1,500.00 lakhs towards Water, Sanitation and Hygiene
- iii) ₹ 1,009.78 lakhs towards Elder Care.

This is the statement of changes in equity referred to in our report of even date

**For Gokhale & Sathe**

Chartered Accountants

Firm Registration no: 103264W

  
Atul Kale

Partner

Membership No.: 109947




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



**Prakash Parthasarathy**

Chairman

[DIN: 02011709]



**Vikram Limaye**

Director

[DIN: 00488534]



**J Ravichandran**

Director

[DIN: 00073736]

Place : Mumbai

Date : May 3, 2018



NSE FOUNDATION  
CASH FLOW STATEMENT FOR THE PERIOD FROM MARCH 5, 2018 TO MARCH 31, 2018

₹ in Lakhs

Particulars	For the period from 05.03.2018 to 31.03.2018
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>	
Excess of Income over Expenditure for the period	8,246.78
<b>Less : Adjustments for :</b>	
Preliminary Expenses	(1.27)
Interest income	(1.15)
<b>Working Capital Changes</b>	
Increase/(Decrease) in other financial liabilities	8.09
Increase/(Decrease) in other current liabilities	0.76
Increase/(Decrease) in other financial assets	(1.04)
<b>CASH GENERATED FROM OPERATIONS</b>	<b>8,252.17</b>
Income Tax Paid	(0.12)
<b>NET CASH FROM (USED IN) OPERATING ACTIVITIES - Total (A)</b>	<b>8,252.05</b>
<b>B) CASHFLOW FROM INVESTING ACTIVITIES</b>	
Investment in Fixed Deposits	(8,239.00)
Interest Received	1.15
<b>NET CASH FROM (USED IN) INVESTING ACTIVITIES - Total (B)</b>	<b>(8,237.85)</b>
<b>C) CASHFLOW FROM FINANCING ACTIVITIES</b>	
Proceeds from Issue of Equity Shares	5.00
<b>NET CASH FROM (USED IN) FINANCING ACTIVITIES - Total (C)</b>	<b>5.00</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B)</b>	<b>19.20</b>
<b>CASH AND CASH EQUIVALENTS : OPENING BALANCE</b>	<b>-</b>
<b>CLOSING CASH AND CASH EQUIVALENTS : CLOSING BALANCE</b>	<b>19.20</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENT</b>	<b>19.20</b>
<b>Reconciliation of cash and cash equivalents as per the cash flow statement</b>	
Cash and cash equivalents as per above comprise of the following	
Cash and cash equivalents	19.20
Bank overdrafts	-
<b>Balances per statement of cash flows</b>	<b>19.20</b>

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS - 7 on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.

The above statement of cash flows should be read in conjunction with the accompanying notes.

**For Gokhale & Sathe**

Chartered Accountants

Firm Registration no: 103264W

  
Atul Kale  
Partner  
Membership No.: 109947



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

  
Prakash Parthasarathy  
Chairman  
[DIN: 02011709]

  
Vikram Limaye  
Director  
[DIN: 00488534]

  
J Ravichandran  
Director  
[DIN: 00073736]

Place : Mumbai

Date : May 3, 2018



## NSE FOUNDATION

Notes to financial statements for the period ended March 31, 2018

### Background and Significant Accounting Policies

#### Background

NSE Foundation (“the Company”) was incorporated on March 5, 2018 as a Company registered under Section 8 of the Companies Act, 2013. The Company is engaged in promoting and funding projects and / or programs, relating to Corporate Social Responsibility (CSR) as required by Section 135 read with Schedule VII to the Companies Act, 2013 such as eradication of hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water; to promote education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects, to promote gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.

#### Note 1: Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements (“financial statements”). These policies have been consistently applied to all the years presented, unless otherwise stated.

##### (a) Basis of preparation

These financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Companies Act, 2013 and Indian Accounting Standards (“Ind AS”) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015], Companies ( Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Companies Act 2013 (the Act).

##### (i) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that is measured at fair value

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. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:



## **NSE FOUNDATION**

### **Notes to financial statements for the period ended March 31, 2018**

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

#### **(b) Functional and presentation currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupees (INR), which is the Company's functional and presentation currency.

#### **(c) Revenue recognition**

Donations are recognised as income in the Statement of Income and Expenditure in the year in which the collections are actually received. Interest income is recognised using the effective interest method.

#### **(d) Cost recognition**

Costs and expenses are recognised when incurred and have been classified according to their primary nature.

The costs of the Company are broadly categorised in grants, project expenses and other expenses. Other expenses majorly include legal and professional fees, travel expenses and other expenses. Other expenses is an aggregation of costs which are individually not material such as bank charges etc.

#### **(e) Income taxes**

The Company is registered under section 12AA of the Income Tax Act, 1961 which entitles it to claim an exemption from Income tax, provided certain conditions laid down in the Income Tax Act, 1961 are complied with. Provision for income tax would be made only in the year in which the Company is unable to establish reasonable certainty of its ability to fulfill these conditions. The Company has also obtained a certificate under section 80G of the Income Tax Act, 1961.

#### **(f) Cash and cash equivalents**

Cash and Cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments 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.



**(g) Investments and other financial assets**

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through income and expenditure) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

**Financial assets at fair value through profit and loss**

Financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income. On initial recognition, The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in the statement of Income and Expenditure.

**Financial liabilities**

Financial liabilities are measured at amortised cost using effective interest method.

**(h) Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

**(i) Property, plant and equipment (including CWIP)**

Freehold land is carried at historical cost of acquisition. All other items of property, plant and equipment are stated at historical cost less depreciation. 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.

*Depreciation methods, estimated useful lives and residual value*

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:



**NSE FOUNDATION**

Notes to financial statements for the period ended March 31, 2018

Building	60 years
Furniture and fixture	5 to 10 years
Office equipment	4 to 5 years
Electrical equipment	10 years
Computer systems office automation	3 years
Computer systems – others	4 years
Computer software	4 years
Telecommunication systems	4 years
Trading systems	4 years

The property, plant and equipment including land acquired under finance leases is depreciated over the asset's useful life or the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

The useful lives for computer systems office automation, computer systems – others, computer software, telecommunication systems, trading systems and clearing & settlement systems have been determined based on technical evaluation done by the management's expert which are lower than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The asset's residual values and useful lives are reviewed, and adjusted on a prospective basis if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in profit or loss.

Depreciation on assets purchased / disposed off during the year is provided on pro rata basis with reference to the date of additions / deductions.

Fixed assets whose aggregate cost is Rs. 5,000 or less are depreciated fully in the year of acquisition.

**(j) Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial 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



## NSE FOUNDATION

### Notes to financial statements for the period ended March 31, 2018

are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method.

#### (k) Provisions

Provisions for legal claims and discounts/incentives are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

At the end of each reporting period, provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at a future date. 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.

#### (l) Contingent Liabilities

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

#### (m) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

#### (o) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

#### (p) Critical accounting estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.



**NSE FOUNDATION**  
Notes to financial statements for the period ended March 31, 2018

		₹ in Lakhs
		As at 31.03.2018
<b>2</b>	<b>Other Financial Assets (Current)</b>	
	Accrued Interest on Fixed Deposits	1.04
		<b>1.04</b>
		₹ in Lakhs
		As at 31.03.2018
<b>3</b>	<b>Cash and bank balances</b>	
	Cash and cash equivalents	-
	Balances with banks : in current account	19.20
	<b>Total</b>	<b>19.20</b>
		₹ in Lakhs
		As at 31.03.2018
<b>4</b>	<b>Bank balances other than cash and cash equivalents</b>	
	<b>Fixed Deposits</b>	
	- with original maturity of less than 12 months	8,239.00
		<b>8,239.00</b>
		₹ in Lakhs
		As at 31.03.2018
<b>5</b>	<b>Share Capital</b>	
	<b>Authorised</b>	
	50,000 Equity Shares of ₹ 10 each.	5.00
	<b>Total</b>	<b>5.00</b>
	<b>Issued, Subscribed and Paid-up</b>	
	50,000 Equity Shares of ₹ 10 each.	5.00
	<b>Total</b>	<b>5.00</b>

**Terms and rights attached to equity shares**

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

Details of Shareholders holding more than 5% share in the Company			31.03.2018
Name of the Company	No of Shares	% of holding	
National Stock Exchange of India Ltd	38,000	76%	
National Securities Clearing Corporation Ltd	6,000	12%	

		₹ in Lakhs
		As at 31.03.2018
<b>6</b>	<b>Other Equity</b>	
	Balance as at March 5, 2018	-
	Excess of income over expenditure	8,246.78
	Less: Preliminary Expenses	(1.27)
	Balance as at March 31, 2018	<b>8,245.51</b>
		₹ in Lakhs
		As at 31.03.2018
<b>7</b>	<b>Other financial liability</b>	
	<b>To Related Party</b>	
	National Stock Exchange of India Limited	1.16
	<b>To Others</b>	6.93
	<b>Total</b>	<b>8.09</b>





		₹ in Lakhs
8	<b>Income tax assets (Net)</b> Income tax paid including TDS	<b>As at 31.03.2018</b> 0.12
		<b>0.12</b>
9	<b>Other current liability</b> Statutory dues payable	<b>₹ in Lakhs</b> <b>As at 31.03.2018</b> 0.76
		<b>0.76</b>
10	<b>Revenue</b> Donations / Contributions	<b>₹ in Lakhs</b> <b>For the year ended</b> <b>31.03.2018</b> 8,255.71
		<b>8,255.71</b>
11	<b>Other Income</b> Interest on Fixed Deposits	<b>₹ in Lakhs</b> <b>For the year ended</b> <b>31.03.2018</b> 1.15
		<b>1.15</b>
12	<b>Grants</b> Grants* <b>Total</b>	<b>₹ in Lakhs</b> <b>For the year ended</b> <b>31.03.2018</b> 2.50 <b>2.50</b>
	* Represents expenses towards Corporate Social Responsibility projects which are executed in collaboration with other charitable organisation	
13	<b>Other Expenses</b> Bank Charges Director Sitting Fees Audit Fees Professional Fees <b>Total</b>	<b>₹ in Lakhs</b> <b>For the year ended</b> <b>31.03.2018</b> 0.00 0.50 0.59 6.49 <b>7.58</b>

**14 Segment Reporting**

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

**15** In compliance with Ind AS 24 - "Related Party Disclosures", as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies ( Indian Accounting Standards) Amendment Rules, 2016, the required disclosures are given in the table below:

**(a) Names of the related parties and related party relationships**

Sr no	Name of Related Parties	Nature of Relationships	Percentage of Holdings
1	National Stock of Exchange India Limited	Holding Company (w.e.f 05.03.18)	76%
2	National Securities Clearing Corporation Limited	Promoter Company & Fellow Subsidiary (w.e.f 05.03.18)	12%
3	DotEx International Limited	Promoter Company & Fellow Subsidiary's Subsidiary (w.e.f 05.03.18)	2%
4	India Index Services & Products Limited	Promoter Company & Fellow Subsidiary's Subsidiary (w.e.f 05.03.18)	2%
5	NSEIT Limited	Promoter Company & Fellow Subsidiary's Subsidiary (w.e.f 05.03.18)	
6	NSE Strategic Investment Corporation Limited	Promoter Company & Fellow Subsidiary (w.e.f 05.03.18)	



7	NSE Infotech Services Limited	Promoter Company & Fellow Subsidiary's Subsidiary (w e f 05 03 18)	2%
8	NSE Academy Limited	Promoter Company & Fellow Subsidiary's Subsidiary (w.e.f 05 03,18)	2%
9	NSE IFSC Limited	Fellow Subsidiary	NA
10	NSE IFSC Clearing Corporation Limited	Fellow Subsidiary's Subsidiary	NA
11	NSE.IT (US) Inc.	Fellow Subsidiary's Subsidiary's Subsidiary	NA
12	National Securities Depository Limited	Holding Company's Associate	NA
13	BFSI Sector Skill Council of India	Holding Company's Associate	NA
14	Power Exchange India Limited	Fellow Subsidiary's Associate Company	NA
15	NSDL e-Governance Infrastructure Limited	Fellow Subsidiary's Associate Company	NA
16	Market Simplified India Limited	Fellow Subsidiary's Associate Company	NA
17	Computer Age Management Services Private Limited	Fellow Subsidiary's Associate Company	NA
18	Receivables Exchange of India Limited	Fellow subsidiary's Associate Company	NA
19	Mr. Prakash Parthasarathy	Key Management Personnel	NA
20	Mr. Vikram Limaye	Key Management Personnel	NA
21	Mr. J. Ravichandran	Key Management Personnel	NA

(b) Details of transactions (including GST wherever levied) with related parties are as follows :

		₹ in Lakhs
Name of Related Parties	Nature of Transactions	As at 31.03.2018
National Stock of Exchange India Limited	Subscription towards Equity Share Capital	3.80
	Donation Received	5,448.86
	Reimbursement of Preliminary Expenses	1.16
	Closing balance (Credit) / Debit	(1.16)
National Securities Clearing Corporation Limited	Subscription towards Equity Share Capital	0.60
	Donation Received	1,871.34
DotEx International Limited	Subscription towards Equity Share Capital	0.10
	Donation Received	2.44
India Index Services & Products Limited	Subscription towards Equity Share Capital	0.10
	Donation Received	3.32
NSEIT Limited	Subscription towards Equity Share Capital	0.10
	Donation Received	1.54
NSE Strategic Investment Corporation Limited	Subscription towards Equity Share Capital	0.10
	Donation Received	2.04
NSE Infotech Services Limited	Subscription towards Equity Share Capital	0.10
NSE Academy Limited	Subscription towards Equity Share Capital	0.10
Mr. Prakash Parthasarathy	Director Sitting Fees	0.50

16 **Dues to Micro and Small Enterprises**

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. The Company has not received any memorandum (as required to be filed by the suppliers with notified authority under Micro, Small and Medium Enterprises Development Act, 2006) from vendor claiming the status as micro or small enterprises, hence no disclosures have been made.

For Gokhale & Sathe  
Chartered Accountants  
Firm Registration no: 103264W

Atul Kale  
Partner  
Membership No.: 109947



For and on behalf of the Board of Directors

Prakash Parthasarathy  
Chairman  
[DIN: 02011709]

Vikram Limaye  
Director  
[DIN: 00488534]

J Ravichandran  
Director  
[DIN: 00073736]

Place : Mumbai  
Date : May 3, 2018

