



**Independent Auditor's Report**

**To the Members of SBICAP Trustee Company Limited**

**Report on the Audit of Standalone Ind AS Financial Statements**

**Opinion**

We have audited the accompanying standalone Ind AS financial statements of SBICAP Trustee Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 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 its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 Companies Act, 2013 and the Rules there under, 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.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team.

We summaries below the key audit matters, in decreasing order of audit significance, in arriving at our audit opinions above, together with our key audit procedures to address those matters and, as required, where relevant, by law for public interest entities, our results from those procedures.



These matters were addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

	The Risk	Our Response and Results
Revenue recognition for one time acceptance fees	<p>As per Ind AS 115 An entity shall recognize revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer.</p> <p>The Company recognizes the revenue from trusteeship acceptance fees on the acceptance of trusteeship assignment.</p> <p>There is a risk of revenue been booked for such contracts for which performance obligations continues after the reporting date.</p>	<ul style="list-style-type: none"> <li>• <b>Our results:</b> Based on the management representation on the activities performed, the revenues are booked for one time acceptance fees for which performance Obligation is satisfied</li> </ul>
Revenue recognition for penal interest income	<p>The Company recognizes revenue of penal interest for the cases referred to NCLT.</p> <p>Provision for ECL on penal interest for NCLT account raised during the year, is done on the basis of 40% of the amounts without considering the status of account for its recoverability.</p> <p>Further the penal interest on service charges are not charged on regular accounts.</p>	<ul style="list-style-type: none"> <li>• <b>Our results:</b> The Company accrues revenue for interest on NCLT cases and makes provision as per the policy as determined by the management.</li> </ul>
Provisioning of trade receivables	<p>The company is following expected credit loss (ECL) model for provisioning of trade receivables and minimum 40% provisioning policy for trade receivables of NCLT cases.</p>	<ul style="list-style-type: none"> <li>• <b>Our results:</b> The Company may redefine the model to include the impact of NCLT cases on the ECL Provision.</li> </ul>



	There is a risk of more / less provisioning for ECL as the said cases are not considered while making ECL provision.	
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### **Responsibilities of Management and Those Charged with Governance 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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial 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.

In preparing the financial statements, the Board of Directors 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 the Board of Directors 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 Responsibility for the Audit of standalone Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matter**

The comparative financial information of the Company for the year ended March 31, 2018 and the transition date opening balance sheet as at April, 2017 included in these Ind AS financial statements, are based on the previously issued statutory financial statements, prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by predecessor auditor whose report for the year ended March 31, 2018 and March 31, 2017 dated April 23<sup>rd</sup> 2018 and April 20<sup>th</sup> 2017 respectively expressed an unmodified opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.



Our opinion is not modified in respect of these matters.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity 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 Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e) On the basis of written representations received from the directors as on March 31, 2019, and 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 with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- 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 has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 36 to the standalone Ind AS financial statements. Further the Company has received enforcement notice from SEBI for violation of regulation 29(1) and 29(2). We are unable to comment on the impact of penalty on the financial statements due to non-availability of the absolute amount.
  - 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.

3. In accordance with the directions issued under section 143(5) of the Act, we further report that:

- a) The Company has system in place to process all the accounting transaction through IT system and there is no implication of processing of accounting transaction outside IT system.
- b) During the year, debts aggregating to Rs. 2,09,49,254/- were written off in 89 cases. Accordingly the profit of the Company for the year has been reduced to this extent. A summary of debtors written off during the year along with the reasons for write off is given below:

Reasons	Write off's	
	No. of cases	Amount (Rs)
Liquidity Crisis faced by clients	62	1,89,02,693/-
Deal did not Materialise	11	19,07,000/-
Disputed services/billing	16	1,39,561/-
<b>Total</b>	<b>89</b>	<b>2,09,49,254/-</b>

During the year, Service charges aggregating to Rs. 16,75,685/- were reversed in 11 cases. Accordingly the profit of the Company for the year has been reduced to this extent. A summary of Service charges de-accrued during the year along with the reasons for de-accrual is given below:

Reasons	De-accruals	
	No. of Cases	Amount (Rs)
Deal did not Materialise	10	16,55,685/-
Disputed services/billing	1	20,000/-
<b>Total</b>	<b>11</b>	<b>16,75,685/-</b>

- c) The Company does not receive any funds from central/state agencies for specific schemes.

For **Desai Associates**  
Chartered Accountants  
FRN: 102286W

  
**Sudhir K Jain**

Partner

Membership Number: 120610



Place: Mumbai

Date

**16 APR 2019**

**Annexure "1" to the Independent Auditor's report**

Referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date to the financial statements of the Company for the period ended March 31, 2019:

1. a) The Company is in the process of updating Fixed Assets Register showing full particulars, including quantitative details and situation of fixed assets.  
  
b) The fixed assets of the company have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.  
  
c) The company does not have any immovable properties. Accordingly, sub-clause (c) of clause (i) of paragraph 3 of the Order is not applicable to the Company for the year.
2. The Company's business does not involve inventories and, accordingly, the requirements under clause (ii) of paragraph 3 of the Order are not applicable to the Company.
3. In our opinion and according to the information and explanation given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnership or other parties covered in the register maintained under Section 189 of the Act. Accordingly, clauses (iii)(a) to (iii)(c) of paragraph 3 of the Order not applicable to the Company for the year.
4. In our opinion and according to the information and explanations given to us, in respect of loans, investments, guarantees and securities, the company has complied with the provisions of section 185 and section 186 of the Companies Act, 2013.
5. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
6. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company. Accordingly clause (v) of paragraph 3 of the Order is not applicable to the company.
7. a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, cess, Goods and service tax and any other statutory dues with the appropriate authorities.

According to the information and explanation given to us, no disputed amounts payable in respect of provident fund, Income tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax, Goods and service tax, cess and other material statutory dues were in arrears as at 31st march, 2019 for a period of more than six months from the date they became payable.



b) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the particulars of dues of income tax outstanding as on Balance Sheet Date which have not been deposited on account of a dispute, are as follows-

Name of The Statute	Nature of Dues	Amount (Rs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	2,16,979	A.Y. 2012-13	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	1,25,82,82,847	A.Y. 2018-19 & A.Y. 2019-20	Commissioner of Income Tax (Appeals)

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks, governments or dues to debenture holders.
9. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
10. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the period.
11. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.
13. According to the information and explanation given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
14. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of clause (xiv) of paragraph 3 of the Order are not applicable to the Company and hence not commented upon.
15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with





directors or persons connected with him. Accordingly, the provisions of clause (xv) of paragraph 3 of the Order are not applicable to the Company and hence not commented upon.

16. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause (xvi) of paragraph 3 of the Order are not applicable to the Company and hence not commented upon.

For **Desai Associates**  
Chartered Accountants  
FRN: 102286W

  
**Sudhir K Jain**  
Partner

Membership Number: 120610



Place: Mumbai

Date: **16 APR 2019**

## **ANNEXURE "2" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF SBICAP TRUSTEE COMPANY LIMITED**

### **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 SBICAP Trustee Company Limited ("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**

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, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls 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 financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures



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

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

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 31 March 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 Desai Associates  
Chartered Accountants  
FRN: 102286W

  
**Sudhir K Jain**  
Partner

Membership Number: 120610



Place : Mumbai

Date: 16 APR 2019

**SBICAP TRUSTEE COMPANY LIMITED**  
**BALANCE SHEET AS ON 31st March 2019**

(Amounts in Indian Rupees)

Particulars	Note Ref.	As at Mar 31, 2019	As at Mar 31, 2018	As at April 01, 2017
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	3	27,24,131	24,82,802	30,13,919
Intangible assets	4	79,45,658	1,15,18,178	1,31,69,462
Financial assets				
Investments	5	1,50,10,010	1,50,10,010	7,72,37,210
Other financial assets	6	39,91,212	93,19,400	10,63,03,366
Net Deferred Tax (Liabilities) / Assets	28	66,42,752	37,79,532	56,83,434
Other tax assets	7	14,20,69,820	12,88,94,642	7,77,63,116
Other non-current assets	8	7,07,700	7,00,244	22,20,217
<b>Total non-current assets</b>		<b>17,90,91,283</b>	<b>17,17,04,808</b>	<b>28,53,90,724</b>
<b>Current assets</b>				
Financial assets				
Investments	9	12,21,62,023	48,07,95,834	20,88,16,897
Trade receivables	10	8,76,86,419	7,28,68,507	6,91,59,459
Cash and cash equivalents	11	15,38,20,779	6,75,94,126	5,50,31,516
Bank Balances other than mentioned above	12	48,16,22,141	63,06,13,243	8,63,35,529
Other financial assets	13	3,93,13,801	2,37,19,229	3,83,00,603
Other current assets	14	31,69,187	28,21,179	4,97,010
<b>Total current assets</b>		<b>88,77,74,350</b>	<b>1,27,84,12,118</b>	<b>45,81,41,015</b>
<b>TOTAL ASSETS</b>		<b>1,06,68,65,633</b>	<b>1,45,01,16,926</b>	<b>74,35,31,739</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity share capital	15	1,00,00,000	1,00,00,000	1,00,00,000
Other equity				
Reserves and surplus	16	91,52,50,588	76,62,92,138	64,00,23,444
<b>TOTAL EQUITY</b>		<b>92,52,50,588</b>	<b>77,62,92,138</b>	<b>65,00,23,444</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Financial liabilities				
Others	17	12,85,597	11,67,597	9,37,597
Provisions	18	58,37,413	50,01,933	52,73,719
<b>Total non-current liabilities</b>		<b>71,23,010</b>	<b>61,69,530</b>	<b>62,11,316</b>
<b>Current liabilities</b>				
Financial liabilities				
Trade payables	19	12,86,467	14,89,130	8,15,933
Others	20	1,33,19,498	55,33,97,034	2,46,53,847
Provisions	21	62,04,518	52,08,672	13,56,849
Current tax liabilities	22	10,74,55,900	10,31,65,000	5,87,00,000
Other current liabilities	23	62,25,652	43,95,422	17,70,350
<b>Total current liabilities</b>		<b>13,44,92,035</b>	<b>66,76,55,258</b>	<b>8,72,96,979</b>
<b>TOTAL LIABILITIES</b>		<b>14,16,15,045</b>	<b>67,38,24,788</b>	<b>9,35,08,295</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,06,68,65,633</b>	<b>1,45,01,16,926</b>	<b>74,35,31,739</b>

Summary of Significant Accounting Policies

1 & 2

The above balance sheet should be read in conjunction with the accompanying notes.

As per our attached report of even date

For Desai Associates

Chartered Accountants

Firm Registration No. 102286W

(Sudhirkumar Jain)

Partner

Membership No.120610



S.Uma Shanmukhi  
Director

DIN No:08165959

For and on behalf of the Board of Directors  
SBICAP Trustee Company Limited

Rajasekhar Raghavan  
CEO & Whole Time  
Director  
DIN No.8116907

Savitri Yadav  
Company Secretary  
ICSI Membership  
No: A21994

Place:Mumbai

Date: 16th April, 2019

**SBICAP TRUSTEE COMPANY LIMITED**  
**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2019**

(Amounts in Indian Rupees)

Particulars	Notes	Period ended March 31, 2019	Period ended March 31, 2018
Revenue from operations	24	28,85,08,316	26,95,60,687
Other income	25	5,95,89,499	3,90,55,093
<b>Total income</b>		<b>34,80,97,815</b>	<b>30,86,15,780</b>
<b>Expenses</b>			
Depreciation and amortisation expense	3,4	57,80,126	54,91,160
Employee benefit expenses	26	5,20,44,468	5,10,18,188
Other expenses	27	8,11,93,769	7,97,88,814
<b>Total expenses</b>		<b>13,90,18,363</b>	<b>13,62,98,162</b>
<b>Profit before exceptional items and tax</b>		<b>20,90,79,452</b>	<b>17,23,17,617</b>
Exceptional items			
<b>Profit before tax</b>		<b>20,90,79,452</b>	<b>17,23,17,617</b>
<b>Tax expense</b>			
Current tax	28	6,29,90,900	4,44,65,000
Deferred tax	28	(28,65,165)	18,11,621
<b>Total tax expense</b>		<b>6,01,25,735</b>	<b>4,62,76,621</b>
<b>Profit for the year</b>		<b>14,89,53,717</b>	<b>12,60,40,997</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit and loss</i>			
Remeasurement gains/(losses) on net defined benefit plans	26	6,683	3,19,975
Deferred tax relating to above	28	(1,946)	(92,281)
<b>Other comprehensive income for the year, net of tax</b>		<b>4,737</b>	<b>2,27,694</b>
<b>Total comprehensive income for the year</b>		<b>14,89,58,454</b>	<b>12,62,68,691</b>
<b>Earnings per share</b>			
Basic		148.96	126.27
Diluted		148.96	126.27

**Summary of Significant Accounting Policies**

1 & 2

The above statement of profit and loss should be read in conjunction with the accompanying notes.

As per our attached report of even date

**For Desai Associates**

**Chartered Accountants**

Firm Registration No. 102286W

(Sudhakar Jain)

Partner

Membership No.120610

Place: Mumbai

Date: 16th April, 2019



**S.Uma Shanmukhi**  
Director

DIN No:08165959



**Rajasekhar Raghavan**  
CEO & Whole Time  
Director  
DIN No.8116907

**Savitri Yadav**  
Company Secretary  
ICSI Membership  
No: A21994



**Note 3 - Property, plant and equipment**  
Gross carrying amount

Particulars	Air Conditioners	Computers other than Laptops	Office Equipments (Mobile Phone Handsets)	Office Equipments (other than mobile phones)	Furniture & Fixtures	Laptops	Lease hold Improvement	Total
<b>Gross carrying amount</b>								
Opening balance as at April 1, 2017	2,48,617	31,74,605	7,94,169	13,18,993	23,49,284	47,90,671	8,26,850	1,35,03,189
Additions		84,104	2,80,495	59,910	22,000	12,12,280		16,58,789
Disposals		(1,151)	(3,19,478)			(12,53,593)		(15,74,222)
Transfers	-	-	-	-	-	-	-	-
Assets written off	-	-	-	-	-	-	-	-
Classified as assets held for sale								
<b>Opening balance as at April 1, 2018</b>	2,48,617	32,57,558	7,55,186	13,78,903	23,71,284	47,49,358	8,26,850	1,35,87,756
Additions	31,175	98,220	3,69,078	2,38,321	3,51,845	11,27,324		22,15,962
Disposals			(2,82,945)			(10,70,609)		(13,53,554)
Transfers	-	-	-	-	-	-	-	-
Assets written off	-	-	-	-	-	-	-	-
Classified as assets held for sale								
<b>Balance as at March 31, 2019</b>	2,79,792	33,55,778	8,41,319	16,17,224	27,23,129	48,06,073	8,26,850	1,44,50,164

**Accumulated depreciation**

Particulars	Air Conditioners	Computers other than Laptops	Office Equipments (Mobile Phone Handsets)	Office Equipments (other than mobile phones)	Furniture & Fixtures	Laptops	Lease hold Improvement	Total
<b>Gross carrying amount</b>								
Opening balance as at April 1, 2017	1,47,300	30,94,263	4,12,036	12,38,164	16,45,893	31,24,764	8,26,850	1,04,89,270
Depreciation charge for the year	61,035	1,16,818	2,25,550	63,653	2,67,500	11,12,320		18,46,876
Disposals			(2,12,745)			(10,18,447)		(12,31,192)
Assets written off								
Assets classified as held for sale								
<b>Opening balance as at April 1, 2018</b>	2,08,335	32,11,081	4,24,841	13,01,817	19,13,393	32,18,637	8,26,850	1,11,04,954
Accumulated depreciation and impairment								
Depreciation charge for the year	43,495	57,924	2,15,442	1,26,964	2,37,141	9,87,741		16,68,705
Disposals			(2,26,521)			(8,21,105)		(10,47,626)
Assets written off								
Assets classified as held for sale								
<b>Balance as at March 31, 2019</b>	2,51,830	32,69,005	4,13,762	14,28,781	21,50,534	33,85,274	8,26,850	1,17,26,033

<b>Net carrying amount as at March 31, 2019</b>	27,962	86,774	4,27,557	1,88,444	5,72,596	14,20,800	-	27,24,131
<b>Net carrying amount as at March 31, 2018</b>	40,282	46,477	3,30,345	77,086	4,57,891	15,30,721	-	24,82,802
<b>Net carrying amount as at March 31, 2017</b>	1,01,317	80,342	3,82,133	80,829	7,03,391	16,65,907	-	30,13,919
<b>Net carrying amount as at April 01, 2017</b>	1,01,317	80,342	3,82,133	80,829	7,03,391	16,65,907	-	30,13,919



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**Note 4 - Intangible assets****Gross carrying amount****(Amounts in Indian Rupees)**

Particulars	Computer Software
<b>Gross carrying amount</b>	
Opening balance as at April 1, 2017	1,82,58,442
Additions	19,93,000
Disposals	-
Transfers	-
Assets written off	-
Classified as assets held for sale	-
Opening balance as at April 1, 2018	2,02,51,442
Addition	5,38,901
Assets written off	-
Adjustments on account of borrowing costs	-
Revaluations/Impairment	-
Others (Specify nature)	-
Balance as at March 31, 2019	2,07,90,343

**Accumulated amortisation**

Particulars	Computer Software
Opening balance as at April 1, 2017	50,88,980
Depreciation charge for the year	36,44,284
Disposals	-
Assets written off	-
Assets classified as held for sale	-
Opening balance as at April 1, 2018	87,33,264
Depreciation charge for the year	41,11,421
Disposals	-
Assets written off	-
Others (Specify nature)	-
Balance as at March 31, 2019	1,28,44,685

Net carrying amount as at March 31, 2019	79,45,658
Net carrying amount as at March 31, 2018	1,15,18,178
Net carrying amount as at March 31, 2017	1,31,69,462
Net carrying amount as at April 01, 2017	1,31,69,462

1. All Intangible assets held by the company are purchased and not internally generated.



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**SBICAP Trustee Company Limited**  
**NOTES TO BALANCE SHEET FOR THE YEAR ENDED 31 MARCH, 2019**

(Amounts in Indian Rupees)

**Note 5 - Investments**

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at April 01, 2017
IIFCL Bonds - 8.01% (Tranche - 1)	1,50,00,000	1,50,00,000	1,50,00,000
SBI Debt Fund Series B-31-FMP	-	-	6,22,27,200
Investment in SBI Foundation	10,010	10,010	10,010
<b>Total</b>	<b>1,50,10,010</b>	<b>1,50,10,010</b>	<b>7,72,37,210</b>

**Note 6 - Other financial assets**

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at April 01, 2017
Rental and Other Deposits	9,91,212	63,19,400	58,03,366
Other bank balances	30,00,000	30,00,000	10,05,00,000
<b>Total</b>	<b>39,91,212</b>	<b>93,19,400</b>	<b>10,63,03,366</b>

**Note 7 - Other Tax assets**

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at April 01, 2017
Income tax assets	14,20,69,820	12,88,94,642	7,77,63,116
<b>Total</b>	<b>14,20,69,820</b>	<b>12,88,94,642</b>	<b>7,77,63,116</b>

**Note 8 - Other non-current assets**

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at April 01, 2017
Prepaid Rent	2,51,545	5,23,028	10,17,461
Prepaid expenses	4,56,155	1,77,216	12,02,756
<b>Total</b>	<b>7,07,700</b>	<b>7,00,244</b>	<b>22,20,217</b>

**Note 9 - Investments**

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at April 01, 2017
a) 29,299.763 (Previous Year : 42,520.898) units of SBI Premier Liquid Fund Regular Plan Daily Dividend Reinvestment of Rs. 1,003.25 each fully paid	2,93,94,987	4,26,59,086	20,38,96,705
b) 21,348.613 (Previous Year : 20,343.891) units of SBI Premier Liquid Fund Direct Plan Daily Dividend Reinvestment of Rs. 1,003.25 each fully paid	2,14,17,996	2,04,10,005	49,20,192
c) NIL (Previous Year : 3,47,779.682) units of SBI Magnum Insta Cash Fund Liquid Floater Direct Plan Daily Dividend Reinvestment of Rs. 1009.91 each fully paid	-	35,12,26,180	-
d) 56,00,000 (2017 : 56,00,000) units of Rs 10/- each fully paid SBI Debt Fund Series B-31(1200 Days)-Direct Growth Plan	7,13,49,040	6,65,00,560	-
<b>Total</b>	<b>12,21,62,023</b>	<b>48,07,95,831</b>	<b>20,88,16,897</b>



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**Note 10 - Trade and other receivables**

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at April 01, 2017
Trade receivables	12,21,70,823	9,45,12,242	8,89,45,618
Less:			
Allowances for doubtful debts	(3,44,84,404)	(2,16,43,735)	(1,97,86,159)
<b>Total</b>	<b>8,76,86,419</b>	<b>7,28,68,507</b>	<b>6,91,59,459</b>

**Note 11 - Cash and cash equivalents**

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at April 01, 2017
Balance with banks in deposit accounts	14,95,00,000	6,00,00,000	4,85,00,000
Balance with banks in current accounts	43,13,565	72,93,279	65,26,469
Cash in hand	7,214	7,083	5,044
Cheques in hand	-	2,93,764	-
<b>Total</b>	<b>15,38,20,779</b>	<b>6,75,94,126</b>	<b>5,50,31,513</b>

**Note 12 - Other Bank Balances**

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at April 01, 2017
In Fixed Deposits (with maturity of less than 12 months)	46,90,00,000	7,85,00,000	6,25,00,000
In Current Account - Escrow accounts	1,26,22,141	55,21,13,243	2,38,35,529
<b>Total</b>	<b>48,16,22,141</b>	<b>63,06,13,243</b>	<b>8,63,35,529</b>

**Note 13 - Other financial assets**

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at April 01, 2017
Rental Deposit	59,57,453	-	-
Accrued interest- Fixed deposit	3,22,60,307	2,25,00,406	3,73,71,570
Accrued Interest on Investment [IIFCL Tax Free Bonds]	4,60,849	4,60,849	4,60,849
Others	6,35,192	3,84,049	3,53,095
Expense Recoverable from client/others	1,54,154	3,73,925	1,15,089
Less : Provision for expected credit loss	(1,54,154)	-	-
<b>Total</b>	<b>3,93,13,801</b>	<b>2,37,19,229</b>	<b>3,83,00,603</b>

**Note 14 - Other current assets**

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at April 01, 2017
Capital advance			
Advances other than capital advances			
Others	1,51,690	66,555	24,877
Cenvat Credit Receivable	16,00,151	16,28,934	73,622
Prepaid expenses	14,17,346	11,25,690	4,06,222
TAHA Received in Advance			(7,711)
<b>Total</b>	<b>31,69,187</b>	<b>28,21,179</b>	<b>4,97,010</b>



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**Note 15 - Share capital**

(Amounts in Indian Rupees)

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at April 01, 2017
<b>Equity share capital</b>			
<b>Authorised share capital</b>			
20,00,000 (previous year 20,00,000) Equity Shares of Rs.10/- each	2,00,00,000	2,00,00,000	2,00,00,000
<b>Issued, subscribed and paid up</b>			
10,00,000 (previous year 10,00,000) Equity Shares of Rs. 10/- each fully paid up at par.	1,00,00,000	1,00,00,000	1,00,00,000
<b>Total</b>	<b>1,00,00,000</b>	<b>1,00,00,000</b>	<b>1,00,00,000</b>

**a) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting year :**

Not applicable as there is no movement in share capital during the year.

**b) Details of shareholder holding more than 5% shares is set out below :**

Name of shareholder	As at Mar 31, 2019	As at Mar 31, 2018	As at April 01, 2017
SBI Capital Markets Limited			
No. of Shares held	9,99,880	9,99,880	9,99,880
% of shareholding	99.99	99.99	100

**c) Shares held by holding/ultimate holding company and/or their subsidiaries/associates :**

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at April 01, 2017
<b>Issued, subscribed and fully paid-up</b>			
Equity Shares			
10,00,000 Equity shares (previous year 10,00,000) of Rs.10/- each fully paid are held by SBI Capital Markets Limited, the Holding Company.	1,00,00,000	1,00,00,000	1,00,00,000

**Note 16 - Reserves and surplus**

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at April 01, 2017
<b>General reserve</b>			
Opening balance	6,71,21,409	5,52,16,487	4,35,32,488
Add: Transferred from surplus in the Statement of Profit and Loss	1,48,95,372	1,19,04,923	1,16,83,999
Less: Utilised for issue of bonus shares			
	<b>8,20,16,781</b>	<b>6,71,21,409</b>	<b>5,52,16,487</b>
<b>Surplus/(Deficit) in Statement of Profit and Loss</b>			
Opening Balance	69,91,70,726	58,48,06,957	47,31,68,786
Add: Net profit after tax transferred from Statement of Profit and Loss	14,89,58,454	12,62,68,691	11,68,39,987
<b>Amount available for appropriation</b>			
<b>Appropriations:</b>			
Final Dividend			
Tax on Dividend			
IND AS			64,82,183
Transfer to General reserve	(1,48,95,372)	(1,19,04,923)	(1,16,83,999)
<b>Net Surplus/(Deficit) in the Statement of Profit and Loss</b>	<b>83,32,33,808</b>	<b>69,91,70,726</b>	<b>58,48,06,957</b>
<b>Total</b>	<b>91,52,50,588</b>	<b>76,62,92,135</b>	<b>64,00,23,444</b>





**Note 17 - Others**

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at April 01, 2017
Trust Settlement Fees	12,85,597	11,67,597	9,37,597
<b>Total</b>	<b>12,85,597</b>	<b>11,67,597</b>	<b>9,37,597</b>

**Note 18 - Long term provisions**

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at April 01, 2017
Provision for Long-term Compensated Absences	46,34,409	43,18,373	46,61,096
Provision for Gratuity	12,03,004	6,83,560	6,12,623
<b>Total</b>	<b>58,37,413</b>	<b>50,01,933</b>	<b>52,73,719</b>

**Note 19 - Trade payables**

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at April 01, 2017
<b>Current</b>			
Total outstanding dues of micro enterprises and small enterprises	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	12,86,467	14,89,130	8,15,933
<b>Total</b>	<b>12,86,467</b>	<b>14,89,130</b>	<b>8,15,933</b>

**Note 20 - Others**

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at April 01, 2017
Retention monies	1,66,851	1,66,851	1,90,119
Trust Settlement Fees	3,77,000	2,64,000	2,64,000
Capital creditors	-	-	67,849
Provision for expenses	2,51,509	10,82,166	3,99,699
Advances received for CERSAI & Others	1,25,24,138	55,18,84,017	2,37,32,179
<b>Total</b>	<b>1,33,19,498</b>	<b>55,33,97,034</b>	<b>2,46,53,846</b>

**Note 21 - Short term provisions**

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at April 01, 2017
Provision for employee benefits:	60,00,000	50,00,000	10,00,000
Provision for Short-term Compensated Absences	2,04,518	2,08,672	3,56,849
<b>Total</b>	<b>62,04,518</b>	<b>52,08,672</b>	<b>13,56,849</b>

**Note 22 - Current tax liabilities**

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at April 01, 2017
Income tax provision	10,74,55,900	10,31,65,000	5,87,00,000
<b>Total</b>	<b>10,74,55,900</b>	<b>10,31,65,000</b>	<b>5,87,00,000</b>



**Note 23 - Other current liabilities**

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at April 01, 2017
Income received in advance		-	4,66,240
Advances received for CERSAI & Others	2,26,236	1,52,086	72,064
Other payables	5,22,742	8,45,083	6,11,100
Statutory dues	54,76,674	33,98,253	6,20,946
<b>Total</b>	<b>62,25,652</b>	<b>43,95,422</b>	<b>17,70,350</b>



**SBICAP Trustee Company Limited**  
**NOTES TO THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2019**  
(Amounts in Indian Rupees)

**Note 24 - Revenue from operations**

Particulars	31 March 2019	31 March 2018
<b>Sale of services</b>		
Trusteeship Acceptance Fees	8,03,29,432	4,77,73,973
Trusteeship Service Charges	20,49,13,384	22,08,53,214
Trusteeship Income from Will Services	53,000	1,03,500
	<b>28,52,95,816</b>	<b>26,87,30,687</b>
<b>Other Operating Revenue</b>		
Legal & Documentation Charges	32,12,500	8,30,000
	<b>32,12,500</b>	<b>8,30,000</b>
<b>Total</b>	<b>28,85,08,316</b>	<b>26,95,60,687</b>

**Note 25 - Other Income**

Particulars	31 March 2019	31 March 2018
Interest Income	4,38,53,187	1,52,80,798
Dividend on Mutual Funds	31,14,208	1,54,78,389
Excess Provision Written Back	87,498	-
Fair Value Change in Mutual fund investments	48,48,490	42,73,360
Miscellaneous Income	22,01,255	9,11,935
Bad Debts Recovered	49,47,560	26,19,577
Interest income on security deposits- Fair Value	5,37,300	4,91,034
<b>Total</b>	<b>5,95,89,499</b>	<b>3,90,55,093</b>

**Note 26 - Employee benefit expenses**

Particulars	31 March 2019	31 March 2018
Employee Salary, Allowances and Benefits	4,02,06,955	4,08,00,269
Salary of staff on deputation	28,33,697	41,14,139
Contribution to Gratuity Fund & Provident Fund	26,46,642	18,96,824
Staff Welfare Expenses	63,57,174	42,06,956
<b>Total</b>	<b>5,20,44,468</b>	<b>5,10,18,188</b>

**Other Comprehensive Income**

Gain on Actuarial re-measurement	6,683	3,19,975
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**Note 27 - Other expenses**

Particulars	31 March 2019	31 March 2018
Rental charges	1,60,27,187	1,66,19,976
Rates and Taxes	65,673	1,06,187
Insurance	2,31,109	2,21,177
Legal and Professional Fees	78,51,590	81,51,626
Payment to Auditor	4,79,500	2,90,000
Printing and Stationery	8,25,855	5,49,635
Travel and conveyance	31,65,915	27,52,350
Advertisement and business development charges	22,52,026	17,94,619
Water and electricity charges	11,31,886	12,24,321
House Keeping & Security Expenses	18,15,233	21,36,291
Repairs and Maintenance	52,94,482	29,73,066
Royalty Expenses	23,80,985	23,36,800
CSR	27,04,420	25,68,000
Telephone and communication charges	8,67,178	11,97,831
Provision for Doubtful Debts	1,29,94,823	18,57,576
Bad Debts Written off	2,09,49,254	3,31,49,076
Miscellaneous Expenses	21,12,547	18,16,616
Loss on sale of Asset	44,105	43,668
<b>Total</b>	<b>8,11,93,769</b>	<b>7,97,88,814</b>



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**Note 28 - Income tax expense**

(Amounts in Indian Rupees)

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at Apr 1, 2017
Current tax			
Current tax on Profit for the year	6,29,90,900	4,44,65,000	5,87,00,000
Adjustment to current tax of prior periods			
<b>Total current tax expenses</b>	<b>6,29,90,900</b>	<b>4,44,65,000</b>	<b>5,87,00,000</b>
Deferred tax	(28,63,219)	19,03,902	5,21,696
Deferred tax- OCI			
Decrease /(Increase) in deferred tax assets			
(Decrease) /Increase in deferred tax liabilities			
<b>Total deferred tax expenses/(benefit)</b>	<b>(28,63,219)</b>	<b>19,03,902</b>	<b>5,21,696</b>
<b>Income tax expense</b>	<b>6,01,27,681</b>	<b>4,63,68,902</b>	<b>5,92,21,696</b>
<b>Income tax expense attributable to :</b>			
Profit from operations	6,01,27,681	4,63,68,902	5,92,21,696
<b>Total</b>	<b>6,01,27,681</b>	<b>4,63,68,902</b>	<b>5,92,21,696</b>

**Deferred tax asset (net)**

The balance comprises temporary differences attributable to :

Particulars	As at Mar 31, 2019	As at Mar 31, 2018	As at Apr 1, 2017
<b>Deferred tax asset:</b>			
Tax losses			
Defined benefit obligations	17,59,410	15,02,738	19,48,627
MAT credit entitlement			
	<b>17,59,410</b>	<b>15,02,738</b>	<b>19,48,627</b>
Other items:			
Allowance of doubtful debts - trade receivable	1,00,86,748	62,42,053	68,47,594
Allowance of doubtful debts - security deposits			
Others			
	<b>1,00,86,748</b>	<b>62,42,053</b>	<b>68,47,594</b>
<b>Total deferred tax assets</b>	<b>1,18,46,158</b>	<b>77,44,792</b>	<b>87,96,221</b>
<b>Deferred tax liability:</b>			
Property plant and equipment and intangible assets	7,33,766	15,42,570	16,76,047
Financial assets at fair value through profit & loss	44,69,640	24,22,689	14,36,740
<b>Total deferred tax liabilities</b>	<b>(52,03,407)</b>	<b>(39,65,259)</b>	<b>(31,12,787)</b>
<b>Net deferred tax assets</b>	<b>66,42,752</b>	<b>37,79,532</b>	<b>56,83,434</b>



## Statement of changes in equity

(Amounts in Indian Rupees)

## A) Equity

Particulars	No. of shares (lacs)	Amount
Balance as at April 1, 2018	10,00,000	1,00,00,000
Changes in equity share capital	-	-
Balance as at March 31, 2019	10,00,000	1,00,00,000

## B) Other Equity

Particulars	Security premium reserve	Retained earnings	General Reserve	Total equity
Balance as at April 1, 2017		58,48,06,957	5,52,16,487	64,00,23,444
Profit for the year		12,60,40,997	-	12,60,40,997
Other comprehensive Income for the year	-	2,27,694	-	-
Total comprehensive Income for the period	-	12,62,68,691	-	12,60,40,997
Inter-Reserve Transfer		(1,19,04,923)	1,19,04,923	-
Balance as at March 31, 2018		69,91,70,726	6,71,21,409	76,60,64,441
Balance as at April 1, 2018		69,91,70,726	6,71,21,409	76,60,64,441
Profit/(Loss) for the year		14,89,53,717	-	14,89,53,717
Other comprehensive Income for the year		4,737	-	4,737
Total comprehensive Income for the period		14,89,58,454	-	14,89,58,454
Inter-Reserve Transfer		(1,48,95,372)	1,48,95,372	-
Balance as at March 31, 2019	-	83,32,33,808	5,22,26,038	91,50,22,895
Dividends paid		-	-	-
Inter-Reserve Transfer		(1,48,95,372)	-	(1,48,95,372)
Other Movements		-	-	-
Balance as at March 31, 2019	-	81,83,38,436	5,22,26,038	90,01,27,523

The above statement of changes in equity should be read in conjunction with the accompanying notes.





## Equity Reconciliation

(Amounts in Indian Rupees)

Particulars	31 March 2019	31 March 2018	1 April 2017
<b>Total Equity as per Indian GAAP as at</b>	<b>89,96,11,314</b>	<b>75,25,90,487</b>	<b>63,35,41,261</b>
<b>IND AS Adjustments</b>			
Fair Valuation of Investments	1,53,49,050	1,05,00,560	62,27,200
Impairment provision based on expected credit loss (ECL) model for financial instrument	67,24,641	79,91,088	26,47,411
Fair Valuation of Interest Free security deposit	(6,562)	(42,873)	(39,473)
Re- Measurement of Acturial Gain/Loss		(27,839)	
Deferred Tax impact on Ind AS Adjustments	(64,27,856)	(47,19,289)	(23,52,956)
<b>Total Equity as per Ind AS as at</b>	<b>91,52,50,588</b>	<b>76,62,92,135</b>	<b>64,00,23,444</b>



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# Reconciliation of Profits as per IGAAP and Ind AS

(Amounts in Indian Rupees)

Particulars	31st Mar 19		31st Mar 18	
Profit/ Profit & Loss balance as per IGAAP		14,70,20,828		11,90,49,226
Add/Less: ECL Impact on Provision for doubtful debts	(12,66,447)		53,43,678	
Add: Fair Valuation of LT Mutual Fund	48,48,490		42,73,360	
Fair Valuation of Interest Free security deposit	36,311		(3,400)	
Re- Measurement of Acturial Gain/Loss	27,839		(27,839)	
Deferred Tax impact on IND As Adjustments	(17,08,567)		(23,66,335)	
<b>Total</b>		<b>19,37,626</b>		<b>72,19,465</b>
<b>Profit &amp; Loss balance as per Ind AS</b>		<b>14,89,58,454</b>		<b>12,62,68,691</b>

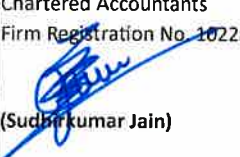







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**SBICAP TRUSTEE COMPANY LIMITED**  
Statement of Cash Flows for the year ended 31st March, 2019

(Amount in Indian Rupees)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Prior Period Items and Tax	20,90,79,452	17,23,17,617
<b>Adjustment for :-</b>		
Depreciation	57,80,126	54,91,160
Allowances for Doubtful Debts	1,29,94,823	18,57,576
Interest & Dividend income considered separately	(4,69,67,395)	(3,07,59,187)
Fair Valuation of MF	(48,48,490)	(42,73,360)
Fair Valuation of Security Deposit- Interest Income	(5,37,300)	(4,91,034)
Fair Valuation of Security Deposit- Rent Charges	5,00,989	4,94,433
Actuarial Gain on Re-measurement	6,683	3,19,975
Profit or loss on sale of fixed assets considered separately	44,105	43,668
<b>Operating Profit before Working Capital Changes</b>	<b>17,60,52,993</b>	<b>14,50,00,850</b>
Increase in Trade Receivables	(2,76,58,581)	(55,66,624)
Increase in Loans and Advances and Other Current Assets	(1,07,39,690)	1,32,57,746
Increase in Current Liabilities and Provisions	(53,66,18,634)	53,56,21,493
Increase in Long term Liabilities	1,18,000	2,30,000
Income Tax paid	(7,18,75,178)	(5,11,31,526)
<b>Net Cash Flow from Operating Activities</b>	<b>(47,07,21,091)</b>	<b>63,74,11,939</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(27,54,863)	(36,35,156)
Interest & Dividend	4,69,67,395	3,07,59,187
Proceeds from sale of fixed assets	2,61,823	2,82,729
Purchase/Sale of investments	36,34,82,288	(20,54,78,374)
Fixed Deposits placed/matured during the year (Net)	(39,05,00,000)	8,15,00,000
<b>Net Cash used in Investing Activities</b>	<b>1,74,56,642</b>	<b>(9,65,71,614)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend & Dividend Distribution Tax Paid	-	-
<b>Net Cash used in Financing Activities</b>	<b>-</b>	<b>-</b>
<b>Net change in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(45,32,64,449)</b>	<b>54,08,40,325</b>
Opening Balance of Cash & Cash Equivalents	61,97,07,370	7,88,67,045
Closing Balance of Cash & Cash Equivalents	16,64,42,921	61,97,07,370
Cash on hand	7,214	7,083
Balances with scheduled banks (current and deposit accounts)	16,64,35,707	61,97,00,286
Excludes amounts placed as deposits with scheduled banks having maturity more than 3 months but less than 12 months	46,90,00,000	7,85,00,000
This Cash Flow statement is prepared using the "indirect method" set out in IND AS 7- Statement of Cash Flows.		
As per our attached report of even date		
For Desai Associates		
Chartered Accountants		
Firm Registration No. 102286W		
 (Sudhir Kumar Jain) Partner Membership No.120610 Place: Mumbai Date: 16th April, 2019		
		
 S. Uma Shanmukhi Director DIN No: 08165959		
 Rajasekhar Raghavan CEO & Whole Time Director DIN No. 8116907		
		
 Savitri Yadav Company Secretary ICSI Membership No: A21994		

# SBICAP TRUSTEE COMPANY LIMITED

## Notes to Financial Statements for the year ended March 31, 2019

### 1. Background

SBICAP Trustee Company Limited (hereinafter referred to as "the Company") is a unlisted public limited Company domiciled in India and incorporated on 28<sup>th</sup> December 2005 under the provisions of the Companies Act applicable in India. The registered office of the Company is located at 202, Maker Tower E, Cuffe Parade, Mumbai-400005.

The Company is registered with Securities and Exchange Board of India (SEBI) as a Debenture Trustee. The Company has been providing corporate trusteeship services to various types of Borrowers and Investors this includes activities viz security trusteeship, debenture trusteeship, security agent, share pledge trusteeship, safe custody of documents, online will services, etc.

The Company is a wholly owned subsidiary of SBI Capital Markets Limited. Information on group structure is provided in related parties note no.34.

### 2. Significant Accounting Policies

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

#### A. Basis of Preparation

##### i. Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards (hereinafter referred to as "Ind AS") under the provisions of the Companies Act, 2013 (hereinafter referred to as 'the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These financial statements for the period ended March 31, 2019 are the first financial statements of the Company prepared in accordance with Ind AS. For all periods up to and including the year ended March 31, 2018, the Company prepared its financial statements in accordance with the Generally Accepted Accounting Principles (hereinafter referred to as 'previous GAAP') used for its statutory reporting requirement in India.

##### ii. Basis of measurement

The financial statements have been prepared on historical cost basis except the following

- certain financial instruments that is measured at fair value;
- defined benefit plans- plan assets measured at fair value; and

#### B. Summary of significant accounting policies

##### a. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current /non-current classification.

An asset is treated as current when it is:



## SBICAP TRUSTEE COMPANY LIMITED

### Notes to Financial Statements for the year ended March 31, 2019

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products and services offered by the Company, operating cycle determined is 12 months for the purpose of current and non-current classification of assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents,

#### b. Foreign Currencies

The company's financial statements are presented in INR, which is also the company's functional currency.

#### Transaction and balances

Transactions in foreign currencies are initially recorded by the company in their functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting period.

Exchange differences arising on the settlement of monetary items or on translating monetary items are recognized in profit or loss except

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.





# SBICAP TRUSTEE COMPANY LIMITED

## Notes to Financial Statements for the year ended March 31, 2019

### c. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of trade allowances, rebates, cash discount and amounts collected on behalf of third parties.

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below.

- **Sale of services- Fee based Income**

- i. **Trusteeship Acceptance fees** are recognised on the acceptance or execution of trusteeship assignment whichever is earlier.

- ii. **Trusteeship Service Charges** are recognised/accrued on the basis of terms of Trusteeship Contracts/ Agreements entered into with customers.

- iii. **Trusteeship fee from 'Will' Services** are recognised when the right to receive the fee is established, as all certainty for revenue recognition is present at the time of establishment of such right.

- **Interest Income**

Interest income from financial assets is recognized when it is probable that economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

- **Dividend Income**

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

- **Insurance claims**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

- Whenever in the views of management it is felt that the recovery of fees dues from the Company seems bleak for the assignment where the fees are non-recoverable for more than one year and above due to circumstances beyond the control of the Company/projects not taking over/loans not sanctioned, lenders have classified the Company as NPA.

The management will analyze the situation on a case to case to basis and may or may not raise further invoice till the time situation will improve or actual recovery happen, whichever is earlier.

- **Bad Debt:**

Assignments are to be classified as irregular assignments if any outstanding dues are not recovered of earlier two financial years. Income in respect of such irregular assignments is accounted for in the year of



## SBICAP TRUSTEE COMPANY LIMITED

### Notes to Financial Statements for the year ended March 31, 2019

receipt. Any previous year/s amount outstanding against, such irregular assignments are written off as bad debt in year of such determination or confirmation from lenders whichever is earlier and the current year income accrued, if any, is reversed.

#### Accelerated Provisioning and Write-off of outstanding debtors:

Whenever in the views of management it is felt that the recovery of fees dues from the Company seems bleak, the management may write off the dues subject to full provisioning already made for the said dues. Further, whenever the fees are non-recoverable due to circumstances viz. beyond the control of the company/projects not taking over/loans not sanctioned, the management may write-off immediately.

Further, the assignments referred to NCLT should not be written it off in the books till the full and final settlement take place.

#### **d. Property, Plant and Equipment**

All items of property, plant and equipment are initially recorded at cost. Such cost includes the cost of replaced part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The cost of an item of property, plant and equipment is recognized as an asset if, and only if, 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.

Subsequent to recognition, property, plant and equipment (excluding freehold land) are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the company recognises such parts as individual assets with specific useful lives and depreciation, respectively. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and useful lives.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over the useful lives, using the depreciation method mentioned in table below. Management believes based on a technical evaluation that the useful lives of the assets reflect the periods over which these assets are expected to be used, which are as follows:

Description of Asset	Useful lives estimated by the management (years)	Depreciation Method
Computers	3 years	WDV
Office Equipment (other than mobile phones)	5 years	WDV
Furniture & Fixtures	10 years	WDV
Mobile phones & Laptop's	3 years	Straight line method
Leasehold improvements	Over the period of lease	Straight line method



# SBICAP TRUSTEE COMPANY LIMITED

## Notes to Financial Statements for the year ended March 31, 2019

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in profit or loss. Fully depreciated assets still in use are retained in financial statements.

### Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2017 measured as per the Previous GAAP as the deemed cost of the property, plant and equipment.

### e. Intangible assets

Intangible assets comprising software are stated at cost less amortisation. Significant improvements to software are capitalised and amortised over the remaining useful life of original software. Cost associated with maintaining software programmes are recognised as an expense as incurred.

Software are amortised using straight line method over a period of 5 years from the date of being ready for intended use.

### Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at April 1, 2017 measured as per the previous GAAP as the deemed cost of the intangible assets.

### f. Taxation

#### Current taxes

Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in other comprehensive income or equity respectively. Current income tax is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Company offsets, on a year to year basis, the current tax assets and liabilities, where it has legally enforceable right to do so and where it intends to settle such assets and liabilities on a net basis.

#### Deferred taxes

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary



## SBICAP TRUSTEE COMPANY LIMITED

### Notes to Financial Statements for the year ended March 31, 2019

differences and unused tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax relating to items recognised outside the profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity)

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Deferred tax include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India. Credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

#### **g. Fair Value measurement**

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to settle 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 liability, the Company takes into account the characteristics of the asset or liability if market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.



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# SBICAP TRUSTEE COMPANY LIMITED

## Notes to Financial Statements for the year ended March 31, 2019

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

### h. Impairment of Non-Financial Assets

At the end of each reporting period, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets that have an indefinite useful lives and which are not subject to amortization are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized in the profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

### i. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### Financial Assets

#### a) Initial recognition and measurement

All financial assets are recognised initially at fair value plus or minus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction cost of financial assets carried at fair value through profit or loss are expensed in profit or loss. Investments are recognised on the trade date, which is the date on which the Company enters into the trade.

#### b) Subsequent measurement

Debt Instruments at amortised cost:





## SBICAP TRUSTEE COMPANY LIMITED

### Notes to Financial Statements for the year ended March 31, 2019

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate method. A gain or loss on a debt instrument that is subsequently measured at amortised cost is recognized in profit or loss when the asset is derecognised or impaired.

#### **Debt instrument at Fair Value through Other Comprehensive Income (OCI)**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate method. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income and impairment gains or losses in the statement of profit and loss. On derecognition of the asset, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit and loss.

#### **Debt instrument at Fair Value through Profit or Loss (FVTPL)**

A financial asset which does not meet the criteria for categorization as at amortized cost or as fair value through other comprehensive income is classified as fair value through profit or loss. Debt instruments subsequently measured at fair value through profit or loss are measured at fair value with all changes recognized in the statement of profit and loss.

#### **Equity instruments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Dividends from such investments are recognized in profit or loss as other income. There is no recycling of the amounts from OCI to Profit and Loss, even on sale/derecognition of equity instrument. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments subsequently measured at fair value through profit or loss are measured at fair value with all changes recognized in the statement of profit and loss.

Investment in subsidiaries, associates and joint ventures is carried at previous GAAP carrying cost in the financial statements.

#### **c) De-recognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the company balance sheet) when:

The rights to receive cash flows from the asset have expired, or

The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement;



## SBICAP TRUSTEE COMPANY LIMITED

### Notes to Financial Statements for the year ended March 31, 2019

and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

#### d) Impairment of financial assets

The Company recognise impairment loss applying the expected credit loss (ECL) model on the financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual right to receive cash or other financial asset and financial guarantee not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 months expected credit losses.

For trade receivables or any contractual right to receive cash or another financial assets that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company applies 'simplified approach' permitted by Ind AS 109 Financial Instruments. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

Expected credit Loss percentage for respective age buckets are given in below table:



# SBICAP TRUSTEE COMPANY LIMITED

## Notes to Financial Statements for the year ended March 31, 2019

Age Bucket	Expected Credit Loss Rate (%)
0-3 Months	5
3-6 Months	10
6-9 Months	15
9-12 Months	20
12-15 Months	30
15-18 Months	40
18-21 Months	50
21-24 Months	60
24 Months & above	100

### For NCLT Cases

Consequent to the enactment of IBC code and the constitution of NCLT, RBI has prescribed provisioning norms in respect of all NCLT referred cases to be maintained at 40 %.

As a Prudent measure of financial discipline, 40% Provision should be made for all NCLT referred cases beginning from the financial year 2018.19.

### Financial Liabilities

#### a) Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

#### b) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

#### **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.



# SBICAP TRUSTEE COMPANY LIMITED

## Notes to Financial Statements for the year ended March 31, 2019

### Financial liabilities at amortised cost

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### c) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

### d) Offsetting of financial instruments

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

### j. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the lessee is classified as a finance lease.

### Finance Lease as a lessee

Finance leases are capitalised at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

### Operating Lease as a lessee

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of the time pattern in



## SBICAP TRUSTEE COMPANY LIMITED

### Notes to Financial Statements for the year ended March 31, 2019

which economic benefits from leased assets are consumed. The aggregate benefit of incentives (excluding inflationary increases) provided by the lessor is recognized as a reduction of rental expense over the lease term on a straight-line basis. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

#### k. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. 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.

#### l. Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

#### m. Provisions

Provisions are recognised when the Company has a present obligation, legal or constructive, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

#### n. Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Payments in respect of such liabilities, if any are shown as advances.

#### o. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- weighted average number of equity shares that would have been outstanding assuming the conversion of all the dilutive potential equity.





# SBICAP TRUSTEE COMPANY LIMITED

## Notes to Financial Statements for the year ended March 31, 2019

### p. Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), and highly liquid time deposits that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### q. Employee Benefits

#### • Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the undiscounted amounts of the benefits expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

#### • Other Long-term employee benefit obligations

The liabilities for compensated absences (annual leave) which are not expected to be settled wholly within 12 months after the end of the period in which the employee render the treated are presented as non-current employee benefits obligations. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the Projected Unit Credit method. The benefits are discounted using the market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligations. Remeasurements as a result of experience adjustments and changes in actuarial assumptions (i.e. actuarial losses/ gains) are recognised in the Statement of Profit and Loss.

The obligations are presented as current in the balance sheet if the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

#### • Post-employment obligations

The Company operates the following post-employment schemes:

- I. Defined benefit plans such as gratuity
- II. Defined contribution plans such as provident fund.

#### Defined benefit plan - Gratuity Obligations

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is actuarially determined using the Projected Unit Credit method.



## SBICAP TRUSTEE COMPANY LIMITED

### Notes to Financial Statements for the year ended March 31, 2019.

The present value of the defined benefit obligation is determined by discounting the estimated future cash flows outflows by reference to market yields at the end of the reporting period on government bonds that have a terms approximating to the terms of the obligation

The net interest cost, calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets, is recognised as employee benefit expenses in the statement of profit and loss.

Remeasurements gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the other comprehensive income in the year in which they arise and are not subsequently reclassified to Statement of Profit and Loss.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

#### Defined Contribution Plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulatory authorities. The Company has no further obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.



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# SBICAP TRUSTEE COMPANY LIMITED

## Notes to Financial Statements for the year ended March 31, 2019

### 29) Segment Reporting

As the Company's business activity falls within a single primary business segment namely, Corporate Trusteeship Activities, and a single geographical segment, i.e. India, the disclosure requirement of Indian Accounting Standard 108 on Segment Reporting is not applicable.

### 30) Auditor's Remuneration (excluding / GST):

(Amount in Rs.)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
As Statutory Auditor	1,72,000	1,50,000
Other Services	1,82,500	1,40,000
Total	3,54,500	2,90,000

### 31) Foreign currency expenditure and earnings:

(Amount in Rs.)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
a. Expenditure in Foreign Currency	40,382	Nil
b. Earning in Foreign Currency	13,80,000	10,00,000

### 32) Corporate Social Responsibility (CSR):

(a) CSR amount required to be spent by the Companies within the Group as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof during the year is Rs. 36 lakhs (Previous Year: Rs. 34 lakhs)

(b) Expenditure related to Corporate Social Responsibility is Rs. 27.04 lakhs (Previous Year: Rs. 25.28 lakhs). Details of Amount spent towards CSR is given below:

(Amount in Rs.)

Sr. No.	For the year ended 31 <sup>st</sup> March 2019	For the year ended 31 <sup>st</sup> March 2018
Education	13,04,420	10,28,000
Art and Culture	4,00,000	6,00,000
Facilities for senior citizens	-	7,00,000
Healthcare	-	2,00,000
Natural Calamities/Flood	10,00,000	-
Total	27,04,420	25,28,000

### 33) Managerial Remuneration:

(i) Remuneration, including allowances, to CEO & Whole Time Director:

(Amount in Rs.)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Salary and bonus	23,10,853	29,11,668
Contribution to provident and pension funds	4,30,980	4,44,994
Perquisites	6,90,968	6,68,620



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# SBICAP TRUSTEE COMPANY LIMITED

## Notes to Financial Statements for the year ended March 31, 2019

Other allowances	-	2,83,408
<b>Total</b>	<b>34,32,801</b>	<b>43,08,690</b>

As the future liability for gratuity and compensated leave absences is provided on actuarial basis for the Company as a whole, the amount pertaining to the directors is not ascertainable and therefore not included above.

There is no commission payable to any director of the Company. Consequently, the computation of profits as required under Section 198 of the Companies Act, 2013 has not been included.

### 34) Related Party Information:

#### (i) Relationships:-

Where control exists: -

<b>A</b>	<b><u>Name of Party</u></b>	<b><u>Relationship</u></b>
	State Bank of India	Ultimate Holding Company
	SBI Capital Markets Ltd.	Holding Company

<b>B</b>	<b><u>Fellow Subsidiary and Associates</u></b>	<b><u>Relationship</u></b>
	SBICAP Ventures Ltd.	Fellow Subsidiary
	SBICAP Securities Ltd.	Fellow Subsidiary
	SBICAP (UK) Limited	Fellow Subsidiary
	SBICAP (Singapore) Limited	Fellow Subsidiary
	SBI Global Factors Ltd.	SBI Group Company
	SBI Cards & Payment Services Pvt. Ltd.	SBI Group Company
	SBI Mutual Fund	SBI Group Company
	SBI General Insurance Co. Ltd.	SBI Group Company
	SBI Foundation	SBI Group Company

<b>C</b>	<b><u>Key Management Personnel</u></b>	<b><u>Designation</u></b>
	Mr. Rajasekhhar Raghavan	CEO & Whole Time Director
	Mr. Ajit Joshi	Company Secretary (upto 25 <sup>th</sup> December 2018)
	Ms. Savitri Yadav	Company Secretary (from 26 <sup>th</sup> December 2018)



# SBICAP TRUSTEE COMPANY LIMITED

## Notes to Financial Statements for the year ended March 31, 2019

(ii) Details of transactions with Related Parties are as follows: -

(Amount in Rs.)

Name of the Related Party	Particulars	For the year ended 31-Mar-19	For the year ended 31-Mar-18
SBI Capital Markets Ltd	Payments made on behalf of the Company & reimbursed	-	8,10,520
	Rent Charges	1,88,192	-
	Trusteeship Acceptance Charges	6,25,000	-
	Trusteeship Service +Charges	20,000	6,00,000
State Bank of India (Corporate Office)	Royalty expenses	23,80,985	23,36,800
	Reimbursement of expenses	28,95,143	41,14,139
	Rent	12,89,398	20,67,564
	Trusteeship Acceptance Fees	75,00,000	-
	Trusteeship Service Charges	6,13,884	-
State Bank of India (Cuffe Parade Branch, Mumbai)	Interest Income	22,39,199	35,25,423
	Fixed Deposits Matured	3,00,00,000	5,40,00,000
State Bank of India (Fort Branch, Mumbai)	Interest Income	7,91,715	27,91,651
	Fixed Deposits Matured	1,10,00,000	-
State Bank of India (Madam Cama Branch, Mumbai)	Interest Income	3,51,25,797	77,62,225
	Bank Charges	7,478	9,361
	Fixed Deposits Placed	52,15,00,000	4,85,00,000
	Fixed Deposits Matured	7,05,00,000	6,45,00,000
State Bank of India (Nariman Point, Mumbai)	Interest Income	43,54,086	-
	Fixed Deposits Placed	9,70,00,000	-
	Fixed Deposits Matured	4,85,00,000	-
SBI Mutual Fund	Dividend Income	31,14,210	1,54,78,389
SBI Foundation	Contribution Towards CSR	-	7,00,000



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# SBICAP TRUSTEE COMPANY LIMITED

## Notes to Financial Statements for the year ended March 31, 2019

SBI Cards & Payment Services Pvt. Ltd.	Corporate Card Charges	1,03,329	-
SBICAP Ventures Limited	Trusteeship Acceptance Charges	2,01,000	-
	Trusteeship Service Charges	5,00,000	5,00,000
SBI General Insurance Co. Ltd	Insurance Charges for Mediclaim of Employees and dependent family members	8,90,000	
SBICAP Securities Ltd	Demat Charges	1,74,057	
Mr. V. Muralidharan	Gross Remuneration including allowances, perquisites and contribution to Provident Fund	-	43,08,690
Mr. Rajasekhar Raghavan	Gross Remuneration including allowances, perquisites and contribution to Provident Fund	34,32,801	9,52,759
Mr. Ajit Joshi	Gross Remuneration including allowances, perquisites and contribution to Provident Fund (upto 25 <sup>th</sup> December 2018)	13,40,926	16,09,981
Ms. Savitri Yadav	Gross Remuneration including allowances, perquisites and contribution to Provident Fund (from 26 <sup>th</sup> December to 31 <sup>st</sup> March 2019)	2,20,963	-

**(iii) Details of closing balances as on 31<sup>st</sup> March 2019**

(Amount in Rs.)

Name of the Related Party	Particulars	For the year ended 31-Mar-19	For the year ended 31-Mar-18
State Bank of India (Corporate Office)	Provision for Expenses	3,98,754	6,74,873
State Bank of India (Cuffe Parade Branch, Mumbai)	Fixed Deposits Balance	-	3,00,00,000



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# SBICAP TRUSTEE COMPANY LIMITED

## Notes to Financial Statements for the year ended March 31, 2019

	Accrued Interest on Fixed Deposits	-	67,36,186
State Bank of India (Fort Branch, Mumbai)	Fixed Deposits Balance	30,00,000	1,40,00,000
	Accrued Interest on Fixed Deposits	26,969	21,03,086
State Bank of India (Madam Cama Branch, Mumbai)	Bank Balances	1,81,96,524	55,94,06,522
	Fixed Deposits Balance	52,15,00,000	9,75,00,000
	Accrued Interest on Fixed Deposits	3,28,99,534	1,36,61,133
State Bank of India (Nariman Point, Mumbai)	Fixed Deposits Balance	9,70,00,000	-
	Accrued Interest on Fixed Deposits	29,18,294	-
SBI Mutual Fund	Current Investment	12,21,61,950	47,02,95,271
SBI Foundation	Investment in Equity Instruments	10,010	10,010

### 35) Employee Benefits:

The Company has adopted the Group Gratuity Scheme of Life Insurance Corporation of India and annual contributions, determined by using actuarial valuation technique, have been paid to the scheme. Details of the same are as follows:

#### Valuation Method: Projected Unit Credit Method

#### Actuarial Assumptions

The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors.

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ult table	Indian Assured Lives Mortality (2006-08) Ult table
Withdrawal Rate	2% to 5% depending on age	2% to 5% depending on age
Discount Rate	7.95	8.10
Salary Escalation	8.00	8.00



# SBICAP TRUSTEE COMPANY LIMITED

## Notes to Financial Statements for the year ended March 31, 2019

Amount Recognised in Balance Sheet:

(Amount in Rs.)

	Period Ended	
	31 Mar 18	31 Mar 19
	(in `)	
Present value of funded defined benefit obligation	1,998,152	1,994,377
Fair value of plan assets	1,314,592	791,373
Net funded obligation	683,560	1,203,004
Present value of unfunded defined benefit obligation	0	0
Amount not recognized due to asset limit	0	0
Net defined benefit liability / (asset) recognized in balance sheet	683,560	1,203,004
Net defined benefit liability / (asset) is bifurcated as follows:		
Current	0	0
Non-current	683,560	1,203,004



# SBICAP TRUSTEE COMPANY LIMITED

## Notes to Financial Statements for the year ended March 31, 2019

### Profit & Loss Expense:

(Amount in Rs.)

	Period Ended	
	31 Mar 18	31 Mar 19
	(in `)	
Current service cost	525,448	491,009
Past service cost	27,839	0
Administration expenses.	0	0
Interest on net defined benefit liability / (asset)	27,741	35,118
(Gains) / losses on settlement	0	0
Total expense charged to profit and loss account	581,028	526,127

### Amount Recorded in Other Comprehensive Income:

(Amount in Rs.)

	Period Ended	
	31 Mar 18	31 Mar 19
	(in `)	
Opening amount recognized in OCI outside profit and loss account	0	(347,814)
Remeasurements during the period due to		
<i>Changes in financial assumptions</i>	(133,004)	41,323
<i>Changes in demographic assumptions</i>	0	(66)
<i>Experience adjustments</i>	(281,657)	(103,989)
<i>Actual return on plan assets less interest on plan assets</i>	66,847	56,049
<i>Adjustment to recognize the effect of asset ceiling</i>	0	0
Closing amount recognized in OCI outside profit and loss account	(347,814)	(354,497)



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# SBICAP TRUSTEE COMPANY LIMITED

## Notes to Financial Statements for the year ended March 31, 2019

### Movement in Benefit Obligation:

(Amount in Rs.)

	Period Ended	
	31 Mar 18	31 Mar 19
	(in `)	
Opening of defined benefit obligation	1,791,266	1,998,152
Current service cost	525,448	491,009
Past service cost	27,839	0
Interest on defined benefit obligation	135,847	159,751
Remeasurements due to:		
<i>Actuarial loss / (gain) arising from change in financial assumptions</i>	(133,004)	41,323
<i>Actuarial loss / (gain) arising from change in demographic assumptions</i>	0	(66)
<i>Actuarial loss / (gain) arising on account of experience changes</i>	(281,657)	(103,989)
Benefits paid	(67,587)	(591,803)
Liabilities assumed / (settled)*	0	0
Liabilities extinguished on settlements	0	0
Closing of defined benefit obligation	1,998,152	1,994,377

\* On account of business combination or inter group transfer

### Movement in Plan Asset:

(Amount in Rs.)

	Period Ended	
	31 Mar 18	31 Mar 19
	(in `)	
Opening fair value of plan assets	1,178,643	1,314,592
Employer contributions	162,277	0
Interest on plan assets	108,106	124,633
Administration expenses	0	0
Remeasurements due to:		
<i>Actual return on plan assets less interest on plan assets</i>	(66,847)	(56,049)
Benefits paid	(67,587)	(591,803)
Assets acquired / (settled)*	0	0
Assets distributed on settlements	0	0
Closing fair value of plan assets	1,314,592	791,373

\* On account of business combination or inter group transfer



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# SBICAP TRUSTEE COMPANY LIMITED

## Notes to Financial Statements for the year ended March 31, 2019

### Other employee benefits:

Other employee benefits comprise provision for long-term and short-term compensated absences (Sick Leave and Privilege Leave).

### Defined Contribution Plan

The Company pays provident fund contributions to publicly administered provident funds as per local regulatory authorities. The Company has no further obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

### 36) Contingent Liabilities and Commitments:

(Amount in Rs.)

Particulars	As at 31 March 2019	As at 31 March 2018
Income tax demand under dispute (AY 2012-13)	2,16,979	2,16,979
Income tax demand under dispute (AY 2018-19 & A.Y.2019-20)- U/s 194LBC. Matter pending with CIT(A)	1,25,82,82,847	-

### 37) Earning Per Share:

(Amount in Rs.)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
a. (Profit / Loss) attributable to equity shareholders' (Rs.)	14,89,58,454	12,62,68,691
b. Weighted average number of equity shares outstanding during the period (Nos.)	1,000,000	1,000,000
c. Basic/Diluted Earnings per equity share (a/b) (Rs.)	148.96	126.27
d. Face value of each equity share (Rs.)	10	10

### 38) Operating Lease:

The Company has entered into a agreement for lease of office space which expires over a period upto 1 st May 2019. Future minimum rental od Rs. 9,97,000/- and Gross rental expenses for the year ended 31 st March, 2019 aggregating to Rs. 1,19,64,000/-.

### 39) Trade Receivables:

Trade Receivables balances as on 31 March 2019 are subject to confirmation and reconciliation, if any. However, the management does not expect any material variation.

40) Under Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. Accordingly, information relating to disclosure under the said Act has been given only to the extent such information is readily available with the Company. This information has been relied upon by the auditors.



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**SBICAP TRUSTEE COMPANY LIMITED**

**Notes to Financial Statements for the year ended March 31, 2019**

41) Previous year figures have been regrouped/reclassified/restated to correspond with the figures of the current year.


As per our attached report of even date  
For Desai Associates

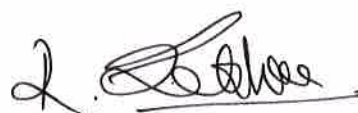
For and on behalf of the Board of Directors  
SBICAP Trustee Company Limited

Chartered Accountants  
Firm Registration No. 102286W

  
(Sudhirkumar Jain)  
Partner  
Membership No.120610




  
S.Uma Shanmukhi  
Director  
DIN No:08165959

  
Rajasekhar Raghavan  
CEO & Whole Time  
Director  
DIN No.8116907

Place:Mumbai  
Date:16<sup>th</sup> April , 2019



  
Savitri Yadav  
Company Secretary  
ICSI Membership-No:  
A21994