

C. B. CHHAJED & CO.

CHARTERED ACCOUNTANTS

Electric Mansion, 5th Floor, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025.
Tel. : 4344 5300, E-mail : info@cbcandco.com, Website : www.cbcandco.com

INDEPENDENT AUDITORS REPORT

To the Members of
SBICap Trustee Company Limited

Report on the Financial Statements

We have audited the accompanying Financial Statements of SBICap Trustee Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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 and presentation of these Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

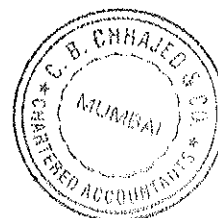
Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Financial Statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Financial Statements.



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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit and its cash flows for the year ended on that date.

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 Act, we give in the Annexure "I", 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 appears from our examination of those books;
 - c the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d in our opinion, the aforesaid standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e on the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164 (2) of the Act.
 - f With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure II".
 - 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 Financial Statements – Refer Note 31 to the Financial Statements;
 - 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:

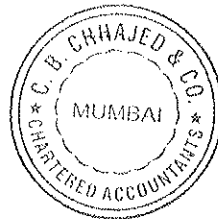
- a The Company has clear lease deeds for leasehold premises.
- b During the year, debts aggregating to Rs. 3,31,49,076/- were written off in 112 cases. Accordingly the profit of the Company for the year has been reduced to this extent. A summary of debtors written off during the year along with the reasons for write off is given below:

Reasons	Write off's	
	No. of cases	Amount
Liquidity Crisis faced by clients	41	2,10,72,985.00
Deal Did Not Materialise	28	73,13,842.00
Due to closure of Assignment	7	34,68,925.00
Disputed OPE Amount	18	44,411.00
Revision of Fee Structure	3	8,46,626.00
Disputed services / billing	15	4,02,287.00
	112	3,31,49,076.00

- c The Company is in the business of rendering of services, hence it does not have any inventory lying with the third parties, nor has it received any gifts or grants from any government or any other authorities.
- d During the year, Service Charges aggregating to Rs. 69,33,283 were reversed in 28 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
Liquidity Crisis faced by clients	2	1,20,000.00
Deal Did Not Materialise	3	6,84,000.00
Due to closure of Assignment	20	36,77,980.00
Revision of Fee Structure	3	24,51,303.00
	28	69,33,283.00

Place : Mumbai
Dated : 23.04.2018



For C. B. Chhajed & Co.
Chartered Accountants
(Firm Regn No : 101796W)

C. P. Bhatia
(Partner)
Membership No : 045210

C. B. CHHAJED & CO.

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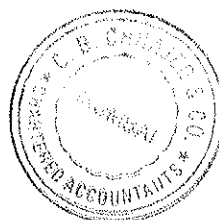
ANNEXURE "I" TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 1 of "Report on other legal and regulatory requirements" of our report of even date]

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

- 1 a The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- 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 does not have any inventory during the year. Accordingly, clause (ii) of paragraph 3 of the Order is not applicable to the Company for the year.
- 3 In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships 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 are not applicable to the Company for the year.
- 4 In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 in respect of loans, investments, guarantees and securities, wherever applicable.
- 5 According to the information and explanations given to us, the Company has not accepted any deposits from the public. Accordingly clause (v) of paragraph 3 of the order is not applicable to the company.
- 6 The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the services of the Company. Accordingly, clause (vi) of paragraph 3 of the Order is not applicable to the Company for the year.
- 7 a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, income-tax, sales-tax, service tax, customs duty, excise duty, GST, cess and other material statutory dues as applicable with the appropriate authorities.

According to information and explanation given to us, no undisputed amounts payable in respect of provident fund, income-tax, sales-tax, wealth tax, service tax, customs duty, excise duty, value added tax, GST, cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.



- b) According to the information and explanations given to us and the records of the Company examined by us, 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 -

<u>Name of the Statute</u>	<u>Nature of Dues</u>	<u>Amount (Rs.)</u>	<u>Period to which the amount relates</u>	<u>Forum where the dispute is pending</u>
Income Tax Act, 1961	Income Tax	2,16,979	A.Y. 2012-13	Commissioner of Income Tax (Appeals)

- 8 According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or Government or debenture holders.
- 9 According to the information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer or debt instruments or term loans. Accordingly, clause (ix) of paragraph 3 of the Order is not applicable to the Company.
- 10 According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- 11 According to the information and explanations 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. Accordingly, clause (xii) of paragraph 3 of the order is not applicable to the company.
- 13 According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 14 According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause (xiv) of paragraph 3 of the order is not applicable to the company.
- 15 According to the information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with him during the year. Accordingly, clause (xv) of paragraph 3 of the order is not applicable to the company.

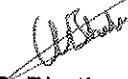


- 16 According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause (xvi) of paragraph 3 of the order is not applicable to the company.

Place : Mumbai
Dated : 23.04.2018



For C. B. Chhajed & Co.
Chartered Accountants
(Firm Regn No. : 101796W)


C. P. Bhatia
{Partner}
Membership No : 045210

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ANNEXURE "II" TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(f) of " Report on other legal and regulatory requirements"

To the Members 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, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

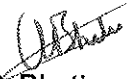
Opinion

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



Place : Mumbai
Dated : 23.04.2018

For C. B. Chhajed & Co.
Chartered Accountants
(Firm Regn No : 101796W)


C. P. Bhatia
{Partner}
Membership No : 045210

SBICAP TRUSTEE COMPANY LIMITED
BALANCE SHEET AS AT 31 MARCH, 2018

(Amounts in Indian Rupees)

Particulars	Note Ref.	As at 31 March 2018	As at 31 March 2017
EQUITY AND LIABILITIES			
Shareholders Funds			
Share Capital	3	1,00,00,000	1,00,00,000
Reserves and Surplus	4	75,25,90,487	63,35,41,261
		76,25,90,487	64,35,41,261
Non-Current Liabilities			
Other long Term Liabilities	5	14,31,597	12,01,597
Long-Term Provisions	6	49,74,094	52,73,719
		64,05,691	64,75,316
Current Liabilities			
Other Current Liabilities	7	55,90,17,586	2,69,76,130
Short-Term Provisions	8	52,08,672	13,56,849
		56,42,26,258	2,83,32,979
TOTAL		1,33,32,22,436	67,83,49,556
ASSETS			
Non Current Assets			
Fixed Assets			
i) Tangible Assets	9	24,82,802	30,13,919
ii) Intangible Assets		1,15,18,178	1,31,69,462
Non-Current Investments	10	1,50,10,010	7,10,10,010
Deferred Tax Assets - Net	11	84,98,823	80,36,390
Long Term Loans and Advances	12	3,32,53,007	4,53,45,143
Other non-current assets	13	30,00,000	10,05,00,000
		7,37,62,820	24,10,74,924
Current Assets			
Current Investments	14	47,02,95,271	20,88,16,897
Trade Receivables	15	6,48,77,418	6,65,12,048
Cash and Bank Balances	16	69,82,07,369	14,13,67,045
Short Term Loans and Advances	17	2,60,79,558	2,05,78,642
		1,25,94,59,616	43,72,74,632
TOTAL		1,33,32,22,436	67,83,49,556

Summary of Significant Accounting Policies 1 & 2

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

As per our attached report of even date

For C.B.Chhajer & Co.
Chartered Accountants
Firm Registration No. 101796W

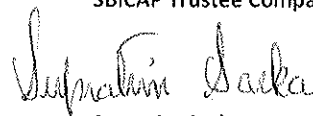


(C.P.Bhatia)
Partner
Membership No.: 045210
Place: Mumbai
Date: 23rd April 2018



For and on behalf of the Board of Directors

SBICAP Trustee Company Limited



Supratim Sarkar
Director
DIN No:02463175



Rajasekhar Raghavan
CEO & Whole Time Director
DIN No:8116907




Ajit Joshi
Company Secretary
ICSI Membership
No:22359

SBICAP TRUSTEE COMPANY LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2018

(Amounts in Indian Rupees)

Particulars	Note Ref.	For the Year ended 31 March 2018	For the Year ended 31 March 2017
INCOME			
Revenue from Operations	18	26,95,60,687	26,81,99,943
Other income	19	3,42,90,699	3,50,13,515
Total Income		30,38,51,386	30,32,13,458
EXPENSES			
Employee Benefit Expenses	20	5,06,70,374	4,45,65,611
Depreciation and Amortisation Expenses	9	54,91,160	56,89,323
Administration and Other Expenses	21	4,42,87,729	4,16,84,156
Bad Debts Written off	21	3,31,49,076	3,26,66,940
Provision for Doubtful Debts	21	72,01,254	25,45,745
Total Expenses		14,07,99,593	12,71,51,775
Profit Before Tax		16,30,51,793	17,60,61,683
Tax Expense			
- Current Tax		4,44,65,000	5,87,00,000
- Deferred Tax	11	(4,62,433)	5,21,696
Profit after tax of the year		11,90,49,226	11,68,39,987
Earnings per equity share:			
Basic and diluted	26	119.05	116.84

Summary of Significant Accounting Policies 1 & 2

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

As per our attached report of even date

For C.B.Chhajed & Co.

Chartered Accountants

Firm Registration No. 101796W



(C.P. Bhatia)

Partner

Membership No.: 045210

Place: Mumbai

Date: 23rd April 2018



For and on behalf of the Board of Directors

SBICAP Trustee Company Limited



Supratim Sarkar

Director

DIN No:02463175



Rajasekhar Raghavan

CEO & Whole Time Director

DIN No:8116907




Ajit Joshi

Company Secretary

ICSI Membership

No:22359



SBICAP TRUSTEE COMPANY LIMITED

Cash Flow Statement For The Year Ended 31 March, 2018

(Amount in Indian Rupees)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Prior Period Items and Tax	16,30,51,793	17,60,61,683
Adjustment for :-		
Depreciation	54,91,160	56,89,323
Provision for Doubtful Debts	72,01,254	25,45,745
Interest & Dividend income considered separately	(3,07,59,187)	(3,28,38,841)
Profit or loss on sale of fixed assets considered separately	43,668	(3,086)
Operating Profit before Working Capital Changes	14,50,28,688	15,14,54,824
Increase in Trade Receivables	(55,66,624)	44,54,822
Increase in Loans and Advances and Other Current Assets	1,32,57,746	34,17,807
Increase in Current Liabilities and Provisions	53,55,93,654	1,85,98,357
Increase in Long term Liabilities	2,30,000	1,83,121
Income Tax paid	(5,11,31,526)	(6,56,63,921)
Net Cash Flow from Operating Activities	63,74,11,938	11,24,45,010
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(36,35,156)	(59,75,441)
Interest & Dividend	3,07,59,187	3,28,38,841
Proceeds from sale of fixed assets	2,82,729	4,82,812
Purchase of Investments	(20,54,78,374)	(20,04,98,301)
Fixed Deposits placed/matured during the year (Net)	8,15,00,000	12,65,00,000
Net Cash used in Investing Activities	(9,65,71,614)	(4,66,52,089)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividend & Dividend Distribution Tax Paid	-	-
Net Cash used in Financing Activities	-	-
Net change in Cash & Cash Equivalents (A+B+C)	54,08,40,324	6,57,92,921
Opening Balance of Cash & Cash Equivalents	7,88,67,045	1,30,74,124
Closing Balance of Cash & Cash Equivalents	61,97,07,369	7,88,67,045
Cash on hand	7,083	5,044
Balances with scheduled banks (current and deposit accounts)	61,97,00,286	78862001
Excludes amounts placed as deposits with scheduled banks having maturity more than 3 months but less than 12 months	7,85,00,000	6,25,00,000


Note:-
The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard -3 on Cash Flow Statement issued by ICAI.

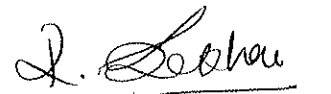
As per our attached report of even date

For and on behalf of the Board of Directors

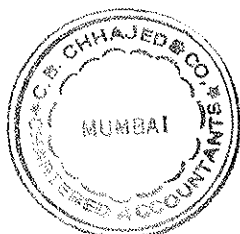
For C.B.Chhajed & Co.
Chartered Accountants
Firm Registration No. 101796W

of SBICAP Trustee Company Limited


Supratim Sarkar
Director
DIN No:02463175


Rajasekhar Raghavan
CEO & Whole Time Director
DIN No:8116907


(C. P. Bhatia)
Partner
Membership No.: 045210
Place: Mumbai
Date: 23rd April 2018




Ajit Joshi
Company Secretary
ICSI Membership No.22359

SBICAP TRUSTEE COMPANY LIMITED

Notes to Financial Statements for the year ended 31st March 2018

(Amounts are in Indian Rupees, unless stated otherwise)

1. Company background:

The Company was incorporated on 28th December 2005 as a wholly owned subsidiary of SBI Capital Markets Limited and 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.

2. Significant accounting policies:

2.1 Basis of Preparation of Financial Statements:

The financial statements are prepared under historical cost convention on an accrual basis of accounting to comply in all material respects with mandatory accounting standards as notified by the Companies (Accounting Standards) Rules, 2006 (as amended) issued by the Central Government, in consultation with National Advisory Committee on Accounting Standards ("NACAS") read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 1956 to the extent applicable and Companies Act, 2013 to the extent notified and applicable to the Company. The financial statements have been prepared under the historical cost convention on an accrual basis, except in case of assets for which provision for impairment is made and revaluation is carried out.

2.2 Use of estimates:

The preparation of the financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any revision to accounting estimates is recognized prospectively in current and future periods.

2.3 Recognition of Revenue:

Trusteeship Acceptance Fees are recognized on the acceptance or execution of trusteeship assignment whichever is earlier.

Trusteeship Service Charges are recognized / accrued on the basis of terms of Trusteeship Contracts / Agreements entered into with clients.

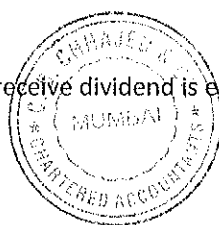
Assignments are to be classified as irregular assignments if any outstanding dues are not recovered of earlier two financial years. Income in respect of such irregular assignments is accounted for in the year of receipt. Any previous year/s amount outstanding against, such irregular assignments are written 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 the fees due from the company seems bleak, the management may write off the dues subject to full provisioning already made for such 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 etc, the management may de-accrue/write-off immediately.

Interest income is accounted for on time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income is recognized when the right to receive dividend is established.



Income from online 'will' services is recognized 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.

2.4 Fixed Assets and Depreciation:

Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributed cost of bringing the asset to its working condition for its intended use.

The management estimates useful life of mobile phones to be three years which is lower than the useful life as stipulated by Schedule II.

Depreciation on fixed assets is calculated on the following methods using the rates arrived at based on the useful lives estimated by the management. The company has used the following methods to provide depreciation on its fixed assets.

Asset	Useful lives estimated by the management (years)	Method of depreciation
Computers (other than laptop)	3 years	WDV
Furniture and fixtures	10 years	WDV
Office equipment (other than mobile phones)	5 years	WDV
Mobile phones & Laptop's	3 years	SLM

Intangible assets include software's, which are amortized on a straight line basis over a period of five years. If the usage of any software is discontinued, its unamortized cost is expensed to the statement of profit and loss in that year.

The Leasehold Improvements are written-off over the remaining period of lease.

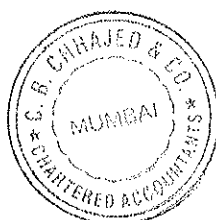
2.5 Impairment:

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life

2.6 Foreign currency transactions:

Transactions in foreign currencies are recorded at the prevailing rate at the date of the transactions. At the year end, monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange prevailing at the balance sheet date. All foreign exchange gains and losses are taken to the statement of profit and loss.



2.7 Investments:

Investments are classified into Current Investments and Non-current Investments.

Current investments are stated at cost or net realisable value, whichever is lower.

Non-current investments are stated at cost. Provision for diminution is made to recognise a diminution, other than temporary, determined separately for each individual investment.

2.8 Employee Benefits:

Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Undiscounted value of benefits such as salaries and incentives are recognized in the year in which the employee renders the related service.

Long term employee benefits

(i) Defined contribution plans

The Company contributes to the employees approved provident fund scheme. The Company's contribution paid or payable under the scheme is recognized as an expense in the statement of profit and loss during the year in which the employee renders the related service.

(ii) Defined benefit plans

The Company's gratuity scheme is a defined benefit plan. The Company makes annual contributions to funds administered by LIC. The amount of contribution is determined by the LIC on the basis of actuarial valuation. Long term compensated absences are provided for, based on actuarial valuation as determined by an independent actuary.

The actuarial valuation is based on projected unit credit method. The liability is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of future obligation under the defined benefit plan, is based on the market yield on government securities as at the balance sheet date. Actuarial gains and losses are recognized immediately in the statement of profit and loss.

2.9 Leases:

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets 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.

2.10 Earnings Per Share:

Basic earnings per equity share have been computed by dividing net profit after tax by weighted average number of equity shares outstanding for the year. Diluted earnings per equity share have been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

2.11 Income taxes:

Tax expense comprises current and deferred taxes. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.



Notes to Financial Statements for the year ended 31st March 2018

(Amounts are in Indian Rupees, unless stated otherwise)

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are recognized on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realized against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognizes deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

2.12 Provisions & Contingent Liabilities:

A provision is recognized when an enterprise has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to the present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

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

2.13 Cash and Cash Equivalents:

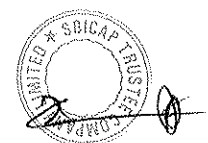
Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand, cheques in hand and short-term investments with an original maturity of three months or less.

2.14 Provision for Doubtful Debts:

Provision for doubtful debts is made in the accounts based on the following management estimate:

Debts outstanding for period of	Provisions for doubtful debts
More than 6 months but not exceeding 12 months	10%
More than 12 months	100%

Further, there are certain accounts which are referred to National Company Law Tribunal (NCLT) during the financial year 2017-18. For the NCLT clients, receivables as on 31.03.2017, 100% provisions has been made in the book of accounts as per our Revenue Recognition policy. Further, for the debtors booked during the year, provisions @ 40% has been made in the books of accounts, keeping with the the RBI guidelines for banks of providing 40% in their books of account.



SBICAP TRUSTEE COMPANY LIMITED
NOTES TO THE BALANCE SHEET AS AT 31 MARCH, 2018

(Amounts in Indian Rupees)

Particulars	As at 31 March 2018	As at 31 March 2017
NOTE "3"		
SHARE CAPITAL		
Authorised Capital		
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	2,00,00,000
Issued, Subscribed and Paid up capital		
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
TOTAL	1,00,00,000	1,00,00,000

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 31 March 2018	As at 31 March 2017
SBI Capital Markets Limited		
No. of Shares held	9,99,880	9,99,880
% of shareholding	99.99	99.99

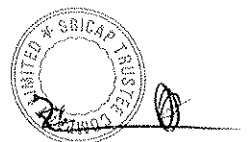
c) Shares held by holding/ultimate holding company and/or their subsidiaries/associates :

Particulars	As at 31 March 2018	As at 31 March 2017
Issued, subscribed and fully paid-up		
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

d) Aggregate number of bonus shares issued during the period of five years immediately preceding the balance sheet date

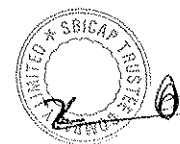
The company had allotted 9,50,000 equity shares of Rs 10 each fully paid up as bonus shares by capitalisation of general reserve as per below table:

Particulars	As at 31 March 2014	As at 31 March 2013
Bonus Shares issued on capitalisation of reserves		5,00,000
	-	5,00,000



(Amounts in Indian Rupees)

Particulars	As at 31 March 2018	As at 31 March 2017
NOTE "4"		
RESERVES AND SURPLUS		
General reserve		
Opening balance	5,52,16,487	4,35,32,488
Add: Transferred from surplus in the Statement of Profit and Loss	1,19,04,923	1,16,83,999
TOTAL	6,71,21,410	5,52,16,487
Surplus/(Deficit) in Statement of Profit and Loss		
Opening Balance	57,83,24,774	47,31,68,786
Add: Net profit after tax transferred from Statement of Profit and Loss	11,90,49,226	11,68,39,987
Amount available for appropriation	69,73,74,000	59,00,08,773
Appropriations:		
Transfer to General reserve	1,19,04,923	1,16,83,999
Net Surplus/(Deficit) in the Statement of Profit and Loss	68,54,69,077	57,83,24,774
TOTAL	75,25,90,487	63,35,41,261
NOTE "5"		
OTHER LONG TERM LIABILITIES		
Trust Settlement Fees	14,31,597	12,01,597
TOTAL	14,31,597	12,01,597
NOTE "6"		
LONG TERM PROVISIONS		
Provision for employee benefits:		
Provision for Long-term Compensated Absences	43,18,373	46,61,096
Provision for Gratuity	6,55,721	6,12,623
TOTAL	49,74,094	52,73,719
NOTE "7"		
OTHER CURRENT LIABILITIES		
Advances received for CERSAI & Others	55,20,36,103	2,38,04,244
Income received in advance	-	4,66,240
Other Payables		
a) Statutory dues	33,98,253	6,20,946
b) Provision for expenses	25,71,296	12,15,632
c) Retention monies	1,66,851	1,90,119
d) Payables for capital expenditure	-	67,849
e) Other payables	8,45,083	6,11,100
TOTAL	55,90,17,586	2,69,76,130
NOTE "8"		
SHORT TERM PROVISIONS		
Provision for employee benefits:		
Performance linked variable pay	50,00,000	10,00,000
Provision for Short-term Compensated Absences	2,08,672	3,56,849
TOTAL	52,08,672	13,56,849



SBICAP TRUSTEE COMPANY LIMITED

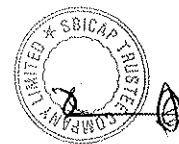
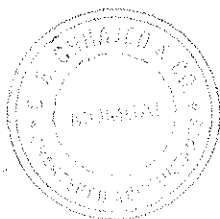
NOTE "9"

FIXED ASSETS AS AT 31 MARCH 2018

Particulars	GROSS BLOCK						DEPRECIATION & AMORTIZATION				NET BLOCK	
	AS AT 01.04.2017	ADDITIONS	DELETIONS	AS AT 31.03.2018	AS AT 01.04.2017	FOR THE YEAR	ON DELETION	AS AT 31.03.2018	AS AT 31.03.2018	AS AT 31.03.2017		
i. Tangible Assets												
Air Conditioners	2,48,617.00	-	-	2,48,617.00	1,47,300.00	61,035.00	-	2,08,335.00	40,282.00	1,01,317.00		
Computers	31,74,605.00	84,104.00	1,151.00	32,57,558.00	30,94,263.00	1,16,818.00	-	32,11,081.00	46,477.00	80,342.00		
Computers other than Laptops	47,90,671.00	12,12,280.00	12,53,593.00	47,49,358.00	31,24,764.00	11,12,320.00	10,18,447.00	32,18,637.00	15,30,721.00	16,65,907.00		
Laptops	23,49,284.00	22,000.00	-	23,71,284.00	16,45,893.00	2,67,500.00	-	19,13,393.00	4,57,891.00	7,03,391.00		
Furnitures & Fixtures	8,26,850.00	-	-	8,26,850.00	8,26,850.00	-	-	8,26,850.00	-	-		
Leasehold improvements												
Office Equipments												
Office Equipments (Mobile Phone Handsets)	7,94,169.00	2,80,495.00	3,19,478.00	7,55,186.00	4,12,036.00	2,25,550.00	2,12,745.00	4,24,841.00	3,30,345.00	3,82,133.00		
Office Equipments (other than mobile phones)	13,18,993.00	59,910.00	-	13,78,903.00	12,38,164.00	63,653.00	-	13,01,817.00	77,086.00	80,829.00		
Sub-total	1,35,03,189.00	16,58,789.00	15,74,222.00	1,35,87,786.00	1,04,89,270.00	18,46,876.00	12,31,192.00	1,11,04,954.00	24,82,802.00	30,13,919.00		
Previous Year	1,27,66,355.00	22,40,985.00	15,04,151.00	1,35,03,189.00	92,07,718.00	23,02,888.00	10,21,336.00	1,04,89,270.00	30,13,919.00	35,58,637.00		
ii. Intangible Assets												
Computer Software	1,82,58,442.00	19,93,000.00	-	2,02,51,442.00	50,88,980.00	36,44,284.00	-	87,33,264.00	1,15,18,178.00	1,31,69,462.00		
Sub-total	1,82,58,442.00	19,93,000.00	-	2,02,51,442.00	50,88,980.00	36,44,284.00	-	87,33,264.00	1,15,18,178.00	1,31,69,462.00		
Previous Year	43,52,644.00	1,39,05,798.00	-	1,82,58,442.00	17,02,545.00	33,86,435.00	-	50,88,980.00	1,31,69,462.00	26,50,099.00		
Grand Total	3,17,61,631.00	36,51,789.00	15,74,222.00	3,33,39,198.00	1,55,78,250.00	54,91,160.00	12,31,192.00	1,98,38,218.00	1,40,00,980.00	1,61,83,381.00		



Particulars	(Amounts in Indian Rupees)	
	As at 31 March 2018	As at 31 March 2017
NOTE "10"		
NON - CURRENT INVESTMENTS		
Bonds [quoted]		
15,000 [2017: 15,000] @8.01% tax free bonds of India Infrastructure Finance Company Ltd of Rs.1,000/- each fully paid-up	1,50,00,000	1,50,00,000
Investment in Equity Instruments - Parent's Subsidiaries (Unquoted)		
1,001 (2017 : 1,001) Shares of Rs 10/- each fully paid in SBI Foundation	10,010	10,010
Investment in Equity Instruments - Parent's Subsidiaries (Unquoted)		
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	-	5,60,00,000
TOTAL	1,50,10,010	7,10,10,010
Market value of quoted investment	1,62,22,500	1,84,09,500
Book value of quoted investment	1,50,00,000	1,50,00,000
Cost of quoted investment	1,50,00,000	1,50,00,000
NOTE "11"		
DEFERRED TAX (LIABILITIES) / ASSETS [NET]		
a) Deferred Tax Assets		
Provision for Doubtful Debts	85,46,683	77,63,810
Provision for Compensated Absences	14,94,710	19,48,627
	1,00,41,393	97,12,437
b) Deferred Tax Liabilities		
Fixed Assets (Depreciation)	(15,42,570)	(16,76,047)
	(15,42,570)	(16,76,047)
NET DEFERRED TAX (LIABILITIES) / ASSETS	84,98,823	80,36,390
NOTE "12"		
LONG TERM LOANS AND ADVANCES		
[Unsecured and considered good unless otherwise stated]		
Advance Income Tax [Net of Provisions]	2,57,29,642	1,90,63,116
Prepaid Expenses	1,77,216	12,02,756
Rental and Other Deposits	68,85,300	68,60,300
Accrued Interest on Fixed Deposits *	-	1,77,58,122
Accrued Interest on Investment [IIFCL Tax Free Bonds]	4,60,849	4,60,849
TOTAL	3,32,53,007	4,53,45,143
*Refer note 25 for related party disclosures		
NOTE "13"		
OTHER NON - CURRENT ASSETS		
Other Bank Balance*		
- In Fixed Deposits [with maturity of more than 12 months from the date of Balance sheet]	30,00,000	10,05,00,000
TOTAL	30,00,000	10,05,00,000
*Refer note 25 for related party disclosures		



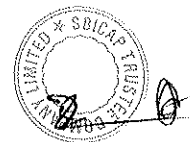
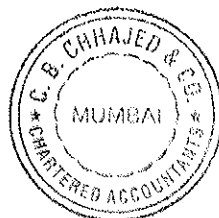
(Amounts in Indian Rupees)

Particulars	As at 31 March 2018	As at 31 March 2017
NOTE "14"		
CURRENT INVESTMENTS (Quoted)		
Investment In Mutual Funds		
a) 20,343.891 (Previous Year : 4904.232) units of SBI Premier Liquid Fund Direct Plan Daily Dividend Reinvestmen of Rs. 1,003.25 each fully paid	2,04,10,005	49,20,192
b) 42,520.898 (Previous Year : 2,03,236.187) units of SBI Premier Liquid Fund Regular Plan Daily Dividend Reinvestmen of Rs. 1,003.25 each fully paid	4,26,59,086	20,38,96,705
c) 3,47,779.682 (Previous Year : NIL) units of SBI Magnum Insta Cash Fund Liquid Floater Direct Plan Daily Dividend Reinvestmen tof 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	5,60,00,000	-
TOTAL	47,02,95,271	20,88,16,897
Market value of quoted investment	48,07,95,838	20,88,16,897
Book value of quoted investment	47,02,95,271	20,88,16,897
Cost of quoted investment	47,02,95,271	20,88,16,897
NOTE "15"		
TRADE RECEIVABLES [Unsecured]		
Debts Overdue for period exceeding six months		
- Considered Good	3,91,36,841	3,15,81,781
- Considered Doubtful	2,68,35,401	2,24,33,570
Less: Provision for doubtful debts	6,59,72,242	5,40,15,351
	2,96,34,824	2,24,33,570
Others	3,63,37,418	3,15,81,781
- Considered Good	2,57,40,577	3,49,30,267
- Considered Doubtful	27,99,423	-
	2,85,40,000	3,49,30,267
TOTAL	6,48,77,418	6,65,12,048
NOTE "16"		
CASH AND BANK BALANCES		
Cash and Cash Equivalents		
- Cash on hand	7,083	5,044
- Cheques in hand	2,93,764	-
- Balances with Banks*		
In Current Account	72,93,279	65,26,470
In Current Account - Escrow accounts	55,21,13,243	2,38,35,531
In Deposit accounts (with maturity of less than 3 months)	6,00,00,000	4,85,00,000
Other Bank Balances*		
In Fixed Deposits (with maturity of less than 12 months)	7,85,00,000	6,25,00,000
TOTAL	69,82,07,369	14,13,67,045
*Refer note 25 for related party disclosures		
NOTE "17"		
SHORT TERM LOANS & ADVANCES [Unsecured, Considered Good]		
Balance with Government authorities:		
Cenvat Credit Receivable	16,28,934	73,622
Others:		
Prepaid Expenses	11,25,690	4,06,222
Expenses Recoverable from customers	3,73,924	1,07,378
Accrued Interest on Fixed Deposits *	2,25,00,406	1,96,13,448
Others	4,50,604	3,77,972
TOTAL	2,60,79,558	2,05,78,642
*Refer note 25 for related party disclosures		



(Amounts in Indian Rupees)

Particulars	As at 31 March 2018	As at 31 March 2017
NOTE "18"		
REVENUE FROM OPERATIONS		
Trusteeship Acceptance Fees	4,77,73,973	4,93,35,783
Trusteeship Service Charges	22,08,53,214	21,72,30,245
Other Operating Revenue	8,30,000	15,10,415
Trusteeship Income from Will Services	1,03,500	1,23,500
TOTAL	26,95,60,687	26,81,99,943
NOTE "19"		
OTHER INCOME		
Interest Income	1,52,80,798	2,81,20,550
Dividend on Mutual Funds	1,54,78,389	47,18,291
Excess Provision Written Back	-	6,53,400
Miscellaneous Income	9,11,935	15,382
Profit on Sale of Fixed Asset [net]	-	3,086
Other Income	26,19,577	15,02,806
TOTAL	3,42,90,699	3,50,13,515
NOTE "20"		
EMPLOYEE BENEFIT EXPENSES		
Employee Salary, Allowances and Benefits	4,08,00,269	3,44,04,838
Salary of staff on deputation	41,14,139	36,19,726
Contribution to Gratuity Fund & Provident Fund	15,49,010	19,07,143
Staff Welfare Expenses	42,06,956	46,33,904
TOTAL	5,06,70,374	4,45,65,611
NOTE "21"		
ADMINISTRATION AND OTHER EXPENSES		
Rent	1,61,25,543	1,39,33,567
Rates and Taxes	1,06,187	16,22,478
Insurance	2,21,177	2,13,950
Legal and Professional Fees	81,51,626	79,44,285
Payment to Auditor (24)	2,90,000	4,21,700
Printing and Stationery	5,49,635	6,00,690
Conveyance	27,52,350	25,35,770
Advertisement and business development charges	17,94,619	18,83,601
Electricity Charges	12,24,321	14,66,712
House Keeping & Security Expenses	21,36,290	25,65,270
Repairs and Maintenance	29,73,066	12,65,472
Royalty Expenses	23,36,800	26,70,606
Contribution towards CSR	25,68,000	16,19,225
Communication Expenses	11,97,831	13,13,404
Provision for Doubtful Debts	72,01,254	25,45,745
Bad Debts Written off	3,31,49,076	3,26,66,940
Miscellaneous Expenses	18,16,616	16,27,426
Loss on sale of Asset	43,668	-
TOTAL	8,46,38,059	7,68,96,841



SBICAP TRUSTEE COMPANY LIMITED

Notes to Financial Statements for the year ended 31st March 2018

(Amounts are in Indian Rupees, unless stated otherwise)

22. 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 Accounting Standard 17 on Segment Reporting as under Companies (Accounting Standards) Rules, 2006 is not applicable.

23. Auditor's Remuneration (excluding service tax / GST)*:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
As Statutory Auditor	1,50,000	1,50,000
As Tax Auditor	-	1,25,000
Other Services	1,40,000	1,75,000
Out of pocket expenses	-	15,000
Total	2,90,000	4,65,000

*The Statutory Auditor's are not the Tax Auditor.

24. Foreign currency expenditure and earnings:

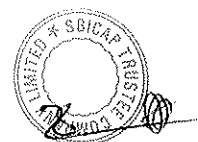
Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
a. Expenditure in Foreign Currency	Nil	Nil
b. Earning in Foreign Currency	10,00,000	7,38,783

25. Related Party Information:

(i) Relationships:-

Where control exists: -

A	<u>Name of Party</u> State Bank of India SBI Capital Markets Ltd.	<u>Relationship</u> Ultimate Holding Company Holding Company
B	<u>Fellow Subsidiary and Associates</u> SBICAP Ventures Ltd. SBICAP Securities Ltd. SBICAP (UK) Limited SBICAP (Singapore) Limited SBI Global Factors Ltd. SBI Cards & Payment Services Pvt. Ltd. SBI Mutual Fund SBI General Insurance Co. Ltd. SBI Foundation	<u>Relationship</u> Fellow Subsidiary Fellow Subsidiary Fellow Subsidiary Fellow Subsidiary SBI Group Company SBI Group Company SBI Group Company SBI Group Company SBI Group Company
C	<u>Key Management Personnel</u> Mr. V. Muralidharan Mr. Rajasekhar Raghavan Mr. Ajit Joshi	<u>Designation</u> Whole Time Director CEO Company Secretary



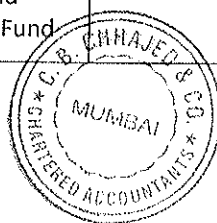
SBICAP TRUSTEE COMPANY LIMITED

Notes to Financial Statements for the year ended 31st March 2018

(Amounts are in Indian Rupees, unless stated otherwise)

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

Name of the Related Party	Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
SBI Capital Markets Ltd	Payments made on behalf of the Company & reimbursed	8,10,520	6,87,381
	Trusteeship Acceptance Charges	6,00,000	-
State Bank of India (Corporate Office)	Royalty expenses	23,36,800	26,70,606
	Reimbursement of expenses	41,14,139	33,11,012
	Rent	20,67,564	3,26,731
State Bank of India (Cuffe Parade Branch, Mumbai)	Interest Income	35,25,423	1,51,50,008
	Fixed Deposits Matured	5,40,00,000	7,85,00,000
State Bank of India (Fort Branch, Mumbai)	Interest Income	27,91,651	9,09,857
	Fixed Deposits Matured	-	1,05,00,000
State Bank of India (Madam Cama Branch, Mumbai)	Interest Income	77,62,225	1,08,59,185
	Bank Charges	9,361	10,219
	Fixed Deposits Placed	4,85,00,000	65,00,000
	Fixed Deposits Matured	6,45,00,000	30,00,000
SBI Mutual Fund	Dividend Income	1,54,78,389	47,18,291
SBI Foundation	Contribution Towards CSR	7,00,000	-
SBI Cards & Payment Services Pvt. Ltd.	Trusteeship Service Charges	-	56,508
SBI Global Factors Ltd.	Trusteeship Service Charges	-	322
SBICAP Ventures Limited	Trusteeship Service Charges	5,00,000	5,00,000
Mr. V. Muralidharan	Gross Remuneration including allowances, perquisites and contribution to Provident Fund	43,08,690	36,19,726
Mr. Rajasekhar Raghavan	Gross Remuneration including allowances, perquisites and contribution to Provident Fund	952,759	-
Mr. Ajit Joshi	Gross Remuneration including allowances, perquisites and contribution to Provident Fund	16,09,981	16,29,779



Notes to Financial Statements for the year ended 31st March 2018
(Amounts are in Indian Rupees, unless stated otherwise)

(iii) Details of closing balances as on 31st March 2018

Name of the Related Party	Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
SBI Capital Markets Limited	Provision for Expenses	-	2,94,386
State Bank of India (Corporate Office)	Provision for Expenses	674,873	2,37,498
State Bank of India (Cuffe Parade Branch, Mumbai)	Fixed Deposits Balance	300,00,000	8,40,00,000
	Accrued Interest on Fixed Deposits	67,36,186	1,73,49,514
State Bank of India (Fort Branch, Mumbai)	Fixed Deposits Balance	1,40,00,000	1,40,00,000
	Accrued Interest on Fixed Deposits	21,03,086	12,46,132
State Bank of India (Madam Cama Branch, Mumbai)	Bank Balances	55,94,06,522	3,03,62,113
	Fixed Deposits Balance	9,75,00,000	11,35,00,000
	Accrued Interest on Fixed Deposits	1,36,61,133	1,87,75,924
SBI Mutual Fund	Current Investment	47,02,95,271	20,88,16,897
	Non Current Investment	-	5,60,00,000
SBI Foundation	Investment in Equity Instruments	10,010	10,010
SBI Cards & Payment Services Pvt. Ltd.	Trade Receivables	-	64,984

Note: -

Related party relationships on the basis of Accounting Standard 18 as in (i) and (ii) above are as given by the Company and relied upon by the Auditors.

26. Earnings per equity share:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
a. (Profit / Loss) attributable to equity shareholders' (Rs.)	11,90,49,226	11,68,39,987
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.)	119.05	116.84
d. Face value of each equity share (Rs.)	10	10



27. Employee Benefits:

Defined Contribution Plan

Employee Benefit Expenses includes Rs. 15,49,010/- (PY:Rs. 19,07,139) recognized as an expense during the year in respect of defined contribution plan.

Defined Benefit Plan

Gratuity:

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.

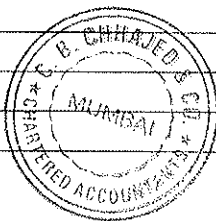
<i>Particulars</i>	For the year ended 31 March 2018	For the year ended 31 March 2017
<i>Mortality Rate</i>	<i>Indian Assured Lives Mortality (2006-08) Ult table</i>	<i>LIC (2006-08) ultimate</i>
<i>Withdrawal Rate</i>	<i>2% to 5% depending on age</i>	<i>1% to 3% depending on age</i>
<i>Discount Rate</i>	<i>8.10</i>	<i>7.65% p.a.</i>
<i>Salary Escalation</i>	<i>8.00</i>	<i>8%</i>

Change in defined benefit obligation

<i>Particulars</i>	For the year ended 31 March 2018	For the year ended 31 March 2017
<i>Present value of obligation, as at the beginning of the year</i>	<i>17,91,266</i>	<i>12,69,549</i>
<i>Change in present value of past service benefit</i>	<i>(414,661)</i>	<i>96,301</i>
<i>Current service cost</i>	<i>488,108</i>	<i>4,07,225</i>
<i>Interest Cost</i>	<i>173,187</i>	<i>1,28,349</i>
<i>Actual benefits paid</i>	<i>(67,587)</i>	<i>(1,10,158)</i>
<i>Present value of obligation, as at the end of the year</i>	<i>19,70,313</i>	<i>17,91,266</i>

Change in plan assets

<i>Particulars</i>	For the year ended 31 March 2018	For the year ended 31 March 2017
<i>Fund value at the beginning of the year</i>	<i>11,78,643</i>	<i>8,58,903</i>
<i>Actual return on plan assets</i>	<i>41,259</i>	<i>1,14,797</i>
<i>Contribution by the Company</i>	<i>162,277</i>	<i>3,15,101</i>
<i>Actual benefits paid</i>	<i>(67,587)</i>	<i>(1,10,158)</i>
<i>Fund value at the end of the year</i>	<i>13,14,592</i>	<i>11,78,643</i>



Notes to Financial Statements for the year ended 31st March 2018

(Amounts are in Indian Rupees, unless stated otherwise)

Amount recognized in the Balance Sheet

Particulars	As at 31 March 2018	As at 31 March 2017
<i>Liability (net) recognized in the Balance Sheet</i>	6,55,721	6,12,623

Amount recognised in the Statement of Profit & Loss

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
<i>Change in present value of past service benefit</i>	(414,661)	69,424
<i>Current service cost</i>	488,108	4,07,225
<i>Interest on defined benefit obligation</i>	173,187	1,28,349
<i>Actual return on plan assets</i>	(41,259)	(87,920)
<i>Net cost</i>	205,375	5,17,078

Other employee benefits:

Other employee benefits comprise provision for long-term and short-term compensated absences (Sick Leave and Privilege Leave). Actuarial assumptions used for determining the liability in respect of these benefits are as follows:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
<i>Discount rate</i>	8.10%	7.65%
<i>Rate of increase in compensation levels</i>	8.00%	8.00%

28. Operating Lease:

The Company has entered into various agreements for lease of office spaces which expire over a period up to January 2019. Gross rental expenses for the year ended 31st March 2018 aggregate to Rs 1,33,46,400/- (31st March 2017 - Rs1,34,52,595).

Lease Straight Lining is not applicable as the rent escalation clause is not there into the Lease Agreements.

29. Managerial Remuneration:

- (i) During the financial year two officers were on secondment from SBI. The Whole Time Director & Chief Executive Officer retired on 31st March 2018, his remuneration, which is in accordance with the service rules of SBI, has been charged in the books of account and shown separately under the head employee benefits expenses in the statement of profit and loss. Further the SBI - DGM who had joined the office on 14th December 2017 and has taken charge as the chief executive officer at the close of business hours 23rd March 2018, and has been receiving remuneration in accordance with the service rules of SBI, has been shown separately.



Notes to Financial Statements for the year ended 31st March 2018

(Amounts are in Indian Rupees, unless stated otherwise)

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

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Salary and bonus	29,11,668	25,84,697
Contribution to provident and pension funds	4,44,994	4,40,352
Perquisites	6,68,620	5,18,500
Other allowances	2,83,408	76,177
Total	43,08,690	36,19,726

(iii) Remuneration, including allowances, to CEO:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Salary and bonus	5,64,921	-
Contribution to provident and pension funds	1,07,745	-
Perquisites	2,73,600	-
Other allowances	6,529	-
Total	9,52,795	-

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.

30. 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. 37 lakhs (Previous Year: Rs. 34 lakhs)

(b) Expenditure related to Corporate Social Responsibility is Rs. 25.28 lakhs (Previous Year: Rs. 15.39 lakhs).

Details of Amount spent towards CSR is given below:

Sr. No.	For the year ended 31 st March 2018	For the year ended 31 st March 2017
Education	10,28,000	9,09,225
Art and Culture	6,00,000	6,30,000
Facilities for senior citizens	7,00,000	-
Healthcare	2,00,000	-
Total	25,28,000	15,39,225



SBICAP TRUSTEE COMPANY LIMITED

Notes to Financial Statements for the year ended 31st March 2018
(Amounts are in Indian Rupees, unless stated otherwise)

31. Contingent Liabilities and Commitments:

Particulars	As at 31 March 2018	As at 31 March 2017
Income tax demand under dispute (AY 2012-13)	2,16,979	2,16,979

32. Trade Receivables:

Trade Receivables balances as on 31 March 2018 are subject to confirmation and reconciliation, if any. However, the management does not expect any material variation.

33. 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.

34. 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 C.B. Chhajed & Co
Chartered Accountants
Firm Registration No. 101796W

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




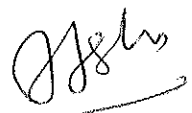
(C. P. Bhatia)
Partner
Membership No. 045210
Place: Mumbai
Date: 23rd April 2018




Supratim Sarkar
Director
DIN: 02463175




Rajasekhar Raghavan
CEO & Whole Time Director
DIN: 8116907


Ajit Joshi
Company Secretary
ICSI Membership No.22359