



SBICAP Trustee
Company Ltd.

ANNUAL REPORT OF SBICAP TRUSTEE COMPANY LIMITED 2015-16



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**DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2015-16**

To
The Members,
SBICAP Trustee Company Limited (SBICTCL)

Your Directors have pleasure in presenting the 11th Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2016.

1. FINANCIAL STATEMENTS & RESULTS:**a. FINANCIAL RESULTS**

The Company's performance during the year ended 31st March, 2016 as compared to the previous financial year, is summarized below:

(Rs. in lakhs)

| Particular | For the financial year ended 31 st March, 2016 | For the financial year ended 31 st March, 2015 |
|-----------------------------------|---|---|
| Income | 3,077.74 | 2,668.57 |
| Less: Expenses | 1,069.63 | 948.67 |
| Profit/ (Loss) before tax | 2,008.11 | 1,719.90 |
| Less: Provision for tax | 672.81 | 604.39 |
| Income Tax of earlier years w/off | Nil | 0.07 |
| Exception Income | Nil | Nil |
| Exception expenditure | Nil | Nil |
| Profit after Tax | 1335.30 | 1,115.44 |

APPROPRIATION

| | | |
|----------------------------------|----------|----------|
| Interim Dividend | - | - |
| Final Dividend | - | - |
| Tax on distribution of dividend | - | - |
| Transfer to General Reserve | 133.53 | 111.54 |
| Balance carried to Balance sheet | 4,731.68 | 3,529.92 |

b. OPERATIONS:

Your Company has once again established itself as a prominent Company in the Trusteeship business and continues to be engaged in the activities pertaining to Security Trustee, Debenture Trustee, Share Pledge Trustee, Escrow Trustee, Will management and Will related Trusteeship, Alternative Investment Fund Trusteeship, etc.

During the financial year 2015 – 16, your Company has registered gross income of Rs. 3,077.74 lakhs and profit after tax of Rs. 1,335.30 lakhs as against gross income of Rs.2,668.57 lakhs and profit after tax of Rs.1,115.44 lakhs for the financial year 2014 – 15.



DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2015-16

Company's operations are streamlined and we are committed to provide best services in Trusteeship Business.

SBICTCL is now fully automated trustee Company in the country with "Trustee Enterprise Management System (TEMS)" and an end – to – end Business Automation System encompassing modules which are currently in use viz. Lead Management, Mandate Management, Accounts and Billing Generation, Alerts Generation, CERSAI. We have launched 'Online Will' services during the year 2015-16. Also, we have been associated with Bank of Bhutan as Co-Trustee.

As on March 31, 2016, SBICTCL has (six) branches viz. Delhi, Kolkata, Bangalore, Hyderabad, Chennai and Ahmedabad and also representative offices at Pune.

c. REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

During the year under review, your Company did not have any subsidiary, associate and joint venture company.

d. DIVIDEND:

With a view to conserve resources, your Directors have thought it prudent not to recommend any dividend for the financial year under review.

e. TRANSFER TO RESERVES:

The Board of Directors proposes that a sum of Rs. 133.53 lakhs be transferred to the General Reserve out of the amount available for appropriation and the balance amount of Rs. 4,731.68 lakhs is proposed to be carried forward to the Balance sheet.

f. REVISION OF FINANCIAL STATEMENT:

There was no revision of the financial statements for the year under review.

g. DISCLOSURES UNDER SECTION 134(3)(I) OF THE COMPANIES ACT, 2013:

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.



DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2015-16

h. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL

No orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations.

i. PARTICULAR OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES Section 188 (1)

All transactions entered with related parties for the year under review were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013, and the rules made thereunder are not attracted. Thus disclosure in form AOC-2 in terms of Section 134 of the Companies Act, 2013 is not required. Suitable disclosure as required by accounting standards (AS-18) has been made in the notes to the financial statements.

j. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186

There are no transactions of Loans, Guarantees and Investments and Security during the financial year except for the transactions reported under Related Party transactions as mentioned above.

2. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

a. BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

DIRECTORS

As on 31st March 2016, the Board of Directors of the Company comprised of Six (6) Directors out of whom one is an Independent Director and one is a Nominee Director of SBI Capital Markets Limited. The Composition of Board of Directors was as follows :

1. Shri Ashwani Bhatia - Director
2. Shri Narayanan Sadanandan - Director
3. Shri Supratim Sarkar - Director
4. Dr. Dilip K. Sheth – Independent Director
5. Shri J. Chandrasekaran – SBICAP Nominee Director
6. Shri V. Muralidharan – CEO & whole-time Director

KEY MANAGERIAL PERSONNEL

Shri V. Muralidharan, CEO & Whole-time Director and Shri Ajit Joshi, Company Secretary were appointed as Key Managerial Personnel in terms of Section 203(1) of the Companies Act, 2013 (effective from 1st April 2014) and Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and they continue to hold the respective positions in the Company.

**Appointment / Resignation / changes in the Board of Directors –**

During the financial year end, Shri Avinash Kulkarni, Director, resigned w.e.f. 30th July 2015, consequent to his promotion as Chief General Manager, A&S, SBI. Shri Narayanan Sadanandan, who joined SBI Capital Markets Ltd as EVP – CMG, was appointed as an Additional Director on the Board of Directors of the Company.

Shri Abhay Chaudhari, retired from the services of SBI w.e.f. 31st January 2016, on attaining superannuation. Shri Ashwani Bhatia, who joined SBI Capital Markets Ltd as President & COO has been inducted as an Additional Director in the Board of Directors of the Company.

In accordance with the provisions of the Companies Act, 2013, the Independent Director is not liable to retire by rotation.

b. DECLARATIONS BY INDEPENDENT DIRECTORS:

The Company has received declarations from the Independent Directors under Section 149(6) of the Companies Act, 2013 confirming their independence vis-à-vis the Company.

3. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES**a. BOARD MEETINGS:**

The Board of Directors met 5 times during the financial year ended 31st March 2016 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

The dates on which the Board of Directors met during the financial year under review are as under:
(Table of Board Meeting dates)

| Particulars of the Board Meeting | Date of the Meeting |
|----------------------------------|--------------------------------|
| 38 th Board Meeting | 17 th April 2015 |
| 39 th Board Meeting | 30 th July 2015 |
| 40 th Board Meeting | 2 nd September 2015 |
| 41 st Board Meeting | 19 th October 2015 |
| 42 nd Board Meeting | 14 th January 2016 |

The attendance of Directors for the Board Meeting is as follows :

| Name of the Director | No. of Board Meeting attended | Particulars |
|---------------------------|-------------------------------|---|
| Shri Abhaya Chaudhari | 5 | 17Apr15, 30Jul15, 2Sep15, 19Oct15 and 14Jan16 |
| Shri V. Muralidharan | 5 | 17Apr15, 30Jul15, 2Sep15, 19Oct15 and 14Jan16 |
| Shri Avinash Kulkarni | 1 | 17Apr15 |
| Shri Narayanan Sadanandan | 2 | 19Oct15, 14Jan16 |
| Shri Supratim Sarkar | 3 | 17Apr15, 19Oct15 and 14Jan16 |
| Shri Dilip K. Sheth | 3 | 17Apr15, 30Jul15 and 2Sep15 |
| Shri J. Chandrasekaran | 5 | 17Apr15, 30Jul15, 2Sep15, 19Oct15 and 14Jan16 |



DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2015-16

b. NOMINATION AND REMUNERATION COMMITTEE:

Since the provisions of Section 178(1) of the Companies Act, 2013 are not applicable to the Company at present, no Nomination and Remuneration Committee is constituted.

c. AUDIT COMMITTEE:

Since the provisions of Section 177 of the Companies Act, 2013 are not applicable to the Company at present, no Audit Committee is constituted.

d. STAKEHOLDERS RELATIONSHIP COMMITTEE:

Since the provisions of Section 178(5) of the Companies Act, 2013 are not applicable to the Company at present, no Stakeholders Relationship Committee is constituted.

e. COMMITTEE OF DIRECTORS

Presently, There are following two Committees of Directors in the Company :

1. COD for financial Approvals –

for reporting of all financial transactions by the management on a quarterly basis. The CEO & Whole-time Director submits a quarterly control return of all payments authorised by him within its powers. The Committee comprises of the following Directors :

Shri J. Chandrasekaran – SBICAP Nominee Director
Shri Narayanan Sadanandan - Director
Shri Supratim Sarkar - Director
Shri V. Muralidharan – CEO & Whole-time Director

During the year, CoD held 4 meetings for taking note of the financial transactions approved by the CEO & Whole-time Director and also approving the transactions within its powers as per approved Delegation of Powers.

2. CSR Committee :

As per the provisions of Section 135 of the Companies Act, 2013 and relevant rules of Companies (CSR Policy) Rules, 2014, a Committee of Directors comprising Dr. Dilip K. Sheth, Shri Narayanan Sadanandan and Shri V. Muralidharan is in place to formulate the CSR Policy of the Company. Accordingly, a CSR Policy was drafted, prepared and approved by the CSR Committee and the Board of Directors of the Company. During the year, CSR Committee held one meeting.

f. VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES:

The provisions of Section 177(9) of the Companies Act, 2013 and Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 are not applicable to your Company.

**g. RISK MANAGEMENT POLICY:**

The Board of Directors of the Company has put in place Risk Management Policy and Guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and to define a structured approach to manage uncertainty and to make use of these in their decision making, pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews.

h. CORPORATE SOCIAL RESPONSIBILITY POLICY:

During the year under review, the Company had approved and put in place CSR Policy.

As per the provisions of the Companies Act, 2013 and relevant Companies (CSR Policy) Rules, 2014, the Company was required to incur expenditure upto Rs. 27,81,460/- (i.e. 2% of the average Net Profit of the Company for the past 3 years) towards CSR activities. However, the Company spent Rs. 18,10,061/- only towards the CSR activities. Due to proposed formation of SBI Foundation to amalgamate CSR activities of all SBI, Associate Banks and all other Group Companies, the Company could not undertake any CSR projects during the initial period of the financial year. However, as the process of formation of the SBI Foundation was getting delayed, the Company received a clearance from SBI to go ahead with its own CSR Programme and hence the Company could spend only Rs. 18,10,061/- towards CSR activities during the remaining financial year. As SBI has formed SBI Foundation for consolidated CSR activities on behalf of entire Group, the management will ensure that the required amount for CSR activities for the coming year will be spent fully and as per the approved CSR Policy.

i. INTERNAL CONTROL SYSTEMS:

Adequate internal control systems commensurate with the nature of the Company's business and size and complexity of its operations are in place and have been operating satisfactorily. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

4. AUDITORS REPORT

The matters related to Auditors and their Reports are as under:

a. OBSERVATIONS OF STATUTORY AUDITORS ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016:

The observations made by the Statutory Auditors in their report for the financial year ended 31st March 2016 read with the Annexure thereto are self-explanatory. There are no qualifications, reservations, adverse remarks or disclaimers, hence, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

**b. APPOINTMENT OF AUDITORS:**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. Sudit K Parikh & Co., Chartered Accountants, were appointed as the Statutory Auditors of the Company for the financial year 2014-15. They will hold the office till the ensuing Annual General Meeting of the Company. As the Company is subject to audit by the Comptroller & Auditor General of India (CAG), the appointment of Auditor of the Company is to be done by CAG. The CAG vide their letter dated 13th July 2016 have appointed M/s C. M. Gabhawala & Co., as the Statutory Auditors of the Company under the provisions of Section 139(5) of the Companies Act, 2013, for the Financial year 2016-17.

Necessary resolution for approval of fees payable to M/s C.M. Gabhawala & Co. as Statutory Auditors is included in the Notice of AGM for seeking approval of members.

COMMENTS OF THE COMPTROLLER & AUDITOR GENERAL OF INDIA

Comments of the Comptroller & Auditor General of India as per report dated 11th July 2016, submitted under section 143 (6) of the Companies Act, 2013 on the accounts of the Company for the year ended 31st March, 2015 is enclosed. The CAG in its report stated that '**On the basis of my Audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditor's Report**'.

5. OTHER DISCLOSURES

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

a. EXTRACT OF ANNUAL RETURN:

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31st March 2016, made under the provisions of Section 92(3) of the Act is attached as MGT 9 (Annexure II) which forms part of this Report.

b. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy and technology absorption have not been furnished since the same are not applicable to the Company, considering the nature of activities undertaken by the Company during the year under review.

During the year under review, the Company has made following transaction related to foreign exchange.



Foreign currency expenditure and earnings:

| Particulars | (Amount in Rs.) |
|------------------------------------|-------------------------------------|
| | For the year ended 31 March 2016 |
| a. Expenditure in Foreign Currency | Nil |
| b. Earning in Foreign Currency | 11,92,043 |

c. CORPORATE GOVERNANCE:

(Details of remuneration paid to the Directors)

| Element of Remuneration Name of the Director | Salary / Sitting Fees | Benefits | Stock Options | Performance Linked Incentives | Notice Period | (Amount in Rs.) | |
|--|-----------------------|----------|---------------|-------------------------------|---------------|-----------------|-----------|
| | | | | | | Severance Fees | Total |
| Shri V. Muralidharan, CEO & WTD | 21,78,123 | 7,88,121 | - | 6,37,552 | - | - | 36,03,796 |
| Shri J. Chandrasekaran (Nominee Director) | 95,000 | - | - | - | - | - | 95,000 |
| Shri Dilip Sheth (Independent Director) | 40,000 | - | - | - | - | - | 40,000 |

Particulars of Employees drawing more than Rs. 60 Lakhs :

Your directors confirm that none of the employees of the Company is in receipt of remuneration of more than Rupees Sixty Lakhs (if employed for throughout the year) or Rupees Five Lakhs per month (if employed for a part of the year)

d. COMPLIANCE :

The Company has proper system to ensure compliance with all the applicable Laws/Statutes and the same is monitored by the Compliance Team. With regard to Compliance of SEBI (Insider Trading) Regulations, a proper Employee Share Dealing code is put in place to regulate the share dealing of all the Employees of the Company. The code is in conformity with the SEBI (Prohibition of Insider Trading) Regulations, 1992.



DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2015-16

e. RISK POLICY IN TERMS OF SECTION 134(3)(n)

The Company has an Integrated Risk Management Policy for managing the Risks of the Company. The objective of the Risk Policy is as follows :

- To develop a common understanding of risks across the multiple functions so as to be able to manage risk on an enterprise wide basis.
- To establish clear accountability and ownership of risk.
- To clearly identify risks and document major threats.
- To decide upon risk mitigating measures
- To integrate risk management into the culture of the organization

6. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors confirm that :

- a. In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b. The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.
- c. The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. The directors have prepared the annual accounts on a going concern basis and
- e. The directors have devised proper systems to ensure compliance with the provisions of all the applicable laws and such systems are adequate and operating effectively.

7. POLICY ON PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Prevention of Sexual Harassment Policy is put in place in the Company. There are no cases filed during the financial year 2015 – 16, under the said provisions.

8. ACKNOWLEDGEMENTS AND APPRECIATION:

Your Directors take this opportunity to thank SEBI – the Company's regulator, the customers, shareholders, suppliers, bankers, business partners/associates, financial institutions and Central and State Governments for their consistent support and encouragement to the Company. The Company is thankful to State Bank of India and its group companies for providing business support, which has been very encouraging and rewarding.



DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2015-16

Your Directors place on record their appreciation for the valued support from the clients of the company, for their continued patronage. The Directors would also like to thank the intermediaries in the Trusteeship industry and statutory authorities for the co-operation extended from time to time.

Your Directors also place on record its deep appreciation for the dedication and commitment of its all employees across the Country and at all levels and look forward to their continued contribution in the future.

DECLARATION

We, confirm that all Board members and Senior Management have affirmed compliance with the Company's Code of Conduct for the financial year ended 31st March 2016.

For and on behalf of the Board

Shri Ashwani Bhatia
Director
DIN : 7423221

Shri V. Muralidharan
CEO & whole-time Director
DIN : 6378306

Date: 8th September 2016
Place: Mumbai



ANNUAL REPORT ON CSR ACTIVITIES :

1. Brief outline of the Company's CSR Policy –

The Company has committed itself in improving the quality life of its workforce and their families as well as the local community and society at large. The Company understands its responsibility towards less fortunate and underprivileged sections of the Society. The Company is committed towards community development.

2. Composition of CSR Committee –

The CSR Committee comprises of

- a. Dr. Dilip K. Sheth (Independent Director)
- b. Shri Narayanan Sadanandan (Director)
- c. Shri. V. Muralidharan (CEO & Whole-time Director).

3. Average Net Profit of the Company for the last three financial years – **Rs 13,90,73,005/-**

4. Prescribed CSR Expenditure (2% of the amount in point 3 above) – **Rs. 27,81,460/-**

5. Details of CSR spent during the financial year –

- a. Total Amount to be spent for the financial year – **Rs. 27,81,460/-**
- b. Amount unspent, if any – **Rs. 9,71,399/-**

ANNEXURE-I



SBICAP Trustee
Company Ltd.

c. Manner in which the amount spent during the financial year is detailed below –

| (1) Sr No. | (2) CSR Project or activity identified | (3) Sector in which the project is covered (details of Schedule VII clause or CSR Policy) | (4) Projects or programs (1) Local area or (2) other – specify the state and district where the project or program was undertaken | (5) Amount outlay (budget) Project or program-wise | (6) Amount spent on the projects or programs sub heads : (1) Direct expenditure on project or program (2) Overheads : | (7) Cumulative expenditure upto the reporting period | (8) Amount spent on Direct or through implem enting Agency |
|------------------|---|---|---|---|--|---|---|
| 1 | Prime Minister National Relief Fund, New Delhi | Prime Minister Relief Fund (Clause viii of Sch VII) | New Delhi | 67,345 | Direct Expenditure – 67,345 | 67,345 | Direct |
| 2 | VASANTHAM | Education (clause ii of Sch VII) | Chennai, Tamilnadu | 2,02,500 | Direct Expenditure – 2,02,500 | 2,69,845 | Direct |
| 3 | Chennaiपुरि Annadana Samajam | Education (Clause ii of Sch VII) | Chennai, Tamilnadu | 82,000 | Direct Expenditure – 82,000 | 3,51,845 | Direct |
| 4 | Ramkrishana Mission Seva Pratishthan | Healthcare (Clause i of Sch VII) | Kolkata – West Bengal | 4,20,000 | Direct Expenditure – 4,20,000 | 7,71,845 | Direct |
| 5 | Age well Foundation (Healthcare Equipements) | Healthcare (Clause i of Sch VII) | New Delhi | 2,35,000 | Direct Expenditure – 2,35,000 | 10,06,845 | Direct |
| 6 | Blind Relief Association | Education (Clause ii of Sch VII) | New Delhi | 2,03,216 | Direct Expenditure – 2,03,216 | 12,10,061 | Direct |
| 7 | Shree Swami Samarth Sewa Mandal | Healthcare (Clause i of Sch VII) | Mumbai, Maharashtra | 1,00,000 | Direct Expenditure – 1,00,000 | 13,10,061 | Direct |
| 8 | Gana Kala Vidya Nilayam | Promoting Art (Clause v of Sch VII) | Mumbai, Maharashtra | 2,00,000 | Direct Expenditure – 2,00,000 | 15,10,061 | Direct |
| 9 | The Fine Arts Society Regd | Promoting Art (Clause v of Sch VII) | Mumbai, Maharashtra | 2,00,000 | Direct Expenditure – 2,00,000 | 17,10,061 | Direct |

ANNEXURE-I



SBICAP Trustee
Company Ltd.

| | | | | | | | |
|----|--------------------------------------|--|------------------------|------------------|-------------------------------------|-----------|--------|
| 10 | Bombay Natural History Society | Conservation of Natural Resources(CI ause iv of Sch VII) | Mumbai, Maharashtra | 1,00,000 | Direct Expenditure – 1,00,000 | 18,10,061 | Direct |
| | Total : | | | 18,10,061 | 18,10,061 | | |

6. The Company has provided the reasons for having failed to spend the two per cent of the average net profit of the last three financial years, in its Directors Report.
7. We confirm that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Sd/-
Shri V. Muralidharan
CEO & Whole-time Director

Sd/-
Dr. Dilip K. Sheth
Chairman – CSR Committee

Annexure II

Form MGT-9

Extract of Annual Return As On The Financial Year

Ended 31st March 2016



[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

| | | |
|------|---|--|
| i. | CIN | U65991MH2005PLC158386 |
| ii. | Registration Date | 28 th December 2005 |
| iii. | Name of the Company | SBICAP Trustee Company Limited |
| iv. | Category / Sub-Category of the Company | Public Company |
| v. | Address of the Registered office and contact details | 202, Maker Tower E, Cuffe Parade, Mumbai 400 005 Contact No. 022-4302 5500 |
| vi. | Whether listed company | No |
| vii. | Name, Address and Contact details of Registrar and Transfer Agent, if any | N.A. |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

| Sr. No. | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|---------|--|----------------------------------|------------------------------------|
| I | Trusteeship Services | 99715410 | 100 |

Annexure II

Form MGT-9

Extract of Annual Return As On The Financial Year

Ended 31st March 2016



SBICAP Trustee
Company Ltd.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sr. No. | Name And Address Of The Company | CIN/GLN | Holding/ Subsidiary /Associate | % of shares held | Applicable Section |
|---------|---|-----------------------|--------------------------------|------------------|-------------------------------|
| I. | SBI Capital Markets Limited – 202, Maker Tower E, Cuffe Parade, Mumbai 400005 | U99999MH1986PLC040298 | Holding | 100 | 2(46) of Companies Act, 2013. |

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|--------------------------|---|-----------|-----------|-------------------|---|-----------|-----------|-------------------|--------------------------|
| | D e m a t | Physical | Total | % of Total Shares | D e m a t | Physical | Total | % of Total Shares | |
| A. Promoter | | | | | | | | | |
| 1) Indian | - | | | | | | | | |
| a) Individual/ HUF (*) | - | 120 | 120 | 0.02 | | 120 | 120 | 0.02 | NIL |
| b) Central Govt | - | -- | -- | -- | - | -- | -- | -- | -- |
| c) State Govt(s) | - | -- | -- | -- | - | -- | -- | -- | -- |
| d) Bodies Corp | - | 999,880 | 999,880 | 99.98 | | 999,880 | 999,880 | 99.98 | NIL |
| e) Banks / FI | - | -- | -- | -- | - | -- | -- | -- | -- |
| f) Any Other | - | -- | -- | -- | - | -- | -- | -- | -- |
| Sub-total(A)(1):- | - | 10,00,000 | 10,00,000 | 100 | - | 10,00,000 | 10,00,000 | 100 | NIL |
| 2) Foreign | - | -- | -- | -- | - | -- | -- | -- | -- |
| g) NRIs- Individuals | - | -- | -- | -- | - | -- | -- | -- | -- |

Annexure II

Form MGT-9

Extract of Annual Return As On The Financial Year

Ended 31st March 2016



| | | | | | | | | |
|---|---|----|----|----|---|----|----|----|
| h) Other- Individuals | - | -- | -- | -- | - | -- | -- | -- |
| i) Bodies Corp. | - | -- | -- | -- | - | -- | -- | -- |
| j) Banks / FI | - | -- | -- | -- | - | -- | -- | -- |
| k) Any Other.... | - | -- | -- | -- | - | -- | -- | -- |
| Sub-total (A)(2):- | - | -- | -- | -- | - | -- | -- | -- |
| B. Public Sharehold ng | - | -- | -- | -- | - | -- | -- | -- |
| 1. Institution s | - | -- | -- | -- | - | -- | -- | -- |
| a) Mutual Funds | - | -- | -- | -- | - | -- | -- | -- |
| b) Banks / FI | - | -- | -- | -- | - | -- | -- | -- |
| c) Central Govt | - | -- | -- | -- | - | -- | -- | -- |
| d) State Govt(s) | - | -- | -- | -- | - | -- | -- | -- |
| e) Venture Capital Funds | - | -- | -- | -- | - | -- | -- | -- |
| f) Insurance Companie s | - | -- | -- | -- | - | -- | -- | -- |
| g) FIIs | - | -- | -- | -- | - | -- | -- | -- |
| h) Foreign Venture Capital Funds | - | -- | -- | -- | - | -- | -- | -- |
| i) Others (specify) | - | -- | -- | -- | - | -- | -- | -- |
| Sub-total (B)(1) | - | -- | -- | -- | - | -- | -- | -- |
| 2. Non Institutions | - | -- | -- | -- | - | -- | -- | -- |
| a) Bodies Corp | - | -- | -- | -- | - | -- | -- | -- |
| (i) Indian | - | -- | -- | -- | - | -- | -- | -- |
| (ii) Overseas | - | -- | -- | -- | - | -- | -- | -- |
| b) Individuals | - | -- | -- | -- | - | -- | -- | -- |

Annexure II

Form MGT-9

Extract of Annual Return As On The Financial Year

Ended 31st March 2016



SBICAP Trustee
Company Ltd.

| | | | | | | | | |
|---|---|-----------|-----------|-----|---|-----------|-----------|---------|
| (i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | | | | | | | | |
| (ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | | | | | | | | |
| c) Others(Specify) | - | -- | -- | -- | - | -- | -- | -- |
| Sub-total (B)(2) | - | -- | -- | -- | - | -- | -- | -- |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | - | -- | -- | -- | - | -- | -- | -- |
| C. Shares held by Custodian for GDRs & ADRs | - | -- | -- | -- | - | -- | -- | -- |
| Grand Total (A+B+C) | - | 10,00,000 | 10,00,000 | 100 | - | 10,00,000 | 10,00,000 | 100 NIL |

(*) There are 6 Individual Shareholders, who are holding (20 shares each) as Nominees of SBI Capital Markets Limited, so that the provisions of Companies Act, 2013 regarding minimum 7 shareholders are complied with.

ii. Shareholding of Promoters

| Sr. No | Shareholder's Name | Shareholding at the beginning of the year | Shareholding at the end of the year | |
|--------|--------------------|---|-------------------------------------|--|
|--------|--------------------|---|-------------------------------------|--|

Annexure II

Form MGT-9

Extract of Annual Return As On The Financial Year

Ended 31st March 2016



SBICAP Trustee
Company Ltd.

| | | No. of Shares | % of total Shares of the company | % of shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | % change in share holding during the year |
|----|-----------------------------|----------------|----------------------------------|--|----------------|----------------------------------|--|---|
| I. | SBI Capital Markets Limited | 999,880 | 99.98 | NIL | 999,880 | 99.98 | NIL | NIL |
| | Total | 999,880 | 99.98 | NIL | 999,880 | 99.98 | NIL | NIL |

iii. Change in Promoters' Shareholding (please specify, if there is no change):

There is no change in Promoter Shareholding during the year.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | NIL | NIL | NIL | NIL |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not | | | | |
| Total (i+ii+iii) | NIL | NIL | NIL | NIL |
| Change in Indebtedness during the financial year | | | | |
| - Addition | NIL | NIL | NIL | NIL |
| - Reduction | | | | |
| Net Change | NIL | NIL | NIL | NIL |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | NIL | NIL | NIL | NIL |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | | | | |
| Total (i+ii+iii) | NIL | NIL | NIL | NIL |

Annexure II

Form MGT-9

Extract of Annual Return As On The Financial Year

Ended 31st March 2016



SBICAP Trustee
Company Ltd.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

(Amount in Rs. Lakhs)

| Sl. No. | Particulars of Remuneration | V. Muralidharan (whole-time Director) | Total Amount |
|---------|---|--|-----------------|
| 1. | Gross salary | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 28.15 | 28.15 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 7.88 | 7.88 |
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | NIL | NIL |
| 2. | Stock Option | NIL | NIL |
| 3. | Sweat Equity | NIL | NIL |
| 4. | Commission | | |
| | - as % of profit | NIL | NIL |
| | - others, specify... | | |
| 5. | Others, please specify | NIL | NIL |
| 6. | Total (A) | 36.03 | 36.03 |
| | Ceiling as per the Act | | |

B. Remuneration to other directors:

(Amount in Rs. Lakhs)

| Sl. No. | Particulars of Remuneration | Name of MD/WTD/ Manager | | Total Amount |
|---------|--|----------------------------|-----------------------|-----------------|
| 1. | <u>Independent Directors</u> | Mr. Dilip K. Sheth | Mr. J. Chandrasekaran | |
| | • Fee for attending board meeting | 0.40 | 0.70 | 1.10 |
| | • Fee for attending committee meetings | 0.00 | 0.25 | 0.25 |
| | • Commission | NIL | NIL | NIL |
| | • Others, please specify | NIL | NIL | NIL |
| | Total (I) | 0.40 | 0.95 | 1.35 |

Annexure II**Form MGT-9****Extract of Annual Return As On The Financial Year****Ended 31st March 2016**SBICAP Trustee
Company Ltd.

| | | | |
|----|--|-------------|-------------|
| 2. | Other Non-Executive Directors | | |
| | · Fee for attending board committee meetings | NIL | NIL |
| | · Commission | | |
| | · Others, please specify | | |
| | Total (2) | NIL | NIL |
| | Total (B)=(1+2) | 0.40 | 0.95 |
| | Total Managerial Remuneration | | 37.38 |
| | Overall Ceiling as per the Act | | |

C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD*(Amount in Rs. Lakhs)*

| Sl. no. | Particulars of Remuneration | Key Managerial Personnel | | | |
|---------|---|--|-------------------|------------|--------------|
| | | CEO (also acting as Whole-time Director) | Company Secretary | CFO | Total |
| 1. | Gross salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | Details as provided in the table above. | 13.71 | NIL | 13.71 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | | NIL | NIL | NIL |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | | NIL | | |
| 2. | Stock Option | NIL | NIL | NIL | NIL |
| 3. | Sweat Equity | NIL | NIL | NIL | NIL |
| 4. | Commission | | | | |
| | - as % of profit | NIL | NIL | NIL | NIL |
| | - others, specify... | | | | |
| 5. | Others, please specify | NIL | NIL | NIL | NIL |
| 6. | Total | | 13.71 | NIL | 13.71 |

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: Not Applicable

INDEPENDENT AUDITOR'S 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 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation 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 judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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 there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the 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 depends 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 controls 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the 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.

INDEPENDENT AUDITOR'S REPORT



SBICAP Trustee
Company Ltd.

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 31st March, 2016 and its profit and its cash flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- I. As required by the Companies(Auditors 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 a statement on the matters specified in paragraphs 3 & 4 of the order
- II. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - (c) The Balance Sheet, the Statement of 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 financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 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 control over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

INDEPENDENT AUDITOR'S REPORT

SBICAP Trustee
Company Ltd.

III. In Accordance with the direction issued under section 143(5) of the Act, we further report that:

1. The Company has clear lease deeds for leasehold premises.
2. During the FY 2015-16 debts aggregating to Rs.1,05,21,906/- were written off in 16 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 and de-accruals is given below :

| Reasons | Write-off's | |
|-----------------------------------|-------------|--------------------|
| | No of Cases | Amount |
| Liquidity Crisis faced by clients | 11 | 69,75,769 |
| Deal did not Materialise | 4 | 35,33,722 |
| Due to closure of assignment | 1 | 12,415 |
| | 16 | 1,05,21,906 |

3. The Company is in the business of rendering services, hence it does not hold any Inventories lying with third parties, nor has it received any gifts/grant from the government or any other authorities.
4. During the year Service Charges aggregating to Rs 48,69,685/- were Reversed in 23 cases. Accordingly the profit of the company for the year has been reduced to this extent. A summary of 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 | 6 | 21,04,918 |
| Deal did not Materialise | 3 | 3,00,000 |
| Due to closure of assignment | 14 | 24,64,767 |
| | 23 | 48,69,685 |

For **C.M. GABHAWALA & CO**
Chartered Accountants
Firm Registration No: 102870W

C.M. Gabhawala
Partner
Membership no: 005889

Place: Mumbai
Dated: 27th April 2016



ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2016, we report that:

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b) The Fixed asset of Company have been physically verified by the management and no material discrepancies between the book records and the physical inventory have been noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

c) The company do not hold any immovable properties, thus paragraph 3(1) (c) of the Order is not applicable.
- ii) The Company is in the business of rendering services. Accordingly, it does not hold any physical inventories. Thus paragraph 3(ii) of the Order is not applicable.
- iii) 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 or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Thus paragraph 3(iii) (a), (b) & (c) of the Order is not applicable.
- iv) In our opinion and according to the information and explanation given to us, there are no loans, investment, guarantees, and security in accordance with section 185 & 186 of companies act, 2013. Thus paragraph 3(iv) of the Order is not applicable.
- v) In our opinion and According to the information and explanations given to us, the company has not accepted any deposit within the meaning of section 73 to 76 of the act or any other provision of the companies Act, 2013 and the rules framed there under, hence paragraph 3(v) of the order is not applicable to the company.
- vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- vii) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.
According to the information and explanations given to us, no undisputed amounts payable in respect of including provident fund, income tax, service tax, cess and other material statutory dues were in arrears as at 31 March, 2016 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, the dues outstanding of income-tax on account of any dispute, is as follows :



| Name of the statute | Nature of the dues | Amount (Rs.) | Period to which the Amount relates | Forum where dispute is pending |
|----------------------|--------------------|--------------|------------------------------------|-----------------------------------|
| Income tax Act, 1961 | Income Tax | 2,16,979 | A.Y.2012-2013 | Commissioner of Income Tax Appeal |

- viii) The company has not taken any loans from financial Institutions, banks and nor has it issued any debentures, thus the paragraph 3 (viii) of the order is not applicable.
- ix) The company have not raised any money by way of initial public offer or further public offer (including debt instrument), thus paragraph 3(iv) of the Order is not applicable.
- x) In our opinion and according to information and explanation given to us no fraud by company or fraud on company by its officers or employees has been noticed or reported during the year.
- xi) In our opinion and according to the information and explanation given to us, the managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with rule schedule V of Companies Act 2013.
- xii) In our opinion and according to the information and explanation given to us, The nature of activities of the company does not attract any special statute applicable to Nidhi Company, thus the paragraph 3(xii) of the Order is not applicable.
- xiii) In our opinion and according to information and explanation given to us transaction with related party are in compliance with section 177 & 188 of Companies Act, 2013 where applicable and details have been disclosed in financial Statements as required by the applicable accounting standards.
- xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debenture during the year under review. Thus paragraph 3(xiv) of the Order is not applicable.
- xv) In our opinion and according to information and explanation given to us the company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi) The Company is not required to registered under section 45-IA of the Reserve Bank of India Act, Thus the paragraph 3(xvi) is not applicable to the company.

For, C. M. Gabhawala & Co.
Chartered Accountants
FRN: 102870W

C. M. Gabhawala
Partner
M. No. 005889

Place: Mumbai
Date: 27th April, 2016

**Report on the Internal Financial Controls over Financial Reporting 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, 2016 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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, 2016, 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 ICAI.

For **C.M. GABHAWALA & CO**
Chartered Accountants
Firm Registration No: 102870W

C.M. Gabhawala
Partner
Membership No. 005889

Place: Mumbai
Dated: 27th April 2016



COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF SBICAP TRUSTEE COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2016

The preparation of financial statements of SBICAP Trustee Company Limited for the year ended 31 March 2016 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 27 April 2016.

The assets under management through various schemes managed by SBICAP Trustee Company Limited are not reflected in its Balance Sheet since these assets do not form part of the SBICAP Trustee Company Limited. Therefore, I do not look into operation of these schemes including decision making regarding acquisition, management and disposal of the assets managed by the SBICAP Trustee Company Limited and express no opinion on the soundness of the investments.

I, on behalf of the Comptroller and Auditor General of India, have conducted a Supplementary Audit under section 143(6)(a) of the Act of the Financial Statements of SBICAP Trustee Company Limited for the year ended 31st March 2016. This Supplementary Audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditor and company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditor's Report.

**For and on the behalf of the
Comptroller and Auditor General of India**

**(Roop Rashi)
Principal Director of Commercial Audit and
ex-officio Member, Audit Board-I. Mumbai**

Place: Mumbai

Date : 11 July 2016

SBICAP TRUSTEE COMPANY LIMITED
Balance Sheet As At 31st March 2016

(Amount in Indian Rupees)

| Particulars | Note Ref. | As at 31 March 2016 | As at 31 March 2015 |
|--------------------------------|-----------|---------------------|---------------------|
| EQUITY AND LIABILITIES | | | |
| SHAREHOLDER'S FUNDS | | | |
| Share capital | 3 | 1,00,00,000 | 1,00,00,000 |
| Reserves and surplus | 4 | 51,67,01,274 | 38,31,70,971 |
| | | 52,67,01,274 | 39,31,70,971 |
| NON-CURRENT LIABILITIES | | | |
| Other long term liabilities | 6 | 10,18,476 | 9,81,971 |
| Long-term provisions | 7 | 43,31,937 | 36,51,128 |
| | | 53,50,413 | 46,33,099 |
| CURRENT LIABILITIES | | | |
| Trade payables | 8 | 7,17,748 | 8,25,276 |
| Other current liabilities | 9 | 31,07,820 | 79,24,788 |
| Short-term provisions | 10 | 68,50,836 | 64,28,126 |
| | | 1,06,76,404 | 1,51,78,190 |
| TOTAL | | 54,27,28,091 | 41,29,82,260 |
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Fixed Assets | 11 | | |
| Tangible Assets | | 35,58,637 | 43,19,455 |
| Intangible Assets | | 26,50,099 | 32,11,221 |
| Intangibles under development | | 1,01,68,256 | 50,58,488 |
| Non-current investments | 12 | 7,10,00,000 | 1,50,00,000 |
| Deferred tax assets (net) | 5 | 85,58,086 | 31,88,668 |
| Long term loans and advances | 13 | 4,25,55,350 | 2,95,95,027 |
| Other non-current assets | 14 | 20,80,00,000 | 19,95,00,000 |
| | | 34,64,90,428 | 25,98,72,859 |
| CURRENT ASSETS | | | |
| Current investments | 15 | 83,28,606 | - |
| Trade receivables | 16 | 7,35,12,613 | 5,17,87,152 |
| Cash and bank balances | 17 | 9,45,74,123 | 8,63,07,003 |
| Short term loans and advances | 18 | 1,98,22,321 | 1,50,15,246 |
| | | 19,62,37,663 | 15,31,09,401 |
| TOTAL | | 54,27,28,091 | 41,29,82,260 |

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.M. Gabhawala & Co

Chartered Accountants

Firm Registration No. 102870W

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

Ashwani Bhatia
Director

V.Muralidharan
CEO & Whole Time
Director

DIN No:07423221

DIN No :06378306

(C.M. Gabhawala)

Partner

Membership No.: 005889

Place: Mumbai

Date: 27th April 2016

Ajit Joshi
Company Secretary
ICSI Membership No.22359

SBICAP TRUSTEE COMPANY LIMITED
Statement Of Profit And Loss For The Year Ended 31st March 2016
(Amount in Indian Rupees)

| Particulars | Note Ref. | For the year ended 31 March 2016 | For the year ended 31 March 2015 |
|--|-----------|---|----------------------------------|
| INCOME | | | |
| Revenue from operations | 19 | 27,32,12,573 | 24,08,54,720 |
| Other income | 20 | 3,45,61,742 | 2,60,02,724 |
| Total Income | | 30,77,74,315 | 26,68,57,444 |
| EXPENSES | | | |
| Employee benefit expenses | 21 | 4,50,39,986 | 3,97,02,095 |
| Depreciation and amortisation expense | 11 | 36,75,868 | 47,73,058 |
| Other expenses | 22 | 5,82,47,576 | 4,84,20,980 |
| Total Expenses | | 10,69,63,430 | 9,28,96,133 |
| Profit before prior period items and tax | | 20,08,10,885 | 17,39,61,311 |
| Prior period expense | | - | 19,77,792 |
| Profit before tax | | 20,08,10,885 | 17,19,83,519 |
| Tax Expense | | | |
| - Current Tax | | 7,26,50,000 | 6,15,00,000 |
| - Deferred Tax | 5 | (53,69,418) | (10,60,687) |
| Profit after tax | | 13,35,30,303 | 11,15,44,206 |
| Earnings per equity share: | | | |
| Basic and diluted | 27 | 133.53 | 111.54 |
| 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.M. Gabhawala & Co Chartered Accountants Firm Registration No. 102870W | | For and on behalf of the Board of Directors of SBICAP Trustee Company Limited | |
| (C.M. Gabhawala) Partner Membership No.: 005889 Place: Mumbai Date: 27th April 2016 | | <div style="display: flex; justify-content: space-around;"> <div> Ashwani Bhatia Director DIN No:07423221 </div> <div> V.Muralidharan CEO & Whole Time Director DIN No :06378306 </div> </div> <div style="text-align: center; margin-top: 20px;"> Ajit Joshi Company Secretary ICSI Membership No.22359 </div> | |



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.

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.

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



(Amounts are in Indian Rupees, unless stated otherwise)

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% |

SBICAP TRUSTEE COMPANY LIMITED
Cash Flow Statement For The Year Ended 31 March, 2016

(Amount in Indian Rupees)

| Particulars | For the year ended 31 March 2016 | For the year ended 31 March 2015 |
|--|-------------------------------------|-------------------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit Before Prior Period Items and Tax | 20,08,10,885 | 17,39,61,311 |
| Adjustment for :- | | |
| Depreciation | 36,75,868 | 47,73,058 |
| Provision for Doubtful Debts | 83,16,029 | 47,95,086 |
| Prior period expense | - | (19,77,792) |
| Interest & Dividend income considered separately | (3,12,56,373) | (2,51,60,109) |
| Profit on sale of fixed assets considered separately | (1,200) | (400) |
| Operating Profit before Working Capital Changes | 18,15,45,209 | 15,63,91,154 |
| Increase in Trade Receivables | (3,00,41,492) | (1,76,06,518) |
| Increase in Loans and Advances and Other Current Assets | (1,35,13,203) | (6,91,384) |
| Increase in Current Liabilities and Provisions | (38,20,977) | (87,25,962) |
| Increase in Long term Liabilities | 36,505 | 1,29,797 |
| Income Tax paid | (7,69,04,196) | (6,18,49,523) |
| Net Cash Flow from Operating Activities | 5,73,01,846 | 6,76,47,564 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Fixed Assets | (77,21,668) | (1,17,21,955) |
| Interest & Dividend | 3,12,56,373 | 1,29,08,933 |
| Proceeds from sale of fixed assets | 2,59,175 | 3,20,956 |
| Purchase of investments | (6,43,28,606) | - |
| Fixed Deposits placed during the year | (1,33,00,000) | (18,35,00,000) |
| Fixed Deposits matured during the year | - | 10,09,00,000 |
| Net Cash used in Investing Activities | (5,38,34,726) | (8,10,92,066) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Dividend & Dividend Distribution Tax Paid | - | (14,62,438) |
| Net Cash used in Financing Activities | - | (14,62,438) |
| Net change in Cash & Cash Equivalents (A+B+C) | 34,67,120 | (1,49,06,940) |
| Opening Balance of Cash & Cash Equivalents | 96,07,003 | 2,45,13,943 |
| Closing Balance of Cash & Cash Equivalents | 1,30,74,123 | 96,07,003 |

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 C.M. Gabhawala & Co
Chartered Accountants
Firm Registration No. 102870W

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

Ashwani Bhatia
Director

V.Muralidharan
CEO & Whole Time
Director

DIN No:07423221

DIN No :06378306

(C.M. Gabhawala)
Partner
Membership No.: 005889

Place: Mumbai
Date: 27th April 2016

Ajit Joshi
Company Secretary
ICSI Membership No.22359

SBICAP TRUSTEE COMPANY LIMITED
Notes To Financial Statements For The Year Ended 31st March 2016

(Amount in Indian Rupees)

| | As at 31 March 2016 | As at 31 March 2015 |
|--|--------------------------------|--------------------------------|
| 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) Reconcilitaion 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 2016 | As at 31 March 2015 |
| 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 : | | |
| Name of shareholder | As at 31 March 2016 | As at 31 March 2015 |
| 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 2013 | As at 31 March 2012 |
| Bonus Shares issued on capitalisation of reserves | 5,00,000 | 4,50,000 |
| | 5,00,000 | 4,50,000 |

SBICAP TRUSTEE COMPANY LIMITED

Notes To Financial Statements For The Year Ended 31st March 2016

(Amount in Indian Rupees)

| | As at 31 March 2016 | As at 31 March 2015 |
|---|--------------------------------|--------------------------------|
| NOTE "4" | | |
| RESERVES AND SURPLUS | | |
| General reserve | | |
| Opening balance | 3,01,79,458 | 1,90,25,037 |
| Add: Transferred from surplus in the Statement of Profit and Loss | 1,33,53,030 | 1,11,54,421 |
| Less: Utilised for issue of bonus shares | - | - |
| | 4,35,32,488 | 3,01,79,458 |
| Surplus/(Deficit) in Statement of Profit and Loss | | |
| Opening Balance | 35,29,91,513 | 25,26,25,039 |
| Add: Net profit after tax transferred from Statement of Profit and Loss | 13,35,30,303 | 11,15,44,206 |
| Less : Adjustment with FA (Note-11) | - | (23,311) |
| Amount available for appropriation | 48,65,21,816 | 36,41,45,934 |
| Appropriations: | | |
| Final Dividend | - | - |
| Tax on Dividend | - | - |
| Transfer to General reserve | 1,33,53,030 | 1,11,54,421 |
| Net Surplus/(Deficit) in the Statement of Profit and Loss | 47,31,68,786 | 35,29,91,513 |
| TOTAL | 51,67,01,274 | 38,31,70,971 |
| NOTE "5" | | |
| DEFERRED TAX (LIABILITIES) / ASSETS [NET] | | |
| (a) Deferred Tax Assets | | |
| Provision for Doubtful Debts | 68,56,266 | 16,29,850 |
| Provision for Compensated Absences | 16,20,614 | 13,86,538 |
| | 84,76,880 | 30,16,388 |
| (b) Deferred Tax Liabilities | | |
| Fixed Assets (Depreciation) | (81,206) | (1,72,280) |
| | (81,206) | (1,72,280) |
| NET DEFERRED TAX (LIABILITIES) / ASSETS | 85,58,086 | 31,88,668 |
| NOTE "6" | | |
| OTHER LONG TERM LIABILITIES | | |
| Trust Settlement Fees | 10,10,597 | 7,08,297 |
| Retention monies | 7,879 | 2,73,674 |
| TOTAL | 10,18,476 | 9,81,971 |

SBICAP TRUSTEE COMPANY LIMITED
Notes To Financial Statements For The Year Ended 31st March 2016

(Amount in Indian Rupees)

| | As at 31 March 2016 | As at 31 March 2015 |
|---|------------------------|------------------------|
| NOTE "7" | | |
| LONG TERM PROVISIONS | | |
| Provision for employee benefits: | | |
| Provision for Long-term Compensated Absences | 39,21,291 | 36,51,128 |
| Provision for gratuity | 4,10,646 | - |
| TOTAL | 43,31,937 | 36,51,128 |
| NOTE "8" | | |
| TRADE PAYABLES | | |
| Trade Payables to Micro, Small and Medium Enterprises (Refer note 33) | - | - |
| Others | 7,17,748 | 8,25,276 |
| TOTAL | 7,17,748 | 8,25,276 |
| NOTE "9" | | |
| OTHER CURRENT LIABILITIES | | |
| Advances received for CERSAI & Others | 16,44,123 | 14,80,365 |
| Income received in advance | 3,11,078 | 5,25,002 |
| Other Payables | | |
| (a) Statutory dues | 4,60,227 | 9,61,774 |
| (b) Provision for expenses | 2,97,819 | 34,33,389 |
| (c) Retention monies | 3,94,573 | 2,47,460 |
| (d) Payables for capital expenditure | - | 12,76,798 |
| TOTAL | 31,07,820 | 79,24,788 |
| NOTE "10" | | |
| SHORT TERM PROVISIONS | | |
| Provision for employee benefits: | | |
| Performance linked variable pay | 65,00,000 | 60,00,000 |
| Provision for Short-term Compensated Absences | 3,50,836 | 4,28,126 |
| Proposed Dividend | - | - |
| Tax on Proposed Dividend | - | - |
| TOTAL | 68,50,836 | 64,28,126 |

SBICAP TRUSTEE COMPANY LIMITED
NOTE "11"
FIXED ASSETS AS AT 31st March, 2016

| Particulars | GROSS BLOCK | | | | DEPRECIATION & AMORTIZATION | | | | (Amounts in Indian Rupees) | |
|--|---------------------|-----------|-----------|---------------------|-----------------------------|-----------------|----------------|---------------------|----------------------------|---------------------|
| | AS AT 01.04.2015 | ADDITIONS | DELETIONS | AS AT 31.03.2016 | AS AT 01.04.2015 | FOR THE YEAR | ON DELETION | AS AT 31.03.2016 | NET BLOCK | |
| | | | | | | | | | AS AT 31.03.2016 | AS AT 31.03.2015 |
| I. Tangible Assets | | | | | | | | | | |
| Leasehold Improvements | 7,96,850 | 30,000 | - | 8,26,850 | 4,67,439 | 3,09,461 | - | 7,76,900 | 49,950 | 3,29,411 |
| Computers | 28,40,542 | 2,19,925 | - | 30,60,467 | 24,36,219 | 4,31,483 | - | 28,67,702 | 1,92,765 | 4,04,323 |
| Computers other than Laptops | 41,87,546 | 15,87,266 | 11,34,694 | 46,40,118 | 25,55,986 | 11,40,418 | 9,41,825 | 27,54,579 | 18,85,539 | 16,31,559 |
| Laptops | | | | | | | | | | |
| Office Equipments | 11,98,085 | 1,18,478 | - | 13,16,563 | 8,63,161 | 2,45,333 | - | 11,08,494 | 2,08,069 | 3,34,924 |
| Office Equipments (Other than mobile phone handsets) | 8,30,772 | 2,85,507 | 2,64,245 | 8,52,034 | 3,04,791 | 2,30,394 | 1,99,141 | 3,36,044 | 5,15,990 | 5,25,981 |
| Office Equipments (Mobile phone handsets) | 19,30,175 | 73,224 | - | 20,03,399 | 8,75,267 | 4,36,665 | - | 13,11,932 | 6,91,467 | 10,54,908 |
| Furniture & Fixtures | 66,924 | - | - | 66,924 | 28,575 | 23,492 | - | 52,067 | 14,857 | 38,349 |
| Air Conditioners | | | | | | | | | | |
| Sub-total | 1,18,50,894 | 23,14,400 | 13,98,339 | 1,27,66,355 | 75,31,438 | 28,17,246 | 11,40,966 | 92,07,718 | 35,58,637 | 43,19,455 |
| Previous Year | 93,91,126 | 34,01,664 | 9,41,896 | 1,18,50,894 | 36,64,757 | 44,64,712 | 6,21,340 | 75,31,438 | 43,19,455 | |
| II. Intangible Assets | | | | | | | | | | |
| Computer Software | 40,55,144 | 2,97,500 | - | 43,52,644 | 8,43,923 | 8,58,622 | - | 17,02,545 | 26,50,099 | 32,11,221 |
| Sub-total | 40,55,144 | 2,97,500 | - | 43,52,644 | 8,43,923 | 8,58,622 | - | 17,02,545 | 26,50,099 | 32,11,221 |
| Previous Year | 7,93,342 | 32,61,802 | - | 40,55,144 | 5,35,577 | 3,08,346 | - | 8,43,923 | 32,11,221 | |
| Grand Total | 1,59,06,038 | 26,11,900 | 13,98,939 | 1,71,18,999 | 83,75,361 | 36,75,868 | 11,40,966 | 1,09,10,263 | 62,08,736 | 75,30,676 |
| Previous Year | 1,01,84,468 | 66,63,467 | 9,41,896 | 1,59,06,038 | 42,00,334 | 47,73,058 | 6,21,340 | 83,75,362 | 75,30,676 | - |
| Intangibles under development | 50,58,488 | 51,09,768 | | 1,01,68,256 | | | | | | |

SBICAP TRUSTEE COMPANY LIMITED
Notes To Financial Statements For The Year Ended 31st March 2016
(Amount in Indian Rupees)

| | As at 31 March 2016 | As at 31 March 2015 |
|--|------------------------|------------------------|
| NOTE "12" | | |
| NON - CURRENT INVESTMENTS | | |
| Bonds (quoted) | | |
| 15,000 (2014: 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 Mutual Funds (un-quoted) | | |
| 56,00,000 (2015 : Nil) units of Rs 10/- each fully paid SBI Debt Fund Series B-31(1200 Days)-Direct Growth Plan | 5,60,00,000 | - |
| TOTAL | 7,10,00,000 | 1,50,00,000 |
| Market value of quoted investment | 1,81,08,000 | 1,84,96,500 |
| 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 "13" | | |
| LONG TERM LOANS AND ADVANCES | | |
| (Unsecured and considered good unless otherwise stated) | | |
| Advance Income Tax (Net of Provisions) | 1,20,99,195 | 78,44,999 |
| Prepaid Expenses | 16,88,240 | 12,47,568 |
| Rental and Other Deposits | 74,60,300 | 67,64,200 |
| Accrued Interest on Fixed Deposits * | 2,08,46,766 | 1,32,77,411 |
| Accrued Interest on Investment (IIFCL Tax Free Bonds) | 4,60,849 | 4,60,849 |
| TOTAL | 4,25,55,350 | 2,95,95,027 |
| *Refer note 25 for related party disclosures | | |
| NOTE "14" | | |
| OTHER NON - CURRENT ASSETS | | |
| Other Bank Balance* | | |
| - In Fixed Deposits (with maturity of more than 12 months from the date of Balance sheet) | 20,80,00,000 | 19,95,00,000 |
| TOTAL | 20,80,00,000 | 19,95,00,000 |
| *Refer note 25 for related party disclosures | | |
| NOTE "15" | | |
| CURRENT INVESTMENTS | | |
| Investment in Mutual Funds (un-quoted) | | |
| 8,302 (2015 : Nil) units of SBI Premier Liquid Fund Daily Dividend Reinvestment of Rs 1,003.25 each fully paid | 83,28,606 | - |
| TOTAL | 83,28,606 | - |
| Market value of un-quoted investment | 83,28,606 | - |
| Book value of un-quoted investment | 83,28,606 | - |
| Cost of un-quoted investment | 83,28,606 | - |
| NOTE "16" | | |
| TRADE RECEIVABLES | | |
| (Unsecured) | | |
| Debts Overdue for period exceeding six months | | |
| - Considered Good | 4,09,92,174 | 2,00,61,201 |
| - Considered Doubtful | 1,98,87,825 | 1,15,71,796 |
| | 6,08,79,999 | 3,16,32,997 |
| Less: Provision for doubtful debts | 1,98,87,827 | 1,15,71,796 |
| | 4,09,92,172 | 2,00,61,201 |
| Others | | |
| - Considered Good | 3,25,20,441 | 3,17,25,951 |
| - Considered Doubtful | - | - |
| | 3,25,20,441 | 3,17,25,951 |
| TOTAL | 7,35,12,613 | 5,17,87,152 |

SBICAP TRUSTEE COMPANY LIMITED
Notes To Financial Statements For The Year Ended 31st March 2016

(Amount in Indian Rupees)

| | As at 31 March 2016 | As at 31 March 2015 |
|---|------------------------|------------------------|
| NOTE "17" | | |
| CASH AND BANK BALANCES | | |
| Cash and Cash Equivalents | | |
| - Cash on hand | 18,415 | 11,177 |
| - Balances with Banks* | | |
| In Current Account | 39,12,215 | 41,19,532 |
| In Current Account - Escrow accounts | 16,43,493 | 14,76,294 |
| In Deposit accounts (with maturity of less than 3 months) | 75,00,000 | 40,00,000 |
| Other Bank Balances* | | |
| In Fixed Deposits (with maturity of less than 12 months) | 8,15,00,000 | 7,67,00,000 |
| TOTAL | 9,45,74,123 | 8,63,07,003 |
| *Refer note 26 for related party disclosures | | |
| NOTE "18" | | |
| SHORT TERM LOANS & ADVANCES | | |
| (Unsecured, Considered Good) | | |
| Balance with Government authorities: | | |
| Cenvat Credit Receivable | 1,04,596 | 2,95,742 |
| Others: | | |
| Prepaid Expenses | 3,22,561 | 3,61,502 |
| Expenses Recoverable from customers | 13,650 | 4,62,432 |
| Accrued Interest on Fixed Deposits * | 1,91,79,294 | 1,29,41,810 |
| Rental & Other Deposits | 1,50,000 | 9,53,760 |
| Others | 52,220 | - |
| TOTAL | 1,98,22,321 | 1,50,15,246 |
| *Refer note 26 for related party disclosures | | |

SBICAP TRUSTEE COMPANY LIMITED
Notes To Financial Statements For The Year Ended 31st March 2016
(Amount in Indian Rupees)

| | For the year ended 31 March 2016 | For the year ended 31 March 2015 |
|--|-------------------------------------|-------------------------------------|
| NOTE "19" | | |
| REVENUE FROM OPERATIONS | | |
| Trusteeship Acceptance Fees | 5,69,46,000 | 5,70,14,385 |
| Trusteeship Service Charges | 21,47,41,924 | 18,33,17,997 |
| Other Operating Revenue | 14,09,649 | 4,69,838 |
| Trusteeship Income from Will Services | 1,15,000 | 52,500 |
| TOTAL | 27,32,12,573 | 24,08,54,720 |
| NOTE "20" | | |
| OTHER INCOME | | |
| Interest Income | 3,09,27,767 | 2,51,60,109 |
| Dividend on Mutual Funds | 3,28,606 | - |
| Excess Provision Written Back | 28,84,576 | - |
| Miscellaneous Income | 4,19,593 | 8,42,215 |
| Profit on Sale of Fixed Asset (net) | 1,200 | 400 |
| TOTAL | 3,45,61,742 | 2,60,02,724 |
| NOTE "21" | | |
| EMPLOYEE BENEFIT EXPENSES | | |
| Employee Salary, Allowances and Benefits | 3,56,80,883 | 3,26,38,094 |
| Salary of staff on deputation | 36,03,796 | 30,79,388 |
| Contribution to Gratuity Fund & Provident Fund | 18,66,959 | 10,30,001 |
| Staff Welfare Expenses | 38,88,348 | 29,54,612 |
| TOTAL | 4,50,39,986 | 3,97,02,095 |

SBICAP TRUSTEE COMPANY LIMITED

Notes To Financial Statements For The Year Ended 31st March 2016

(Amount in Indian Rupees)

| | For the year ended 31 March 2016 | For the year ended 31 March 2015 |
|--|-------------------------------------|-------------------------------------|
| NOTE "22" | | |
| OTHER EXPENSES | | |
| Rent | 1,43,93,222 | 1,49,64,665 |
| Rates and Taxes | 7,09,073 | 3,17,733 |
| Insurance | 1,96,503 | 1,78,291 |
| Legal and Professional Fees | 65,35,379 | 52,65,264 |
| Payment to Auditor (Note-24) | 4,80,250 | 4,03,330 |
| Printing and Stationery | 8,10,933 | 8,76,288 |
| Conveyance | 27,62,854 | 29,73,018 |
| Advertisement and business development charges | 12,16,513 | 16,36,447 |
| Electricity Charges | 17,85,261 | 17,81,299 |
| House Keeping & Security Expenses | 23,24,631 | 24,60,245 |
| Repairs and Maintenance | 10,93,395 | 12,72,227 |
| Royalty Expenses | 22,59,653 | 42,51,328 |
| Contribution towards CSR | 18,70,061 | - |
| Communication Expenses | 14,55,872 | 12,94,851 |
| Provision for Doubtful Debts | 83,16,029 | 47,95,086 |
| Bad Debts Written off | 1,05,21,906 | 48,90,104 |
| Miscellaneous Expenses | 15,16,041 | 10,60,804 |
| TOTAL | 5,82,47,576 | 4,84,20,980 |



Notes to Financial Statements for the year ended 31st March 2016

(Amounts are in Indian Rupees, unless stated otherwise)

23. 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.

24. Auditor's Remuneration (excluding service tax)*:

| Particulars | For the year ended 31 March 2016 | For the year ended 31 March 2015 |
|------------------------|-------------------------------------|-------------------------------------|
| As Statutory Auditor | 2,00,000 | 2,00,000 |
| As Tax Auditor | 1,15,000 | 1,00,000 |
| Other Services | 1,50,250 | 1,00,000 |
| Out of pocket expenses | 15,000 | 3,330 |
| Total | 4,80,250 | 4,03,330 |

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

25. Foreign currency expenditure and earnings:

| Particulars | For the year ended 31 March 2016 | For the year ended 31 March 2015 |
|------------------------------------|-------------------------------------|-------------------------------------|
| a. Expenditure in Foreign Currency | Nil | Nil |
| b. Earning in Foreign Currency | 11,92,043 | 9,18,896 |

**26. Related Party Information:**

(i) Relationships:-

Where control exists: -

| A | <u>Name of Party</u> | <u>Relationship</u> |
|----------|--|----------------------------------|
| | State Bank of India | Ultimate Holding Company |
| | SBI Capital Markets Ltd. | Holding Company |
| B | <u>Fellow Subsidiary and Associates</u> | <u>Relationship</u> |
| | 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 |
| | State Bank of Patiala | Associate of State Bank of India |
| | State Bank of Bikaner and Jaipur | Associate of State Bank of India |
| C | <u>Key Management Personnel</u> | <u>Designation</u> |
| | Mr. V. Muralidharan | CEO & Whole Time Director |
| | Mr. Ajit Joshi | Company Secretary |

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

| Name of the Related Party | Particulars | For the year ended 31 March 2016 | For the year ended 31 March 2015 |
|---|---|---|---|
| SBI Capital Markets Ltd | Payments made on behalf of the Company & reimbursed | 5,62,575 | 25,03,261 |
| | Trade Payables | 1,26,000 | 8,25,276 |
| State Bank of India (Corporate Office) | Royalty expenses | 22,59,653 | 42,51,328 |
| | Reimbursement of expenses | 33,35,589 | 22,26,213 |
| | Rent | 2,48,019 | 20,000 |
| | Trade Payable | 2,35,280 | 22,40,247 |
| State Bank of India (Cuffe Parade Branch, Mumbai) | Interest Income | 1,52,60,929 | 1,14,16,557 |
| | Fixed Deposits Placed | 3,70,00,000 | 7,35,00,000 |
| | Fixed Deposits Matured | 70,00,000 | 2,25,00,000 |
| | Fixed Deposits Balance | 16,25,00,000 | 13,25,00,000 |



Notes to Financial Statements for the year ended 31st March 2016

(Amounts are in Indian Rupees, unless stated otherwise)

| Name of the Related Party | Particulars | For the year ended 31 March 2016 | For the year ended 31 March 2015 |
|--|------------------------------------|-------------------------------------|-------------------------------------|
| | Accrued Interest on Fixed Deposits | 2,66,30,748 | 1,13,93,186 |
| State Bank of India (Fort Branch, Mumbai) | Interest Income | 45,17,521 | 86,09,839 |
| | Bank Balances | 55,55,708 | 55,95,826 |
| | Fixed Deposits Placed | 1,10,00,000 | 1,30,00,000 |
| | Fixed Deposits Matured | 6,02,00,000 | 3,31,00,000 |
| | Fixed Deposits Balance | 2,45,00,000 | 7,37,00,000 |
| | Accrued Interest on Fixed Deposits | 32,32,030 | 99,85,690 |
| | Bank charges | - | 1,893 |
| State Bank of Bikaner and Jaipur (Fort Branch, Mumbai) | Interest Income | 11,84,050 | 17,40,053 |
| | Fixed Deposits Balance | - | 1,65,00,000 |
| | Accrued Interest on Fixed Deposits | - | 32,04,660 |
| State Bank of Patiala (Colaba Branch, Mumbai) | Interest Income | - | 3,12,824 |
| | Fixed Deposits Matured | - | 63,00,000 |
| State Bank of India (Madam Cama Branch, Mumbai) | Interest Income | 87,63,767 | 18,78,129 |
| | Bank Charges | 3,779 | 7,636 |
| | Fixed Deposits Placed | 14,50,04,746 | 10,10,00,000 |
| | Fixed Deposits Matured | 9,25,04,746 | 4,35,00,000 |
| | Fixed Deposits Balance | 11,00,00,000 | 5,75,00,000 |
| | Accrued Interest on Fixed Deposits | 1,02,63,552 | 16,35,685 |
| SBI Mutual Fund | Current Investment | 83,38,606 | - |
| | Non Current Investment | 5,60,00,000 | - |
| SBI General Insurance Co. Ltd. | Reimbursement of Expenses | 22,780 | 25,000 |
| | Advance & Recoverable | 52,220 | - |
| SBI Cards & Payment Services Pvt. Ltd. | Trusteeship Acceptance Fees | - | Nil |
| | Trusteeship Service Charges | 75,000 | 75,000 |



| Name of the Related Party | Particulars | For the year ended 31 March 2016 | For the year ended 31 March 2015 |
|---------------------------|---|----------------------------------|----------------------------------|
| | Trade Receivables | - | 84,270 |
| SBI Global Factors Ltd. | Trusteeship Service Charges | 29,400 | 29,400 |
| SBICAP Ventures Limited | Trusteeship Service Charges | 4,00,000 | 8,00,000 |
| Mr. V. Muralidharan | Gross Remuneration including allowances, perquisites and contribution to Provident Fund | 36,03,796 | 30,79,388 |
| Mr. Ajit Joshi | Gross Remuneration including allowances, perquisites and contribution to Provident Fund | 13,71,348 | 11,05,661 |

Note: -

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

27. Earnings per equity share:

| Particulars | For the year ended 31 March 2016 | For the year ended 31 March 2015 |
|--|----------------------------------|----------------------------------|
| a. (Profit / Loss) attributable to equity shareholders' (Rs.) | 13,35,30,303 | 11,15,44,206 |
| 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.) | 133.53 | 111.54 |
| d. Face value of each equity share (Rs.) | 10 | 10 |

28. Employee Benefits:**Defined Contribution Plan**

Employee Benefit Expenses includes Rs.18,66,959/- (PY:Rs. 10,51,956) 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**

**Notes to Financial Statements for the year ended 31st March 2016***(Amounts are in Indian Rupees, unless stated otherwise)*

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 2016 | For the year ended 31 March 2015 |
|--------------------|---|---|
| Mortality Rate | LIC (1994-96) ultimate | LIC (1994-96) ultimate |
| Withdrawal Rate | 1% to 3% depending on age | 1% to 3% depending on age |
| Discount Rate | 7.70% p.a. | 8% p.a. |
| Salary Escalation | 8% | 4% |

Change in defined benefit obligation

| Particulars | For the year ended 31 March 2016 | For the year ended 31 March 2015 |
|---|---|---|
| Present value of obligation, as at the beginning of the year | 5,54,639 | 5,43,599 |
| Change in present value of past service benefit | 2,62,179 | (1,56,713) |
| Current service cost | 3,78,111 | 1,67,753 |
| Interest Cost | 74,620 | - |
| Actual benefits paid | - | - |
| Present value of obligation, as at the end of the year | 12,69,549 | 5,54,639 |

Change in plan assets

| Particulars | For the year ended 31 March 2016 | For the year ended 31 March 2015 |
|--|---|---|
| Fund value at the beginning of the year | 5,98,300 | 5,53,633 |
| Actual return on plan assets | 55,895 | 44,667 |
| Contribution by the Company | 2,04,708 | - |
| Actual benefits paid | - | - |
| Fund value at the end of the year | 8,58,903 | 5,98,300 |

Amount recognized in the Balance Sheet

| Particulars | As at 31 March 2016 | As at 31 March 2015 |
|--|--------------------------------|--------------------------------|
| Asset (net) recognized in the Balance Sheet | (4,10,646) | 43,661 |

Amount recognised in the Statement of Profit & Loss

| Particulars | For the year ended 31 March 2016 | For the year ended 31 March 2015 |
|---|---|---|
| Change in present value of past service benefit | 2,54,148 | (1,56,713) |
| Current service cost | 3,78,111 | 1,67,753 |
| Interest on defined benefit obligation | 74,620 | - |



Notes to Financial Statements for the year ended 31st March 2016

(Amounts are in Indian Rupees, unless stated otherwise)

| | | |
|------------------------------|-----------------|-----------------|
| Actual return on plan assets | (47,864) | (44,667) |
| LC Premium | - | 11,672 |
| Net cost | 6,59,015 | (21,955) |

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 2016 | For the year ended 31 March 2015 |
|---|----------------------------------|----------------------------------|
| Discount rate | 7.70% | 8.00% |
| Rate of increase in compensation levels | 8.00% | 8.00% |

29. Operating Lease:

The Company has entered into various agreements for lease of office spaces which expire over a period upto January 2019. Gross rental expenses for the year ended 31st March 2016 aggregate to Rs 1,40,08,763/- (31st March 2015 - Rs. 1,48,06,425).

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

30. Managerial Remuneration:

- The Whole Time Director & Chief Executive Officer is on secondment from SBI and 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.
- Remuneration, including allowances, to CEO & Whole Time Director :

| Particulars | For the year ended 31 March 2016 | For the year ended 31 March 2015 |
|---|----------------------------------|----------------------------------|
| Salary and bonus | 24,59,130 | 21,44,199 |
| Contribution to provident and pension funds | 3,52,979 | 3,33,200 |
| Perquisites | 7,88,121 | 4,62,329 |
| Other allowances | 3,566 | 1,39,660 |
| Total | 36,03,796 | 30,79,388 |

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.

31. Contingent Liabilities and Commitments:

| Particulars | As at 31 March 2016 | As at 31 March 2015 |
|--|------------------------|------------------------|
| Income tax demand under dispute (AY 2012-13) | 2,16,979 | 2,16,979 |
| Capital Commitments (net of advances) | 39,68,831 | 83,52,929 |

32. Trade Receivables:

Trade Receivables balances as on 31 March 2016 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.M. Gabhawala & Co
Chartered Accountants
Firm Registration No. 102870W

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

Ashwani Bhatia
Director
DIN: 07423221

V. Muralidharan
CEO & Whole Time Director
DIN: 06378306

(C.M. Gabhawala)
Partner
Membership No. 005889
Place: Mumbai
Date: 27th April, 2016.

Ajit Joshi
Company Secretary
ICSI Membership No.22359