

Financial Statement

2014-15

Reliance Capital AIF Trustee Company Private
Limited

Independent Auditor's Report

**To,
The Members,
Reliance Capital AIF Trustee Company Private Limited**

Report on the Financial Statements

We have audited the accompanying financial statements of **Reliance Capital AIF Trustee Company Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation 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 depend on the

Independent Auditor's Report (Continued)

Reliance Capital AIF Trustee Company Private Limited

auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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.

Independent Auditor's Report (Continued)

Reliance Capital AIF Trustee Company Private Limited

- e) On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) 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 of the Company.

 - 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.

For **Chaturvedi & Shah**

Chartered Accountants

Firm's Registration No:101720W

Vijay Napawaliya

Partner

Membership No: 109859

Mumbai

Dated : May 26, 2015

Reliance Capital AIF Trustee Company Private Limited

Annexure to the Independent Auditor's Report (*Continued*)

(Referred to in our report of even date)

- (i) The Company does not have any fixed assets during the year, hence clause (i) of Paragraph 3 of the Order is not applicable to the Company.
- (ii) The Company main object is to act as trustees, of or for any mutual funds, unit schemes, or any other pool or portfolio of securities. Accordingly, it does not hold any physical inventories. Thus, paragraph 3 (ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loan secured/unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, provisions of clauses (iii) (a) and (iii)(b) of paragraph 3 of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business with regard to sale of services. During the year the Company did not undertake any activities of purchase of fixed assets and inventories and sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public and hence directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 and any other relevant provisions of the Companies Act, 2013 and the rules framed there under are not applicable. During the year under audit, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal for whether the same has been complied with or not.
- (vi) According to the information and explanations given to us, the Central Government has not specified for maintenance of cost records under sub section (1) of Section 148 of the Companies Act, 2013 in respect of activities carried on by the Company. Hence the provisions of clause 3 (vi) of the Order is not applicable to the Company.
- (vii) In respect of statutory dues:
 - a) According to the records of the Company, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including employees' state insurance, sales-tax, wealth tax, service tax, income tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable. Further, there are no undisputed amounts payable outstanding as at March 31, 2015 for a period of more than six months from the date they became payable.

Reliance Capital AIF Trustee Company Private Limited
Annexure to the Independent Auditor's Report (Continued)

(Referred to in our report of even date)

- b) According to the information and explanations given to us, there are no dues of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited on account of any dispute.
 - c) According to the information and explanations given to us, there is no outstanding amount, which is required to be transferred to investor education and protection fund in accordance with the relevant provision of the Companies Act, 1956 and rules made thereunder.
- (viii) The Company has accumulated losses which are more than fifty percent of its net worth and it has incurred cash losses during the current financial year and in the immediate preceding financial year also.
- (ix) The Company does not have any dues to financial institutions, banks or debenture holders, hence question of default does not arise.
- (x) The Company has not given any guarantees for loans taken by others from banks or financial institutions.
- (xi) The Company has not raised any term loan during the year.
- (xii) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

For **Chaturvedi & Shah**
Chartered Accountants
Firm's Registration No:101720W

Vijay Napawaliya
Partner
Membership No: 109859

Mumbai
Dated : May 26, 2015

RELIANCE CAPITAL AIF TRUSTEE COMPANY PRIVATE LIMITED

BALANCE SHEET AS AT MARCH 31, 2015

(Amount in Rupees)

Particulars	Note No.	As at March 31, 2015	As at March 31, 2014
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	"3"	6 00 000	6 00 000
(b) Reserves and Surplus	"4"	(4 97 049)	(4 06 322)
(2) Current Liabilities			
(a) Other Current Liabilities	"5"	1 77 310	72 285
T O T A L		<u>2 80 261</u>	<u>2 65 963</u>
II. ASSETS			
(1) Current Assets			
(a) Cash and Cash Equivalents	"6"	1 70 261	2 65 963
(b) Short Term Loans and Advances	"7"	1 10 000	-
T O T A L		<u>2 80 261</u>	<u>2 65 963</u>

See accompanying notes to the financial statements "1-16"

As per our report of even date

For Chaturvedi & Shah
Chartered Accountants
Firm Registration No. : 101720W

Vijay Napawaliya
Partner
Membership No.: 109859

Mumbai
Dated: May 26, 2015

For and on behalf of the Board

Amit Bapna
Director

Lav Chaturvedi
Director

Atul Kumar Tandon
Director

Mumbai
Dated: May 26, 2015

RELIANCE CAPITAL AIF TRUSTEE COMPANY PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

(Amount in Rupees)

Particulars	Note No.	2014-15	2013-14
Revenue			
I. Revenue from Operations	"8"	1 00 000	-
II. Other Income		-	-
III. Total Revenue (I + II)		1 00 000	-
IV. Expenses			
Other Expenses	"9"	1 90 727	3 06 247
Total Expenses		1 90 727	3 06 247
V. Loss Before Tax (III - IV)		(90 727)	(3 06 247)
VI. Tax Expense:			
(a) Current Tax		-	-
(b) Deferred Tax		-	-
(c) Income Tax for Earlier Years		-	-
VII. Loss for the Year (V - VI)		(90 727)	(3 06 247)
VI. Earnings/(Loss) per Equity Share : (Face value of Rs.10 each fully paid up) Basic & Diluted	"15"	(1.51)	(11.70)

See accompanying notes to the financial statements "1-16"

As per our report of even date

For and on behalf of the Board

For Chaturvedi & Shah
Chartered Accountants
Firm Registration No. : 101720W

Amit Bapna
Director

Lav Chaturvedi
Director

Vijay Napawaliya
Partner
Membership No.: 109859

Atul Kumar Tandon
Director

Mumbai
Dated: May 26, 2015

Mumbai
Dated: May 26, 2015

RELIANCE CAPITAL AIF TRUSTEE COMPANY PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

(Amount in Rupees)

	2014-15	2013-14
A Cash Flows from Operating Activities		
Loss Before Tax	(90 727)	(3 06 247)
Operating Profit before working Capital Changes	(90 727)	(3 06 247)
Adjustments for:		
(Increase)/Decrease in Short - term loans & advances	(1 10 000)	-
Increase/(Decrease) in Current Liabilities & Provisions	1 05 025	68 914
Cash generated from operations	(95 702)	(2 37 333)
Taxes (Paid) / Refund	-	-
Net cash from/(used in) Operating Activities	(95 702)	(2 37 333)
B Cash flows from investing activities	-	-
Net cash from/(used in) Investing Activities	-	-
C Cash flows from financing activities		
Issue of Equity Share Capital	-	5 00 000
Net cash from/(used in) financing activities	-	5 00 000
Net increase in cash and cash equivalents (A+B+C)	(95 702)	2 62 667
Cash and cash equivalents at the beginning of the year	2 65 963	3 296
Cash and cash equivalents at the end of the year	1 70 261	2 65 963

Note :

The previous year's figures have been reworked, regrouped and reclassified wherever necessary.

As per our report of even date

For and on behalf of the Board

For Chaturvedi & Shah
Chartered Accountants
Firm Registration No. : 101720W

Amit Bapna
Director

Vijay Napawaliya
Partner
Membership No.: 109859

Lav Chaturvedi
Director

Atul Kumar Tandon
Director

Mumbai
Dated: May 26, 2015

Mumbai
Dated: May 26, 2015

RELIANCE CAPITAL AIF TRUSTEE COMPANY PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2015

1. Background

Reliance Capital AIF Trustee Company Private Limited ('the Company') was incorporated on September 21, 2006 with the Registrar of Companies (RoC), Maharashtra, Mumbai. The Company's main object is to act as trustees, of or for any mutual funds, unit schemes, or any other pool or portfolio of securities, or investments of any other kind, and for that purpose set up, promote, settle and execute trusts, and devise various schemes for raising funds in any manner from individuals, companies, associations, trusts, and to deploy such funds in such manner as thought reasonable.

2. Significant Accounting Policies

a Basis of Preparation of Financial Statements

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting. They are in conformity with the accounting principles generally accepted in India ('GAAP'), and comply with the Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006, specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

b Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialised.

c Revenue Recognition

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection.

Trusteeship Fees:

Trusteeship Fees is recognized as per the terms of the Trust Deed.

d Earnings per share

The basic earnings per share is computed by dividing the net profit / loss attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year. In computing dilutive earnings per share, only potential equity shares that are dilutive and that reduce profit / loss per share are included.

e Provision for Current Tax and Deferred Tax

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

f Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

RELIANCE CAPITAL AIF TRUSTEE COMPANY PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2015

3. Share Capital	(Amount in Rupees)			
	As at March 31, 2015		As at March 31, 2014	
(a) Authorised:				
1 00 000 Equity Shares of Rs. 10 each (March 31, 2014: 1 00 000 Equity Shares of Rs. 10 each)		10 00 000		10 00 000
		<u>10 00 000</u>		<u>10 00 000</u>
(b) Issued, Subscribed and Paid Up				
60 000 Equity Shares of Rs. 10 each fully paid up (March 31, 2014: 60 000 Equity Shares of Rs. 10 each fully paid up)		6 00 000		6 00 000
		<u>6 00 000</u>		<u>6 00 000</u>
c) Par Value per Share		(Amount in Rupees)		(Amount in Rupees)
Equity Share		10		10
(d) Reconciliation of Issued, Subscribed and Fully Paidup Capital	No of Shares	(Amount in Rupees)	No of Shares	(Amount in Rupees)
Equity Shares				
Opening Balance	60 000	6 00 000	10 000	1 00 000
Add :Addition during the year	-	-	50 000	5 00 000
Less : Reduction during the year	-	-	-	-
Closing Balance	<u>60 000</u>	<u>6 00 000</u>	<u>60 000</u>	<u>6 00 000</u>

(e) Rights, Preferences and Restrictions :

Each holder of Equity shares is entitled to one vote per share and carries dividend right. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(f) Details of shareholders, holding more than 5% of the shares in the Company.

Name of the Holder	Equity shares			
	As at 31st March 2015		As at 31st March 2014	
	%	Qty.	%	Qty.
Reliance Capital Limited	100.00	60 000	100.00	60 000
TOTAL	100.00	60 000	100.00	60 000

(Out of the above equity shares, 60 equity shares (Previous year 60 equity shares) are jointly held by Reliance Capital Limited and its nominees.)

4. Reserves and Surplus	(Amount in Rupees)	
	As at March 31, 2015	As at March 31, 2014
Deficit in the Statement of Profit & Loss		
As per Last Balance Sheet	(4 06 322)	(1 00 075)
Add: Transfer from Statement of Profit & Loss	(90 727)	(3 06 247)
	<u>(4 97 049)</u>	<u>(4 06 322)</u>

RELIANCE CAPITAL AIF TRUSTEE COMPANY PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2015

5. Other Current Liabilities (Amount in Rupees)

	As at March 31, 2015	As at March 31, 2014
Other Payables #	1 77 310	72 285
	<u>1 77 310</u>	<u>72 285</u>

Includes Statutory Dues Payables & Other Liabilities

6. Cash and Cash Equivalents (Amount in Rupees)

	As at March 31, 2015	As at March 31, 2014
Cash and Cash Equivalents		
Balances with Banks in Current Accounts	1 70 261	2 65 963
	<u>1 70 261</u>	<u>2 65 963</u>

7. Short Term Loans and Advances (Amount in Rupees)

	As at March 31, 2015	As at March 31, 2014
Unsecured, Considered Good		
Sundry Advances	1 10 000	-
	<u>1 10 000</u>	<u>-</u>

8. Revenue from Operations (Amount in Rupees)

	2014-15	2013-14
Trusteeship Fees	1 00 000	-
	<u>1 00 000</u>	<u>-</u>

9. Other Expenses (Amount in Rupees)

	2014-15	2013-14
Auditors' Remuneration	28 090	13 483
Filing fees and Stamp duty	1 09 800	-
Printing & Stationery	-	2 051
Rates & Taxes	-	1 03 072
Professional Fees	50 562	1 87 641
Bank Charges	2 275	-
	<u>1 90 727</u>	<u>3 06 247</u>

10. The management has identified enterprises which has provided goods and services to the Company and which qualify under the definition of medium, micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. At any point of time during the year there is no liability due for payment to such micro, small and medium enterprises.

11. In the opinion of management, all the Assets are approximately of the value stated if realised in the ordinary course of business.

12. Auditors' Remuneration : (Amount in Rupees)

	2014-15	2013-14
Audit Fees	28 090	13 483
	<u>28 090</u>	<u>13 483</u>

13. Segment Information :

There is no separate reportable segment under Accounting Standard -17 (AS-17), on "Segment Reporting" notified by the Companies (Accounting Standards) Rules, 2006.

RELIANCE CAPITAL AIF TRUSTEE COMPANY PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT MARCH 31, 2015

14. Related Party Disclosure :

i) List of the Related Parties and their relationship:

Ultimate Holding Company :

Reliance Innoventures Private Limited (upto March 26, 2015)

Holding Company :

Reliance Capital Limited

(Amount in Rupees)

Particulars	Holding Company	Total
Share Capital		
a) Balance of Equity Share Capital as at March 31, 2015	6 00 000 (6 00 000)	6 00 000 (6 00 000)

Note: 1. Figures in brackets represents previous year figures.

2. Transactions during the existence of related party relationship are disclosed.

15. Basic and Diluted Earnings Per Share

For the purpose of calculation of Basic / Diluted Earnings Per Share the following amounts are considered:

(Amount in Rupees)

Particulars	2014-15	2013-14
a) Amounts used as the numerators		
Net Profit/ (Loss) After Tax	(90 727)	(3 06 247)
Net Profit/ (Loss) available for equity shareholders	(90 727)	(3 06 247)
b) Amounts used as the Denominators		
Weighted average number of equity shares (Nos.)	60 000	26 164
c) Basic & Diluted Earnings/(Loss) Per Share of Rs. 10/- each (a/b)	(1.51)	(11.70)

16. The previous year's figures have been reworked, regrouped and reclassified wherever necessary.

As per our report of even date

For and on behalf of the Board

For Chaturvedi & Shah

Chartered Accountants
Firm Registration No. : 101720W

Amit Bapna
Director

Lav Chaturvedi
Director

Vijay Napawaliya
Partner

Membership No.: 109859

Atul Kumar Tandon
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