

Financial Statement

2014-15

Reliance Capital Trustee Co. Limited

Independent Auditors' Report

To the Members
Reliance Capital Trustee Co. Limited

I. Report on the Financial Statements

We have audited the attached financial statements of **Reliance Capital Trustee Co. Limited** (hereinafter referred to as the Company), comprising of the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year ended along with the Significant Accounting Policies and other explanatory information forming an integral part thereof.

II. Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters 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 Standards referred to in Section 133 of the Companies Act, 2013 (hereinafter referred to as the Act), read with Rule 7 of the Companies (Accounts) Rules, 2014 and in accordance with the accounting principles generally accepted in India. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

III. Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

IV. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we enclose in the Annexure a statement on the matters specified in paragraph 3 of the said Order, to the extent applicable to the Company during the year under review.
2. Further to our comments in the Annexure referred to in 1. above as per the requirements of Section 143(3) of the Act, we report as follows:
 - (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of written representations received from the respective directors as on 31st March 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2015 from being appointed as a director in terms of sub-section (2) of Section 164 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;
- ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

V. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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;

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2015;
- (b) In the case of the Statement of Profit and Loss, of the Profit of the Company for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the Cash flows of the Company for the year ended on that date.

For S M N P & Co.
Chartered Accountants
Firm Registration No. 105929W

Sunil S. Dayma
Partner
Membership No. F-100542

Mumbai, dated 29th April, 2015.

Annexure to the Auditors' Report

(Referred to in paragraph IV(1) of our report of even date)

In terms of the information and explanations given to us and the books and records examined by us and on the basis of such checks as we considered appropriate, we further report as under:

- (i) There were no fixed assets with the Company at any time during the year.
- (ii) There was no inventory with the Company at any time during the year.
- (iii) During the year, the Company has not granted any loans, secured or unsecured to the parties covered in the register maintained under Section 189 of the Act.
- (iv) In our opinion, there are adequate internal control procedures commensurate with the size of the Company and nature of its business for the provisions of services. During the course of the audit, we have not come across any major weakness in the internal controls prevailing in the Company.
- (v) According to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.
- (vi) As explained to us, maintenance of cost records has not been prescribed by the Central Government for the Company under Section 148(1) of the Act.
- (vii)
 - a) According to the information and explanations given to us and as per the records verified by us, the Company has been regular in depositing undisputed statutory dues involving Income Tax and Service Tax with the appropriate authorities and there were no arrears under the above heads which were due for more than six months from the date they become payable as at the close of the year. Keeping in view the present operations of the Company, statutes relating to provident Fund, employees' State Insurance, Sales-tax, Custom Duty, Excise Duty and Cess are not applicable to the Company during the year under review.
 - b) As per the records, no statutory dues have been disputed and lying pending with the Company as at the close of the year under review.
 - c) According to the information and explanations given to us, there are no dues of Investor Education and Protection Fund and rules made thereunder which is required to be transferred.
- (viii) As per the accounts verified by us, the Company has no accumulated losses as at the end of the current financial year nor it has incurred cash losses in the current/immediately preceding financial years.

- (ix) As per the records verified by us, the Company has not availed any loan/facility from banks/financial institutions and hence the question of default in repayment of the same does not arise. Further, no amounts were borrowed by the Company through Debentures.
- (x) As explained to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) No term loans were obtained by the Company 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 S M N P & Co.
Chartered Accountants
Firm Registration No. -105929W

Sunil S. Dayma
Partner
Membership No. F-100542

Mumbai, dated 29th April, 2015.

Reliance Capital Trustee Co. Limited

Balance Sheet as at 31 March 2015

(Figures in Rs.)

Particulars	Notes	As at 31 March 2015	As at 31 March 2014
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	507,000	507,000
Reserves and Surplus	3	7,964,427	6,701,627
		8,471,427	7,208,627
Current Liabilities			
Other Current Liabilities	4	97,520	56,067
		97,520	56,067
TOTAL		8,568,947	7,264,694
ASSETS			
Non Current Assets			
Long - Term Loans and Advances	5	518,594	418,110
Current Assets			
Current Investments	6	7,618,881	6,651,875
Cash and Bank Balance	7	358,866	186,055
Short - Term Loans and Advances	8	72,606	8,654
		8,050,353	6,846,584
TOTAL		8,568,947	7,264,694
Significant Accounting Policies and Notes to Accounts	1-17		

For S M N P & Co.

Chartered Accountants

Firm's Registration No. - 105929W

Sunil S. Dayma

Partner

Membership No. F.100542

Place : Mumbai

Date: 29th April 2015

For and on behalf of the Board of Directors

Reliance Capital Trustee Co. Limited

A. N. Shanbhag

Director

Place : Mumbai

Date: 29th April 2015

P. P. Vora

Director

Reliance Capital Trustee Co. Limited

Statement of Profit and Loss for the year ended 31 March 2015

(Figures in Rs.)

Particulars	Notes	Year ended 31 March 2015	Year ended 31 March 2014
Income			
Revenue from Operations	9	5,000,000	3,000,000
Other Income	10	471,880	361,138
Total		5,471,880	3,361,138
Expenditure			
Administrative and Other Expenses	11	3,630,865	2,387,771
Total		3,630,865	2,387,771
Profit before Tax		1,841,015	973,367
Current Tax		575,403	247,719
Profit after Tax		1,265,612	725,648
Basic Earning per share of Rs. 10 each		24.96	14.31
Diluted Earnings per share of Rs. 10 each		24.96	14.31

Significant Accounting Policies and Notes to Accounts

For S M N P & Co.

Chartered Accountants
Firm's Registration No. - 105929W

Sunil S. Dayma

Partner
Membership No. F.100542

Place : Mumbai

Date: 29th April 2015

For and on behalf of the Board of Directors

Reliance Capital Trustee Co. Limited

A. N. Shanbhag

Director

Place : Mumbai

Date: 29th April 2015

P. P. Vora

Director

Reliance Capital Trustee Co. Limited

Cash flow Statement for the year ended 31 March 2015

(Figures in Rs.)

PARTICULARS	Year ended 31 March 2015	Year ended 31 March 2014
A. Cash flows from operating activities		
Profit Before Tax	1,841,015	973,367
Adjustments to reconcile profit before tax to cash provided by operating activities		
(Profit) on Sale of Investments	(467,002)	(358,558)
Interest on income tax refund	(4,878)	(2,580)
Changes in assets and liabilities		
Trade receivables	-	-
Short - Term Loans and Advances	(63,952)	42,490
Other Current Liabilities	41,453	(34,345)
	1,346,636	620,374
Income Taxes Paid (Net of refund received)	(673,825)	(341,490)
Net cash generated by operating Activities (A)	672,811	278,884
B. Cash flows from investing activities		
Purchase of Investments	(7,200,000)	(7,743,697)
Sale of Investments	6,700,000	7,368,697
Net Cash provided by/(used in) investing activities	(500,000)	(375,000)
Net increase/(decrease) in Cash and Cash Equivalents (A) + (B)	172,811	(96,116)
Cash and cash equivalents at the beginning of the year	186,055	282,171
Cash and cash equivalents at the end of the year	358,866	186,055

For S M N P & Co.

Chartered Accountants

Firm's Registration No. - 105929W

Sunil S. Dayma

Partner

Membership No. F.100542

Place : Mumbai

Date: 29th April 2015

For and on behalf of the Board of Directors

Reliance Capital Trustee Co. Limited

A. N. Shanbhag

Director

P. P. Vora

Director

Place : Mumbai

Date: 29th April 2015

Reliance Capital Trustee Co. Limited

Significant Accounting Policies and Notes to Accounts forming part of the financial statements as at 31 March 2015

1 Significant Accounting Policies:

1.1 Basis of preparation

The Financial Statements have been prepared on accrual basis, under the historical cost convention, and on the basis of going concern, in accordance with the accounting principles generally accepted in India and comply with the Accounting Standards as referred to in the Companies (Accounting Standards) Rules 2006 issued by the Central Government which continue to apply under section 133 of Companies Act 2013, read with Rule 7 of Companies (accounts) rule 2014 and other accounting principles generally accepted in India and the relevant provisions of the Companies Act, 1956. The financial statements are presented in Indian Rupees.

1.2 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 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 on 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 recognised prospectively in current and future periods.

1.3 Investments

Investments are treated as Current investments and are valued at cost or fair value /market value whichever is lower.

1.4 Revenue recognition

Revenue is recognised when there is reasonable certainty of its ultimate realisation/collection.

Trusteeship fees (net of service tax)

Trusteeship fees income is recognised on the basis of the agreement entered into between the Settlor and the Trustee.

Dividend income

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

Profit or loss on sale of investments

The gains/ losses on sale of investments are recognised in the Statement of Profit and Loss on the trade day. Profit or loss on sale of investments is determined on average cost basis.

1.5 Contingencies and provisions

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

1.6 Tax

Current tax

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income tax law), deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year). Provision for income tax is recognised on an annual basis under the taxes payable method, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with Indian Income Tax Act, 1961. In case of matters under appeal due to disallowance or otherwise, full provision is made when the said liabilities are accepted by the Company.

Deferred tax

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 a 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 reasonable/virtually certain (as the case may be) to be realised.

1.7 Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders by weighted average number of equity shares outstanding during the reporting year.

Number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also weighted average number of equity shares which would have been issued on the conversion of all dilutive potential shares. In computing diluted earnings per share only potential equity shares that are dilutive are included.

Reliance Capital Trustee Co. Limited

Notes to accounts forming part of the financial statements as at 31 March 2015

(Figures in Rs.)

Particulars	As at	
	31 March 2015	31 March 2014
2 Share Capital		
Authorised		
Equity shares, Rs.10 par value		
1,000,000 (1,000,000) equity shares	<u>10,000,000</u>	<u>10,000,000</u>
Issued, subscribed and paid up		
Equity Shares, Rs.10 par value		
50,700 (50,700 shares) equity shares fully paid up	507,000	507,000
Total Share Capital	<u>507,000</u>	<u>507,000</u>

Terms / rights attached to equity shares :

The Company has one class of equity shares having a par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share.

The details of shareholder holding more than 5% shares is set out below :

Name of the shareholder	As at			
	31 March 2015		31 March 2014	
	No. of shares	% held	No. of shares	% held
Reliance Capital Limited (Including shares held jointly)	50,700	100.00	50,700	100.00

Reliance Capital Trustee Co. Limited

Notes to accounts forming part of the financial statements as at 31 March 2015

(Figures in Rs.)

Particulars	As at	
	31 March 2015	31 March 2014
3 Reserves and Surplus		
Surplus as per Statement of Profit and Loss		
Balance at the beginning of the Year	6,701,627	5,990,472
Add : Net Profit after tax transferred from Statement of Profit and Loss	1,265,612	725,648
Less: Income tax for earlier years	(2,812)	(14,493)
Profit Available for Appropriation	<u>7,964,427</u>	<u>6,701,627</u>
Surplus - Balance at the end of the Year	<u><u>7,964,427</u></u>	<u><u>6,701,627</u></u>
Total Reserves and Surplus	<u><u>7,964,427</u></u>	<u><u>6,701,627</u></u>
4 Other Current Liabilities		
Statutory Liabilities	32,247	16,697
Outstanding Liabilities Against Expenses	<u>65,273</u>	<u>39,370</u>
	<u><u>97,520</u></u>	<u><u>56,067</u></u>
5 Long - Term Loans and Advances		
Advance Tax Paid / Tax Deducted at Source	518,594	418,110
	<u><u>518,594</u></u>	<u><u>418,110</u></u>

Reliance Capital Trustee Co. Limited

Notes to accounts forming part of the financial statements as at 31 March 2015

(Figures in Rs.)

6 Investments

Particulars	Face Value	Quantity As at 31.03.2015	Cost As at 31.03.2015	Quantity As at 31.03.2014	Cost As at 31.03.2014
		(in units)		(in units)	
Current Investments (At Lower of Cost and Fair Value)					
Investment in Mutual Funds (Unquoted)					
Reliance Medium Term Fund - Direct Plan - Growth Plan	10	19,336	534,963	-	-
Reliance Money Manager Fund - Direct Growth Plan Growth Option	1000	550	1,015,517	-	-
Reliance Liquid Fund - Treasury Plan - Direct Plan Growth Plan - Growth Option	1000	22	68,401	1,728	5,151,875
Reliance Floating Rate Fund - Short Term Plan - Direct Growth Plan	10	49,991	1,000,000	49,991	1,000,000
Reliance Gilt Securities Fund-Direct Growth Plan Growth Option	10	62,245	1,000,000	284.972	500,000
Reliance Liquidity Fund - Direct - Growth Option	1000	474.608	1,000,000	-	-
Reliance Fixed Horizon Fund - XXVI - Series 32-Direct - Growth	10	300,000	3,000,000	-	-
Total Current Investments			<u>7,618,881</u>		<u>6,651,875</u>
Quoted investments					
Aggregate of Book value			3,000,000		-
Aggregate of Net Asset value			<u>3,252,990</u>		<u>-</u>
Unquoted investments					
Aggregate of Book value			4,618,881		6,651,875
Aggregate of Net Asset value			<u>4,962,585</u>		<u>6,913,660</u>

Reliance Capital Trustee Co. Limited

Notes to accounts forming part of the financial statements as at 31 March 2015

(Figures in Rs.)

Particulars	As at	
	31 March 2015	31 March 2014
7 Cash and Bank Balances		
Cash and Cash Equivalents		
Cash on Hand	-	-
Balance in current account with bank	358,866	186,055
	358,866	186,055
8 Short - Term Loans and Advances		
Others (unsecured, considered good)		
Others	-	-
Service tax unutilised	72,606	8,654
	72,606	8,654

Reliance Capital Trustee Co. Limited

Notes to accounts forming part of the financial statements for period ended 30 Sep 2014

(Figures in Rs.)

Particulars	For the period ended 31 March 2015	For the year ended 31 March 2014
9 Revenue from Operations		
Trusteeship Fees	5,000,000	3,000,000
	5,000,000	3,000,000
10 Other Income		
Profit on Sale of Investments	467,002	358,558
Interest on income tax Refund	4,878	2,580
	471,880	361,138
11 Administrative and Other Expenses		
Legal and Professional Charges	64,830	19,099
Director's Conveyance and Travelling	1,237,410	1,558,547
Filing Fees and Stamp Duty	715	5,105
Auditors Remuneration	20,000	20,000
Director's Sitting Fees	2,280,000	720,000
Miscellaneous Expenses	27,910	65,020
	3,630,865	2,387,771

Reliance Capital Trustee Co. Limited

Notes to accounts forming part of the financial statements as at 31 March 2015

12 Earning Per Share (EPS)	For the period ended 31 March 2015	For the year ended 31 March 2014
Net profit attributable to equity shareholders (Rs.)	1,265,612	725,648
Weighted average number of equity shares outstanding (Nos.)	50,700	50,700
Basic and diluted EPS (Rs.)	24.96	14.31

13 Segment Reporting

Pursuant to Accounting Standard (AS) 17 Segment Reporting, no segment disclosures are required to be made in these financial statements, as the Company has only one geographical segment and no other separate reportable business segment.

14 Taxation

(i) Current Taxation

Current tax provision is calculated as per the Income Tax Act, 1961 after adjusting credit under Minimum Alternate Tax (MAT).

(ii) Deferred Taxation

No provision is considered necessary in the accounts in respect of Deferred Taxation as there are no timing differences during the year under review.

15 Employee Benefits

Since there are no employees with the Company during the year, no provision towards retirement benefits is made within the purview of Accounting Standard 15, Employee Benefits. (Previous Year Nil)

16 Director's remuneration

No provision / payment towards director's remuneration has been made in the accounts, except in respect of sitting fees. (Previous Year Nil)

Reliance Capital Trustee Co. Limited

Notes to accounts forming part of the financial statements as at 31 March 2015

17 Related Party Disclosure:

(i) List of Related Parties and their relationship:

Sr. No.	Name of the Related Party	Relationship
1	Reliance Innoventures Private Limited	Ultimate Holding Company (till March 27, 2015) Holding Company
2	Reliance Capital Limited	
3	Reliance Capital Asset Management Limited	Fellow Subsidiary
4	Reliance Asset Management (Mauritius) Limited **	
5	Reliance Asset Management (Singapore) Pte Limited **	
6	Reliance Capital Asset Management (UK) Plc **	
7	Reliance AIF Management Company Limited **	
8	Reliance Capital Pension Fund Limited **	
9	Reliance General Insurance Company Limited	
10	Reliance Gilts Limited	
11	Reliance Money Express Limited	
12	Reliance Money Precious Metals Private Limited	
13	Reliance Money Solutions Private Limited	
14	Reliance Home Finance Limited	
15	Reliance Securities Limited	
16	Reliance Commodities Limited	
17	Reliance Financial Limited	
18	Reliance Wealth Management Limited	
19	Reliance Exchangenext Limited	
20	Reliance Spot Exchange Infrastructure Limited	
21	Reliance Capital AIF Trustee Company Private Limited	
22	Quant Capital Private Limited **	
23	Quant Broking Private Limited **	
24	Quant Securities Private Limited **	
25	Quant Commodity Broking Private Limited **	
26	Quant Capital Finance and Investments Private Limited **	
26	Quant Investments Services Private Limited **	

** Subsidiary of fellow subsidiary

Reliance Capital Trustee Co. Limited

Notes to accounts forming part of the financial statements as at 31 March 2015

(Figures in Rs.)

(ii) Transactions during the period with related parties:

Nil
(Previous Year : Nil)

Notes :

1 Related Party Relationship is as identified by the Company and relied upon by the auditors.

2 Previous year figures are in brackets

Signatures to notes from 1 to 18 form part of the financial statements.

**For and on behalf of the Board of Directors of
Reliance Capital Trustee Co. Limited**

A. N. Shanbhag
Director

P. P. Vora
Director

Place : Mumbai

Date: 29th April 2015