

**SUNDARAM TRUSTEE
COMPANY LIMITED**

15

**ANNUAL REPORT
2018-19**

Board of Directors

M S Sundararajan	Chairman
S Viji	
R Venkatraman	
Mrs Soundara Kumar	

Audit Committee

R Venkatraman	Chairman
Mrs Soundara Kumar	

Bankers

IDBI Bank Ltd.
ICICI Bank Ltd.
HDFC Bank Ltd.

Auditors

M/s. Sundaram & Srinivasan, Chennai	Chartered Accountants
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Registered Office

21, Patullos Road
Chennai 600 002

Corporate Office

Sundaram Towers,
I & II Floor, 46, Whites Road,
Royapettah, Chennai 600 014
Tel: +91 44 4060 9900 / 2856 9900,
Fax: +91 44 2858 3156
CIN: U65999TN2003PLC052058

Website: www.sundarammutual.com

SUNDARAM TRUSTEE COMPANY LIMITED

a wholly-owned subsidiary of



SUNDARAM FINANCE

Enduring values. New age thinking.

Contents

Directors' Report	5
Auditors' Report	17
Balance Sheet	22
Profit and Loss Statement	23
Cash Flow Statement	24
Notes	27

Sponsor



Sundaram Finance Limited,
Registered Office,
21, Pattulos Road,
Chennai 600 002.

DIRECTORS' REPORT

To the Members

Your Directors have pleasure in presenting the 15th Annual Report with the audited financial statement of accounts for the year ended March 31, 2019. The summarized financial results of the Company are given hereunder:

(₹ In lakhs)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Total Revenue	150.81	156.85
Total Expenses	39.37	39.51
Profit Before Tax	111.43	117.34
Provision for Tax	31.07	32.23
Profit After Tax	80.36	85.11

Company Performance

During the year under review, your Company earned a gross income of ₹ 150.81 lakhs by way of trusteeship fees and other income as against ₹ 156.85 lakhs reported in the previous year 2017-18. The expenditure for the year under review was ₹ 39.37 lakhs in the current financial year compared to ₹ 39.51 lakhs in 2017-18. Your company reported a profit after tax of ₹ 80.36 lakhs for the year ended March 31, 2019 as against ₹ 85.11 lakhs in the previous year. A sum of ₹140.04 lakhs is available for appropriation for the financial year 2018-19. Your Directors are happy to recommend a dividend of 1200% on the paid up capital of the company as against 1000% declared during 2017-18. The dividend amounting to ₹ 60 lakhs together with dividend tax of ₹ 12.33 lakhs absorbs a sum of ₹ 72.33 lakhs.

Mutual Fund Industry

During the year, overall assets under management of the Indian mutual fund industry has grown from ₹ 21.36 Trillion to ₹ 23.80 Trillion, registering a growth of 11%. The equity assets have grown from ₹ 9.95 Trillion to ₹ 11.55 Trillion as at 31 March 2019, registering a growth of 16%.

Sundaram Mutual Fund

Average assets of mutual funds under management is ₹ 31,933 cr. for the financial year ended 31 March 2019 as against ₹ 34,164 cr., in the previous financial year.

Fund Performance

During the year under review, Sundaram Mutual Fund launched 16 schemes mobilizing ₹ 2,355 cr. It is pertinent to note that, Sundaram Services Fund, equity NFO launched during the year mobilised a sum of ₹ 1019 cr, and on-boarded 67,309 investors in to the scheme.

Most of the schemes registered good performance during the year beating the benchmark. In line with our philosophy, several equity and fixed income schemes distributed sizeable dividends.

We are happy to inform you that Economic Times rated Sundaram Large and Midcap Fund among the best large and midcap fund schemes to consider investing in 2019. Further, they reported that the Scheme has delivered healthy risk adjusted returns of 17.84% over the past five years beating the benchmark return of 14.45%.

On a fifteen-year annualized return, Sundaram Midcap returned 22.3% and on a ten year annualized return, Sundaram Midcap returned 23.7% as on 31 March 2019.

Your schemes were recognised by rating agencies and the press. Some of the accolades were:

Scheme Name	Category	Value Research	CRISIL	Morning Star
Sundaram Large and Mid-Cap Fund	Equity	4 Stars	Rank 2	4 Stars
Sundaram Select Focus	Equity	4 Stars*	Rank 2	
Sundaram Equity Hybrid	Equity		Rank 2	4 Stars
Sundaram Low Duration Fund	Debt	4 Stars*		5 Stars*
Sundaram Medium Term Bond Fund	Debt			4 Stars
Sundaram Short Term Debt Fund	Debt	4 Stars*		5 Stars
Sundaram Short Term Credit Risk Fund	Debt		Rank 1	5 Stars*
Sundaram Banking & PSU Debt Fund	Debt		Rank 2	4 Stars
Sundaram Corporate Bond Fund	Debt		Rank 2	5 Stars*
Sundaram Debt Oriented Hybrid Fund	Debt			5 Stars

* Direct Plan

Risk Management

The Company's operations mainly relate to providing trusteeship services to Sundaram Mutual Fund Schemes and schemes of Sundaram Alternative Investment Trust Category II and III. The risk management areas relating to the mutual funds and AIF operations have been extensively covered by the Enterprise Risk Management Framework of Sundaram AMC, which is designed to assist in the identification and assessment of risks in order that they can be managed in an efficient manner and that informed decisions can be taken to manage threats and exploit opportunities.

The reports of the internal auditor and independent auditor of the schemes relating to the financials and the operations of the Company and schemes were reviewed by the Audit Committee which oversees Risk Controls in the system.

Internal Control System and Adequacy

The Company has an adequate system of internal controls consistent with its nature and size of the operations to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that the transactions are authorized, recorded and reported correctly. The Company carries out extensive and regular internal control programs, policy reviews, guidelines and procedures to ensure that the internal control systems are adequate to protect the Company against any loss or misuse of the company's assets.

Capital Market Outlook

During the financial year 2019, the Nifty 50 Index rose from a level of 10,114 to 11,624 (up 15%). In August, the index reached its high on the back of a hopeful progress in the US-China trade talks. However, the ensuing tariff impositions by US and China's retaliation to the same, led to the index correcting by 14% by the end of October. Another contributing factor was a sharp increase in oil prices due to rising geo-political concerns which led to a weakening rupee that persisted till November. In January 2019, market sentiments improved with a surge in FII equity inflows. FY19 saw continued inflation containment, soft growth prints and the start of rate cuts from the RBI. The year also witnessed

a change of guard at the RBI. The Government's interim budget was pro-farmer and pro-rural focusing on the bottom of the pyramid up to the middle class.

The benchmark 10-year G-Sec yield remained flat point-to-point at 7.4%. However, during the year, yields rose sharply to 8.2% on the back of a sharp rise in crude prices. This led to a weakening rupee and debt market outflows. The normalization in crude led to yields abating, resulting in better returns during H2. The government managed to achieve its 3.4% GDP fiscal deficit target by rolling over fuel subsidies and making cuts in state expenditures. Contained inflation helped the RBI cut rates once in FY19. The RBI's language appears to indicate more cuts in the offing, provided the monsoon and other external variables remain favourable.

The outcome of the 2019 general elections would be an immediate focus during the start of FY20. It is important to note here that Indian economic growth is relatively agnostic to the political dispensation at the centre. India only requires enablers for the India growth story. From a global macro standpoint, China is expected to see a pickup in growth closer to the second half of this calendar year. If this plays out alongside an accommodative outlook from the Fed, the Emerging Market space could turn positive and would be a boost for the India story.

FY20 growth in India is likely to remain marginally positive with contained inflation and an accommodative central bank. US growth is expected to remain positive. A perk up in China growth could put a floor to Eurozone weakness and act as a positive for Emerging Markets like India. However, worsening of trade talks, crude price pressures, a hard landing in China and a continued bad monsoon spell are risks in FY20.

Regulation

During the financial year 2018-19, SEBI has introduced the following changes thereby making the industry more transparent and accountable:

SEBI (Mutual Funds) (Fourth Amendment) Regulations 2018 which, with effect from 1st April 2019, reduced the limits of the Total Expense Ratio (TER) of the various Mutual Fund schemes. The reduction in the limits of TER w.e.f 1.4.2019 was stipulated by SEBI based on the perception that the growth of the mutual fund industry has reached a level where economies of scale are available, and the benefits thereof must be passed on to the investors. While the intention seems to be commendable, it could affect the financials of medium and small fund houses. Besides fund mobilizations are predominantly made by distributors and independent financial advisors, such reduction in TER would impact their commission and discourage them from selling MF products.

SEBI has also introduced go green initiative in mutual funds by dispensing with the publication of scheme portfolio in the newspapers, enhanced the disclosure norms and IT framework. Your Directors welcome these measures as it will improve the monitoring and further strengthening the industry in the long run.

Board of Directors

The Board of Directors of the company is vested with general power of superintendence, direction and management of the affairs of the Mutual Fund and AIF operations. Sundaram AMC acts as the Investment Manager of the Schemes of the Mutual Fund. Sundaram Alternate Assets Limited, a wholly-owned subsidiary of Sundaram AMC acts as the Investment Manager of the Schemes of Sundaram Alternative Investment Trust Category II and III. The Board of Directors monitor and review the functions of the Asset Management Companies in order to ensure that it fulfills the tasks assigned to it under the investment management agreements and complies with SEBI Regulations and other laws in force. During the year under review, six Board Meetings were held.

Directorship

Ms Soundara Kumar (DIN:01974515) retires at the ensuing General Meeting and being eligible, offers herself for re-appointment. Necessary resolution is submitted for your approval.

Audit Committee

The Audit Committee of the Board is constituted as per the SEBI Regulations. Mr R Venkatraman and Ms Soundara Kumar are the members of the committee. During the year, three meetings of the committee were held. The committee reviews the internal audit plans, financial statements, adequacy of internal control systems. The committee reviews the reports, the observations of the internal / external auditors and the responses of the management on the reports.

The Company is not required to constitute Nomination and Remuneration Committee, CSR committee as per the provisions of the Companies Act, 2013.

Disclosure as per Secretarial Standard on meetings of the Board of Directors (SS-1)

The number and dates of Meetings of the Board and Committees held during the financial year indicating the number of Meetings attended by each Director is furnished vide **Annexure I**. Your Company has complied with applicable Secretarial Standards issued by Institute of Company Secretaries of India.

Public Deposits

Your company has not accepted any deposits from the public.

Particulars of Employee Remuneration

The Company has no employee on its payroll. Accordingly, the provisions of Section 197(12) of the Companies Act, 2013 requiring disclosure of remuneration of employees is not applicable.

The Company is not required to appoint a Whole Time Key Managerial Personnel in accordance with the provisions of the Companies Act, 2013.

Disclosure under the Prevention of Sexual Harassment of Women at Workplace Act, 2013

The Company has no employee in its payroll and hence the Act is not applicable.

Information under Section 134 (3) (m) of the Companies Act, 2013

Your Company has no activity relating to conservation of energy or technology absorption. The Company had no foreign exchange earnings or outgo during the year 2018-19 and in 2017-18.

Particulars of loans, guarantee and investments pursuant to Section 186 of the Companies Act, 2013

The Company has not given any loan or guarantee to any person or body corporate nor invested in securities of any other body corporate during the year 2018-19.

Particulars of Related Party Transactions pursuant to Section 134 (3) (h) of the Companies Act, 2013

All transactions entered into by the Company with the related parties were in the ordinary course of business and on an arm's length basis. Form AOC-2, as required under Section 134 (3) (h) of the Act, read with Rule 8 (2) of the Companies (Accounts) Rules 2014, is attached as part of this report vide **Annexure II**.

Directors' responsibility statement pursuant to Section 134 (3) (c) of Companies Act, 2013

Your directors confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. The directors had 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;
3. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. The directors had prepared the annual accounts on a going concern basis;
5. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Annual Return

The extract of the annual return pursuant to Rule 12 (1) of the Companies (Management and Administration) Rules, 2014 is attached as **Annexure III**.

Acknowledgment

Your Directors wish to place on record their deep appreciation of the professional support and guidance received from Sundaram Finance Limited, Sundaram AMC, Securities and Exchange Board of India and Association of Mutual Funds in India.

Your Directors also acknowledge the support and co-operation extended by investors, bankers, Registrars, the Custodian and other service providers and look forward to their continued support.

Your Directors place on record their appreciation of the dedication and commitment displayed by the employees of the AMC.

For and On behalf of the Board of Directors

Place: Chennai
Date : 30.04.2019

M S Sundararajan
Chairman

Annexure - I

Disclosure as per Secretarial Standard on meetings of the Board of Directors (SS-1)

During the year under review, 6 meetings of the Board of Directors were held. The details of directors' attendance at Board Meetings are as follows:

Sl. No.	Name of the Director	DIN	No. of Meetings attended	Meeting Dates
1	M S Sundara Rajan	00169775	5	27.04.2018,
2	S Viji	00139043	5	29.06.2018,
3	R Venkatraman	07119686	6	16.08.2018,
4	Mrs Soundara Kumar	01974515	4	29.10.2018,
				21.12.2018,
				18.02.2019

During the year under review, 3 meetings of the Audit Committee were held. Attendance of the members at Committee meetings are as follows:

S. No.	Name of the Member	No. of Meetings Attended	Meeting Dates
1	R Venkatraman	3	27.04.2018,
			29.10.2018
2	Mrs Soundara Kumar	3	18.02.2019

For and On behalf of the Board of Directors

Place: Chennai
Date: 30.04.2019

M S Sundararajan
Chairman

Annexure - II

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8 (2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

- Details of contracts or arrangements or transactions not at arm's length basis.
All transactions entered into by the Company during the year with related parties were on an arm's length basis.
- Details of material contracts or arrangement or transactions at arm's length basis.
The details of transactions entered into by the Company during the year with related parties at arm's length basis are provided under Note 5 to the annual accounts.

For and On behalf of the Board of Directors

Place: Chennai
Date: 30.04.2019

M S Sundararajan
Chairman

FORM NO MGT-9**Extract of Annual Return as on the financial year ended on 31st March 2019**

[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) C I N	U65999TN2003PLC052058
ii) Registration Date	2nd December 2003
iii) Name of the Company	Sundaram Trustee Company Limited
iv) Category / Sub-category of the company	Limited by Shares, Indian Non-Government Company
v) Address of the Registered office and contact details	21 Patullos Road, Chennai 600 002. Tel: +91 44 4060 9900 / 2856 9900
vi) Whether listed company	No
vii) Name, address and contact details of Registrar and Transfer agent, if any	M/s. Cameo Corporate Services Ltd, 'Subramanian Building' No.1, Club House Road, Chennai 600 002 Ph: 044 2846 0390 to 0395 Email: investor@cameoindia.com

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:

Sl. No	Name & description of main products / services	NIC Code of the product / services	% to total turnover of the company
1	Trusteeship Services	65999	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Sundaram Finance Ltd. 21, Patullos Road, Chennai 600002	L65191TN1954PLC002429	Holding Company	100%	Sec. 2 (46)

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
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	Promoter									
1)	Indian									
a)	Individual / HUF	-	-	-	-	-	-	-	-	-
b)	Central Govt	-	-	-	-	-	-	-	-	-
c)	State Govt(s)	-	-	-	-	-	-	-	-	-
d)	Bodies Corp. - Sundaram Finance Ltd.*	-	50,000	50,000	100%	49,994	6	50,000	100%	Nil
e)	Banks / FI	-	-	-	-	-	-	-	-	-
f)	Any Other	-	-	-	-	-	-	-	-	-
	Sub Total A(1)	-	50,000	50,000	100%	49,994	6	50,000	100%	Nil
2)	Foreign									
a)	NRIs - Individuals	-	-	-	-	-	-	-	-	-
b)	Other Individuals	-	-	-	-	-	-	-	-	-
c)	Bodies Corp.	-	-	-	-	-	-	-	-	-
d)	Banks / FI	-	-	-	-	-	-	-	-	-
e)	Any Other	-	-	-	-	-	-	-	-	-
	Sub Total A(2)	-	-	-	-	-	-	-	-	-
	Total Shareholding of promoter (A)=A(1)+A(2)	-	50,000	50,000	100%	49,994	6	50,000	100%	Nil
B.	Public Shareholding									
1)	Institutions									
a)	Mutual Funds	-	-	-	-	-	-	-	-	-
b)	Banks / FI	-	-	-	-	-	-	-	-	-
c)	Central Govt	-	-	-	-	-	-	-	-	-
d)	State Govt	-	-	-	-	-	-	-	-	-
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)	Insurance Companies	-	-	-	-	-	-	-	-	-
g)	FIs	-	-	-	-	-	-	-	-	-
h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i)	Others(Specify)	-	-	-	-	-	-	-	-	-
	Sub Total B(1)	-	-	-	-	-	-	-	-	-

	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
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2)	Non-Institutions									
a)	Bodies Corp.	-	-	-	-	-	-	-	-	-
i)	Indian	-	-	-	-	-	-	-	-	-
ii)	Overseas	-	-	-	-	-	-	-	-	-
b)	Individuals									
i)	Individual shareholders holding nominal share capital upto ₹ 1 Lakh	-	-	-	-	-	-	-	-	-
ii)	Individual shareholders holding nominal share capital in excess of ₹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)	-	50,000	50,000	100%	49,994	6	50,000	100%	Nil

* Includes 6 shares held by the nominees of Sundaram Finance Limited

ii) Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
	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	
Sundaram Finance Limited	50,000	100%	-	50,000	100%	-	-
Total	50,000	100%	-	50,000	100%	-	-

iii) Change in Promoter's Shareholding (Please specify, if there is no change)

Shareholder's Name	Shareholding at the beginning of the year		Cumulative shareholding during the year	
	No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
Sundaram Finance Limited				
At the beginning of the year	50,000	100%	50,000	100%
Date wise increase / decrease	No Change			
At the End of the year			50,000	100%

iv) Shareholding pattern of top ten shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Shareholder's Name	Shareholding at the beginning of the year		Cumulative shareholding during the year	
	No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
At the beginning of the year	Nil			
Date wise increase / decrease				
At the End of the year				

v) Shareholding pattern of Directors and Key Managerial Personnel

Name of Director and KMP	Shareholding at the beginning of the year		Cumulative shareholding during the year	
	No of Shares	% of total shares of the company	No of Shares	% of total shares of the company
Mr S Viji, Director				
At the beginning of the year	1	-	-	-
Date wise increase / decrease	-1	-	-	-
At the End of 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				
ii) Interest due but not paid				
III) Interest accrued but not due				
Total (i)+(ii)+(iii)				
Change in Indebtedness during the financial year				
Addition			Nil	
Reduction				
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
III) Interest accrued but not due				
Total (i)+(ii)+(iii)				

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No	Particulars of Remuneration	Name of MD/ WTD/Manager	Total Amount (₹)
1	Gross Salary		
	a) Salary as per provisions contained in Section 17(1) of the Income tax Act, 1961		
	b) Value of Perquisites u/s 17(2) of the Income Tax Act, 1961		
	c) Profits in Lieu of salary under Section 17(3) of the Income tax Act, 1961		
2	Stock Option		Nil
3	Sweat Equity		
4	Commission		
	- as % of Profits		
	- others, specify		
5	Others, Please specify		
	Total (A)		
	Ceiling as per the Act (10% of Net Profits)		

B. Remuneration to Other Directors

Name of Directors	Particulars of Remuneration			Total Amount (₹)
	Fee for attending board/ committee meetings	Commission	Others, Please Specify	
Independent Directors :				
Other Non-Executive Directors:				
Mr. M.S. Sundararajan	1,25,000	3,50,000	-	4,75,000
Mr. S. Viji	-	-	-	-
Mr. R. Venkatraman	2,25,000	3,50,000	-	5,75,000
Mrs Soundara Kumar	1,75,000	3,50,000	-	5,25,000
Total (B)				15,75,000
Total Managerial Remuneration (A) + (B) excluding Sitting Fee				10,50,000
Overall Ceiling as per the Act (11% of Net Profits)				12,27,758

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary*	CFO	Total
1	Gross Salary				
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961				
	b) Value of Perquisites u/s Section 17(2) of the Income Tax Act, 1961				
	c) Profits in Lieu of salary under Section 17(3) of the Income tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of Profits				
	- Others, Please Specify				
5	Others, Please specify				
	Total (A)				
	Ceiling as per the Act				

* Mr Ashwani Kumar Dalal, Company Secretary has been nominated by Sundaram Asset Management Company Limited and no remuneration is borne by this Company.

VII PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

There were no penalties / punishment / compounding of offences against the Company, Directors and other Officers in Default during the year ended 31st March 2019.

For and On behalf of the Board of Directors

Place: Chennai
Date: 30.04.2019

M S Sundararajan
Chairman

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF SUNDARAM TRUSTEE COMPANY LIMITED****Report on Financial Statements****Opinion**

We have audited the accompanying financial statements of Sundaram Trustee Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019 and its profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. 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.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for other information. The other information comprises the information included in the financial highlights, board's report and report on corporate governance but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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 the Companies (Indian Accounting Standards) Rules, 2015. 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for audit of Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" 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, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015.

- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) As regard managerial remuneration paid to directors, refer note no.11 of Annexure A to this report.
- h) 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 derivatives contracts for which there were any material foreseeable losses.
 - iii. There was no amount which were required to be transferred to Investor Education and Protection Fund by the Company.

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No. 0042075

Place: Chennai
Date: 30.04.2019

S. Usha
Partner
Membership No.211785

**“Annexure A” to the Independent Auditor’s Report referred
to in Paragraph 1 of our report of Even Date**

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The fixed assets have been physically verified by the Management, in accordance with the regular programme of verification, which in our opinion is reasonable having regard to the size of the Company and the nature of the fixed assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- c) The Company does not have any immovable properties. Hence this clause not applicable.
2. The Company does not have any inventory and hence reporting under Clause 3(ii) of the Order is not applicable.
3. In our opinion and according to the information and explanations given to us, the Company has not granted any loans secured or unsecured to companies, firms Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Therefore, clauses (iii) (a), (b) and (c) of paragraph 3 of the Order are not applicable for the year.
4. In our opinion and according to the information and explanations given to us, the company has not granted any loans, made any investments or provided any guarantee or security which will attract the provisions of section 185 and 186 of the Companies Act, 2013 respectively.
5. In our opinion and according to the information and explanations given to us, the company has not accepted deposits from the public.
6. The Central Government has not prescribed the maintenance of cost records for the Company u/s. 148(1) of the Companies Act, 2013.
7. i) The company is regular in depositing undisputed statutory dues namely Income Tax and Goods and Service Tax with appropriate authorities. The other statutory dues are not applicable to the company.

According to the information and explanations given to us, there are no arrears of statutory dues which are outstanding as at 31st March 2019 for a period of more than six months from the date they became due.
- ii. There are no disputed statutory dues by the company.
8. The company does not have any borrowings from financial institution, Banks, Government or debenture holders and hence this clause is not applicable to the company.
9. The company has not raised any money by the way of initial public offer or further public offer (including debt instruments) and the term loans. Hence this clause is not applicable.
10. To the best of our knowledge and belief and according to the information and explanations given to us, during the year, no fraud by the Company or fraud on the company by its employees or officers were noticed during the course of our audit.
11. The managerial remuneration has been paid/ provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013.
12. The Company is not a Nidhi Company and hence reporting under Clause 3 (xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the company, the transactions with related parties are in compliance with section 177 and section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Hence this clause is not applicable
15. In our opinion and according to the information and explanations given to us and based on our examination of records of the company, the Company has not entered into non-cash transactions with Directors or persons connected with them.
16. The Company is not required to be registered under section 45 IA of the Reserve Bank of India. Hence this clause is not applicable.

For Sundaram & Srinivasan
Chartered Accountants
Firm Registration No. 004207S

Place: Chennai
Date: 30.04.2019

S. Usha
Partner
Membership No.211785

“ANNEXURE B” to the Independent Auditor’s Report referred to in paragraph 2 (f) of our Report of Even Date

Report on the Internal Financial Controls with reference to Financial Statements 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 with reference to financial statements of Sundaram Trustee Company Limited, Chennai (“the Company”) as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls with reference to Financial Statements

The Company’s Management is responsible for establishing and maintaining internal financial controls with reference to financial statements 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 with reference to financial statements that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to financial statements included obtaining an understanding of internal financial controls over financial reporting with reference to financial statements, 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 with reference to financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting with reference to financial statements 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 with reference to financial statements includes those policies and procedures that;

- i. pertain to the maintenance of records, that in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- ii. 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
- iii. 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 with reference to Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to financial statements, 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 with reference to financial statements 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 with reference to financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Sundaram & Srinivasan**
Chartered Accountants
Firm Registration No. 0042075

Place: Chennai
Date: 30.04.2019

S. Usha
Partner
Membership No.211785

Balance Sheet as at 31.03.2019

Particulars	Note No.	31.03.2019	31.03.2018	01.04.2017
		₹	₹	₹
ASSETS				
(1) Non-Current Assets				
(a) Property, plant and equipment	1	6,776	16,428	24,996
(b) Other Non- Current Tax Asset (Net)	2	12,41,864	12,17,221	11,92,488
(2) Current Assets				
(a) Financial Assets				
(i) Investments	3	1,73,67,191	1,52,37,383	1,10,98,591
(ii) Trade Receivables	4	12,82,177	13,21,002	11,51,714
(iii) Cash and Cash Equivalents	5	1,78,052	1,08,804	2,49,889
(b) Other Current Asset	6	-	-	22,721
Total Assets		2,00,76,060	1,79,00,838	1,37,40,399
EQUITY AND LIABILITIES				
(1) Equity				
(a) Equity Share Capital	7	5,00,000	5,00,000	5,00,000
(b) Other Equity	8	1,75,06,235	1,54,97,882	1,18,01,140
Total Equity		1,80,06,235	1,59,97,882	1,23,01,140
(2) Liabilities				
(a) Non- Current Liabilities				
(i) Deferred Tax Liabilities (Net)	9c	2,10,270	3,13,041	1,42,726
(b) Current Liabilities				
(i) Financial Liabilities				
Trade Payable				
A) Total Outstanding dues of micro enterprises and small enterprises; and		-	-	-
B) Total Outstanding dues of creditors other than micro enterprises and small enterprises	10	2,18,171	2,23,931	2,33,533
(ii) Other Current Liabilities	11	13,61,175	13,65,984	10,63,000
(iii) Current Tax Liability (Net)	12	2,80,209	-	-
Total Liability		20,69,825	19,02,956	14,39,259
Total Equity and Liabilities		2,00,76,060	1,79,00,838	1,37,40,399

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

17

As per our report of even date attached.

For SUNDARAM TRUSTEE COMPANY LIMITED

For **Sundaram & Srinivasan**
Chartered Accountants
Firm Registration No. 004207S
S Usha
Partner
Membership No. 211785

M S Sundararajan
Director

R Venkatraman
Director

Ashwani Kumar Dalal
Company Secretary

Chennai
April 30, 2019

Statement of Profit and Loss for the year ended 31.03.2019

Sl. No.	Particulars	Note No.	31.03.2019 ₹	31.03.2018 ₹
I	Revenue from Operations			
	Sale of Services - Trusteeship Fee	13	1,40,15,569	1,48,46,286
II	Other Income	14	10,65,185	8,38,798
III	Total Revenue		1,50,80,754	1,56,85,084
IV	Expenses			
	Finance Cost	15	3,689	9,464
	Depreciation	1	4,706	8,568
	Administrative and Other Expenses	16	39,29,016	39,32,689
	Total Expenses		39,37,411	39,50,721
V	Profit before Tax		1,11,43,343	1,17,34,363
VI	Tax Expense	9		
	Current Tax		32,10,000	30,53,000
	Deferred Tax		(1,02,771)	1,70,315
	Total - Tax Expenses		31,07,229	32,23,315
VII	Profit after tax		80,36,114	85,11,048
	Other Comprehensive Income, Net of Deferred Tax			
	a. Items that will not be reclassified to Statement to Profit & Loss		-	-
	b. Items that will be reclassified to Statement to Profit & Loss		-	-
	Total Other comprehensive Income		-	-
	Total Comprehensive Income		80,36,114	85,11,048
	Earning per equity share			
	Basic Earnings per Share	17	160.72	170.22
	Diluted Earnings per Share	17	160.72	170.22

The accompanying notes form an integral part of the financial statements. 17

As per our report of even date attached.

For **SUNDARAM TRUSTEE COMPANY LIMITED**

For **Sundaram & Srinivasan**
Chartered Accountants
Firm Registration No. 004207S
S Usha
Partner
Membership No. 211785

M S Sundararajan
Director

R Venkatraman
Director

Ashwani Kumar Dalal
Company Secretary

Chennai
April 30, 2019

Statement of Cash Flow as at 31.03.2019

Particulars	31.03.2019		31.03.2018	
	₹		₹	
A) CASH FLOW FROM OPERATING ACTIVITIES:				
Profit before Tax	1,11,43,343		1,17,34,363	
Adjustments for :				
Depreciation	4,706		8,568	
(Profit)/Loss on Sale of Fixed Assets	(10,732)		-	
(Profit) loss on sale of Investments	(14,15,996)		(1,75,182)	
Interest on Income tax refund	(24,645)		-	
Net Gain / (Loss) arising on Financial Assets Measured at Fair Value through P&L	3,86,188		(6,63,616)	
Interest on Advance Tax Short Paid	3,689		9,464	
		1,00,86,553		1,09,13,597
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		1,00,86,553		1,09,13,597
(Increase) Decrease in Receivable	38,825		(1,69,288)	
(Increase) Decrease in Other Current Assets	-		22,721	
Increase (Decrease) in Trade Payable	(5,760)		(9,602)	
Increase (Decrease) in Other Current Liabilities	(4,809)		3,02,984	
		28,256		1,46,815
Cash generated from Operations		1,01,14,809		1,10,60,412
Direct Taxes Paid	(29,33,479)	(29,33,479)	(30,87,191)	(30,87,191)
NET CASH FROM OPERATING ACTIVITIES (A)		71,81,330		79,73,221
B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Investments	(2,05,45,821)		(76,00,000)	
Sale of Investments	1,94,45,821		43,00,000	
Sale of Fixed Assets	15,678		-	
		(10,84,322)		(33,00,000)
NET CASH FROM INVESTING ACTIVITIES (B)		(10,84,322)		(33,00,000)

Statement of Cash Flow as at 31.03.2019

Particulars	31.03.2019		31.03.2018	
	₹		₹	
C) CASH FLOW FROM FINANCING ACTIVITIES				
Dividend paid (including Corporate Dividend Tax)	(60,27,761)	(60,27,761)	(48,14,306)	(48,14,306)
NET CASH FROM FINANCING ACTIVITIES (C)		(60,27,761)		(48,14,306)
D) Effect of Foreign Exchange rates on Cash and Cash Equivalents (D)		-		-
NET INCREASE IN CASH AND CASH EQUIVALENTS (A)+(B)+(C) - (D)		69,248		(1,41,085)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		1,08,804		2,49,889
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		1,78,052		1,08,804
E) COMPONENTS OF CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR				
Current Account with Banks		1,78,052		1,08,804
Cash, Stamps and Stamp Papers on Hand		-		-
Less : Bank Overdraft		-		-
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		1,78,052		1,08,804

As per our report of even date attached.

For **Sundaram & Srinivasan**
Chartered Accountants
Firm Registration No. 004207S
S Usha
Partner
Membership No. 211785

Chennai
April 30, 2019

For **SUNDARAM TRUSTEE COMPANY LIMITED**

M S Sundararajan
Director

R Venkatraman
Director

Ashwani Kumar Dalal
Company Secretary

Statement of Changes in Equity

a) Equity Share Capital	31.03.2019 ₹	31.03.2018 ₹
Balance at the beginning of the reporting year	5,00,000	5,00,000
Changes in Equity Share Capital during the year	-	-
Balance at the end of the reporting year	5,00,000	5,00,000

b) Other Equity	Reserves & Surplus		
	General Reserve ₹	Retained Earnings ₹	Total ₹
Balance as at 01.04.2017	35,01,665	82,99,475	1,18,01,140
Additions during the year:			
Profit for the year	-	85,11,048	85,11,048
Reduction during the year			
Dividend	-	(40,00,000)	(40,00,000)
Dividend Tax	-	(8,14,306)	(8,14,306)
Transfer to General Reserve	-	-	-
Balance as at 31.03.2018	35,01,665	1,19,96,217	1,54,97,882
Additions during the year:			
Profit for the year	-	80,36,114	80,36,114
Reduction during the year			
Dividend	-	(50,00,000)	(50,00,000)
Dividend Tax	-	(10,27,761)	(10,27,761)
Transfer to General Reserve	-	-	-
Balance as at 31.03.2019	35,01,665	1,40,04,570	1,75,06,235

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

Notes forming part
of the Balance Sheet as at March 31, 2019

Note No. 1
Property, Plant and Equipment

Sl. No.	Description	Gross Carrying Value				Depreciation				Net Carrying Value	
		As at 1.4.18	Additions	Deductions	As at 31.03.19	As at 1.4.18	Additions	Deductions	As at 31.03.19	As at 31.03.19	As at 31.03.18
1	Computers	2,33,900	-	2,33,900	-	2,28,954	-	2,28,954	-	-	4,946
2	Office Equipments	83,812	-	-	83,812	72,330	4,706	-	77,036	6,776	11,482
	Total	3,17,712	-	2,33,900	83,812	3,01,284	4,706	2,28,954	77,036	6,776	16,428

Note No. 2
Other Non- Current Tax Asset (Net)

Particulars	31.03.2019 ₹	31.03.2018 ₹	01.04.2017 ₹
Advance Income Tax and Tax Deducted at Source (Net of provisions)	12,41,864	12,17,221	11,92,488
Total	12,41,864	12,17,221	11,92,488

Note No. 3
Investments

Particulars	31.03.2019 ₹	31.03.2018 ₹	01.04.2017 ₹
Investment in Mutual Fund: Quoted			
Sundaram Money Fund-Direct Plan Growth 4,40,663.024 units (Previous year 54,034.889 Units) of ₹ 10/- each	1,73,67,191	19,79,584	18,53,138
Sundaram Money Fund - Unclaimed Redemption More than 3 Years - Growth at Cost: NIL(Previous year 0.62 Units) of ₹ 10/- each	-	-	6
Sundaram Low Duration Fund Nil units (Previous year 2,14,048.504 Units) of ₹ 10/- each	-	52,11,503	48,61,619
Sundaram Short Term Credit Risk Fund Nil units (Previous year 3,07,098.808 Units) of ₹ 10/- each	-	80,46,296	43,83,828
Total	1,73,67,191	1,52,37,383	1,10,98,591
Aggregate amount of Quoted Investments	1,73,67,191	1,52,37,383	1,10,98,591
Aggregate amount of impairment in value of Investments	-	-	-

Note No. 4
Trade Receivables

Particulars	31.03.2019 ₹	31.03.2018 ₹	01.04.2017 ₹
Trade receivable considered good - Unsecured	12,82,177	13,21,002	11,51,714
Trade receivable which have significant increase in Credit Risk and Credit impaired	-	-	-
Total	12,82,177	13,21,002	11,51,714

Note No. 5
Cash and Cash Equivalents

Particulars	31.03.2019 ₹	31.03.2018 ₹	01.04.2017 ₹
Balance with Banks in Current Account	1,78,052	1,08,804	2,49,889
Total	1,78,052	1,08,804	2,49,889

Note No. 6
Other Current Asset

Particulars	31.03.2019 ₹	31.03.2018 ₹	01.04.2017 ₹
Balances with Service Tax Department	-	-	22,721
Total	-	-	22,721

Note No. 7
Equity Share Capital

Particulars	31.03.2019 ₹	31.03.2018 ₹	01.04.2017 ₹
Authorised			
2,50,000 Equity Shares of ₹ 10/- each	25,00,000	25,00,000	25,00,000
Issued, Subscribed and Fully Paid up			
50,000 Equity Shares of ₹10/- each	5,00,000	5,00,000	5,00,000
Total	5,00,000	5,00,000	5,00,000

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:

There is no change in the holding pattern of the Share Capital during the year ended 31.03.2019 and the previous year.

b. Terms/rights attached to Equity Shares:

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each Member is entitled to one vote by show of hands and while on polls, every shareholder is entitled to vote in proportionate to their holdings. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Shares held by the Holding Company:

50,000 shares (Previous year 50,000 shares) are held by M/s. Sundaram Finance Ltd, the holding company and its nominees.

d. Details of shareholders holding more than 5% of the Equity Shares of ₹ 10 each in the Company:

M/s Sundaram Finance Ltd, the holding company and its nominees held 100% of the Equity Share Capital of the Company as on 31.03.2019 and the previous year.

Note No. 8
Other Equity

Particulars	31.03.2019 ₹	31.03.2018 ₹	01.04.2017 ₹
General Reserve	35,01,665	35,01,665	35,01,665
Retained Earnings	1,40,04,570	1,19,96,217	82,99,475
Total	1,75,06,235	1,54,97,882	1,18,01,140

Refer Statement of Changes in Equity for detailed movement.

Note No. 9
Income Taxes

a. Amount recognized in Statement of Profit and Loss

Particulars	31.03.2019 ₹	31.03.2018 ₹
Current Tax		
Current Period	32,10,000	30,53,000
Deferred Tax : Attributable to origination and reversal of temporary difference	-1,02,771	1,70,315
Income Tax expense recognised in the Statement of Profit and Loss	31,07,229	32,23,315

b. Reconciliation of Tax expenses

Particulars	31.03.2019 ₹	31.03.2018 ₹
Profit before tax	1,11,43,343	1,17,34,363
Tax Rate	27.82%	27.55%
Tax using the Company's domestic tax rate	31,00,078	32,33,110
Tax Effect		
Rate Difference	3,039	-11,074
Non deductible expenditure	1,026	2,608
Others	3,086	-1,329
Tax expenses as per Statement of Profit and Loss	31,07,229	32,23,315

c. The major components of deferred tax (liabilities)/assets arising on account of timing differences are as follows

As at 31st March 2019

Particulars	Balance Sheet	Profit and Loss	OCI	Balance Sheet
	01.04.2018	2018-19	2018-19	31.03.2019
Difference between written down of fixed assets as per the books of accounts and Income Tax Act, 1961	10,365	(1,527)	-	8,838
Difference in carrying value and tax base of investment in Mutual Fund measured at FVTPL	(3,23,406)	1,04,298	-	(2,19,108)
Deferred tax (Expense) / benefit				
Net Deferred tax liabilities	(3,13,041)	1,02,771	-	(2,10,270)

c. The major components of deferred tax (liabilities)/assets arising on account of timing differences are as follows

As at 31st March 2018

Particulars	Balance Sheet	Profit and Loss	OCI	Balance Sheet
	01.04.2017	2017-18	2017-18	31.03.2018
Difference between written down of fixed assets as per the books of accounts and Income Tax Act, 1961	9,660	705	-	10,365
Difference in carrying value and tax base of investment in Mutual Fund measured at FVTPL	(1,52,386)	(1,71,020)	-	(3,23,406)
Deferred tax (Expense) / benefit				
Net Deferred tax liabilities	(1,42,726)	(1,70,315)	-	(3,13,041)

**Note No. 10
Trade Payable**

Particulars	31.03.2019 ₹	31.03.2018 ₹	01.04.2017 ₹
For Services			
a) Total Outstanding dues of micro enterprises and small enterprises; and	-	-	-
b) Total Outstanding dues of creditors other than micro enterprises and small enterprises	2,18,171	2,23,931	2,33,533
Total	2,18,171	2,23,931	2,33,533

Note 10.1 Disclosures required under the “Micro, Small and Medium Enterprises Development Act, 2006”

Particulars	31.03.2019 ₹	31.03.2018 ₹	01.04.2017 ₹
a) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	Nil	Nil	Nil
b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil	Nil
c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil	Nil
d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil	Nil
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil	Nil

Note No. 11
Other Current Liabilities

Particulars	31.03.2019 ₹	31.03.2018 ₹	01.04.2017 ₹
Commission to Director Payable	9,45,000	9,45,000	8,10,000
Audit Fees Payable	1,35,000	1,35,000	1,26,000
Statutory Dues	2,78,675	2,85,984	1,09,000
Others	2,500	-	18,000
Total	13,61,175	13,65,984	10,63,000

Note 12
Current Tax Liability (Net)

Particulars	31.03.2019 ₹	31.03.2018 ₹	01.04.2017 ₹
Advance Income Tax and Tax Deducted at Source (Net of provisions)	2,80,209	-	-
Total	2,80,209	-	-

Notes forming part
of the Statement of Profit and Loss for the year ended 31.03.2019

Note 13
Revenue from Sale of Services

Particulars	31.03.2019 ₹	31.03.2018 ₹
Services Rendered		
Trusteeship Fees - Sundaram Mutual Fund	1,35,31,628	1,45,66,102
Trusteeship Fees - Sundaram Alternative Investment Fund (Cat III)	3,66,992	2,50,772
Trusteeship Fees - Sundaram Alternative Investment Fund (Cat II)	1,16,949	29,412
Total	1,40,15,569	1,48,46,286

Note 14
Other Income

Particulars	31.03.2019 ₹	31.03.2018 ₹
a) Interest on Income Tax Refund	24,645	-
b) Profit on Sale of Assets	10,732	-
c) Other Non-Operating Income (Refer Note 14.1)	10,29,808	8,38,798
Total	10,65,185	8,38,798

Note 14.1 - Net Gain (Loss) on Fair Value Change

Particulars	31.03.2019 ₹	31.03.2018 ₹
a) Net Gain / (Loss) arising on Financial Assets Measured at Fair Value through P&L	(3,86,188)	6,63,616
b) Profit on Sale of Investment	14,15,996	1,75,182
Total Net Gain / (Loss) on Fair Value Change	10,29,808	8,38,798

**Note 15
Finance Cost**

Particulars	31.03.2019 ₹	31.03.2018 ₹
Interest on Shortfall in Payment of Advance Income Tax	3,689	9,464
Total	3,689	9,464

**Note 16
Administrative Expenses**

Particulars	2018-2019 ₹	2017-2018 ₹
Administrative expenses	18,00,000	18,00,000
Directors Sitting Fees	5,25,000	6,50,000
Commission to Directors	10,50,000	10,50,000
Insurance	2,43,000	1,71,000
Payments to the Auditor:		
- Statutory Audit fees	1,40,000	1,40,000
- Tax Audit fees	20,000	10,000
Travel Expenses - Directors	37,431	54,036
Printing and Stationery	18,000	17,600
Professional Fees	85,120	27,630
ROC Filing charges	9,000	2,000
Swachh Bharat Cess	-	8,876
Other Expenses	1,465	1,547
Total	39,29,016	39,32,689

As per our report of even date attached.

For SUNDARAM TRUSTEE COMPANY LIMITED

For **Sundaram & Srinivasan**
Chartered Accountants
Firm Registration No. 004207S
S Usha
Partner
Membership No. 211785

M S Sundararajan
Director

R Venkatraman
Director

Ashwani Kumar Dalal
Company Secretary

Chennai
April 30, 2019

NOTES ON ACCOUNTS

Company Overview

Sundaram Trustee Company Limited ("STCL" or "the Company") is a public limited company incorporated under the provisions of the Companies Act, 1956. It is a fully owned subsidiary of M/s. Sundaram Finance Ltd.

The Company is engaged in the business of Trusteeship services to M/s. Sundaram Mutual Fund, Sundaram Cat III Alternative Investment Trust and Sundaram Cat II Alternative Investment Trust.

Note no. 1. Significant accounting policies

1.1 Overall considerations

The financial statements have been prepared applying the significant accounting policies and measurement basis explained below.

1.2 Basis of Preparation of Financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed by Ministry of Corporate Affairs under Companies (Indian Accounting Standards) Rules, 2015 and companies (Indian Accounting Standards) Amended Rules 2016.

For all periods up to and including the year ended 31st March, 2018, the Company had prepared its financial statements in accordance with Accounting Standards notified under the Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP').

As these are the Company's first financial statements prepared in accordance with Ind AS. Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. Detailed explanation on how the transition from previous GAAP to Ind AS has affected the Company's Balance Sheet, financial performance and cash flows is given under Note 18.

Preparation of financial statements, in conformity with generally accepted accounting principles, requires the use of estimates and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amounts of revenues and expenses during the period and disclosure of contingent liabilities as at that date. The estimates and assumptions used in these financial statements are based upon the management's evaluation of the relevant facts and circumstances as at the date of the financial statements.

The financial statements has been prepared under historical cost convention on accrual basis, except for certain financial assets and liabilities (as per the accounting policy stated below), which have been measured at fair value.

1.3 Property, plant and equipment

All items of Property, plant and equipment are stated at cost of acquisition less accumulated depreciation/amortization and impairment, if any. Cost includes purchase price, taxes and duties, labour cost. However, cost excludes Excise Duty, Value Added Tax and Goods and Service Tax, to the extent credit of the duty or tax is availed of.

Depreciation and amortization:

- i. Depreciation is recognized on written down value basis, over the useful life of the assets as prescribed under Schedule II of the Companies Act, 2013.
- ii. On tangible fixed assets added / disposed off during the year, depreciation is charged on pro-rata basis from the date of addition / till the date of disposal.

1.4 Impairment

The Company shall assess at the end of the reporting period whether there exist any indications that an asset may be impaired. If such indication exists, the entity shall estimate the recoverable amount of the asset and treatment shall be given in accordance with Ind AS 36.

1.5. Financial instruments

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

Financial assets

At initial recognition, the Company measures a financial asset at its fair value (in the case of a financial asset not recorded at fair value through profit or loss) plus transaction cost that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

Subsequent measurement depends on the entity's business model for managing the financial assets and the contractual terms of the cash flow.

Based on the above criteria, the Company classifies its financial assets in the following categories:

- Financial assets measured at amortized cost.
- Financial assets measured at fair value through OCI (FVTOCI).
- Financial assets measured at fair value through profit or loss (FVTPL).

i. Financial assets measured at amortized cost

A financial asset is measured at the amortized cost if both the following conditions are met:

- a) The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii. Financial assets measured at FVTOCI

A financial asset is measured at FVTOCI if both of the following conditions are met:

- a) The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii. Financial assets measured at FVTPL

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above.

De-recognition of financial assets

A financial asset is derecognized when the Company has transferred the rights to receive cash flows from the financial asset.

Impairment of financial assets

All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

For trade receivables, the Company applies the approach permitted by Ind AS 109 Financial Instruments, which requires expected credit losses to be recognized from initial recognition of the receivables.

Expected Credit Loss

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

Based on the past experience, the company has not considered ECL impairment loss, as the receivables are from related parties and the company does not foresee any credit loss in future as well.

Financial Liabilities

Initial Recognition, subsequent measurement and de-recognition of financial liabilities

i) Initial Recognition

At initial recognition, the Company measures a financial liability at its fair value (in the case of a financial liability not recorded at fair value through profit or loss) plus transaction cost that are directly attributable to the acquisition of the financial liability. Transaction costs of financial liability carried at fair value through profit or loss are expensed in profit or loss.

ii) Subsequent measurement

Financial liabilities are measured subsequently at amortized cost.

iii) De-recognition

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or has expired.

1.6. Cash and cash equivalents

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise of cheques in hand and bank balances.

1.7. Revenue

Revenue is recognized when it is probable that economic benefits associated with a transaction flows to the Company in the ordinary course of its activities and the amount of revenue can be measured reliably. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

Revenue from Services:

Revenue from rendering of services is recognized based on agreements/ arrangements entered with the customers.

Other income:

Interest income (excluding interest on income tax refund) is recognized on time proportion basis, taking into account the amount outstanding and effective interest rate. Interest on income tax refund is accounted on receipt basis.

1.8. Income Taxes

Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Calculation of current tax is based on tax rates in accordance with tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax:

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amounts in financial statements.

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income ("OCI"), in which case, the current and deferred tax income/ expense are recognized in OCI.

1.9. Provisions and contingencies

Provisions are recognized when the company has a present obligation as a result of past events, it is probable, but the outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made out of the amount of 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 embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

1.10. Earnings per share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

Particulars		2018-19	2017-18
Profit after Tax	₹	80,36,165	85,11,048
Total Equity Share Outstanding at the end of the year	Nos.	50,000	50,000
Earnings per share (Basic and Diluted)	₹	160.72	170.22
Face Value per Share	₹	10	10

1.11. Dividend

Dividend on shares is recorded as a liability on the date of approval by share holders.

1.12. Segment reporting

The Company has identified Trusteeship Services as the only business segment.

1.13. Cash flow statement

Cash Flow Statement is prepared under "Indirect Method" as per Ind AS 7.

2. First time adoption of Ind AS

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First Time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS and interpretations that are issued and effective for the first Ind AS financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Company has prepared financial statements which comply with Ind AS for year ended 31st March, 2019, together with the comparative information as at and for the year ended 31st March, 2018 and the opening Ind AS Balance Sheet as at 1st April, 2017, the date of transition to Ind AS.

In preparing these Ind AS financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognized directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the Company in restating its financial statements prepared under previous GAAP, including the Balance Sheet as at 1st April, 2017 and the financial statements as at and for the year ended 31st March, 2018.

A. Optional exemptions from retrospective application

Ind AS 101 permits first time adopters certain exemptions from retrospective application of certain requirements under Ind AS. The Company has elected to apply the following optional exemptions from retrospective application.

i) Deemed cost of property, plant and equipment and intangible assets:

The Company has elected to measure all its property, plant and equipment and intangible assets at the Previous GAAP carrying amounts as its deemed cost on the date of transition to Ind AS.

ii) Estimates:

On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

iii) Classification and measurement of financial assets:

The classification of financial assets to be measured at amortized cost, Fair Value through Profit and Loss or Fair Value through Other Comprehensive Income is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.

B. Reconciliations:

The following reconciliations provide the explanations and quantification of differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101:

- a. Reconciliation of Equity as at 01/04/2017
- b. Reconciliation of Equity as at 31/03/2018
- c. Reconciliation of Total Comprehensive Income for the year ended 31/03/2018
- d. Adjustments to Statement of Cash Flows for the year ended 31/03/2018

Previous year figures have been reclassified/regrouped wherever necessary to conform with financial statements prepared under Ind AS.

2 a: FIRST TIME ADOPTION OF Ind AS

Effect of Ind AS adoption on Statement of Profit and Loss for the year ended 31st Mar 2018

Particulars	Foot Notes	Previous GAAP	Effect of Transition to IND AS	Ind AS
		₹	₹	₹
Revenue from Operations				
Sale of Services				
- Trusteeship Fee		1,48,46,286	-	1,48,46,286
Other Income		1,75,182	6,63,616	8,38,798
Total Revenue (A)		1,50,21,468	6,63,616	1,56,85,084
Expenses				
Finance Cost		9,464	-	9,464
Depreciation		8,568	-	8,568
Administrative and Other Expenses		39,32,689	-	39,32,689
Total Expenses (B)		39,50,721	-	39,50,721
Profit before Tax (C) = (A-B)		1,10,70,747	6,63,616	1,17,34,363
Tax Expense				
Current Tax		30,53,000	-	30,53,000
Deferred Tax		(705)	1,71,020	1,70,315
Total - Tax Provisions (D)		30,52,295	1,71,020	32,23,315
Profit after tax (E) = (C-D)		80,18,452	4,92,596	85,11,048
Other Comprehensive Income, Net of Deferred Tax				
a. Items that will not be reclassified to Statement to Profit & Loss				
i) Actuarial Gain / (Loss)		-	-	
ii) Changes in fair value of equity investments		-	-	
b. Items that will be reclassified to Statement to Profit & Loss				
i) Changes in fair value of equity investments		-	-	
Total Other comprehensive Income		-	-	
Total Comprehensive Income		80,18,452	4,92,596	85,11,048
Earnings Per Equity Share				
Basic and diluted Earnings per Share [Ref 2.6 of Note No 16]	16	160.37		170.22

Note :-

- 1) Fair valuation gain for the year ended 31st Mar 2018 amounted to ₹ 6,63,616/- and the same has been recognised in other income in statement of Profit and Loss. Correspondingly deferred tax liability amounting to ₹ 1,71,020/- has been recognised in statement of Profit and Loss.

2 b: FIRST TIME ADOPTION OF Ind AS

Effect of Ind AS adoption on the Balance Sheet as at 1st April 2017

Particulars	Previous GAAP	Effect of Transition to IND AS	Ind AS
	₹	₹	₹
ASSETS			
(1) Non-Current Assets			
(a) Property, plant and equipment	24,996	-	24,996
(b) Other Non-Current Tax Asset (Net)	11,92,488	-	11,92,488
(2) Current Assets			
(a) Financial Assets			
(i) Investments	1,05,88,426	5,10,165	1,10,98,591
(ii) Trade Receivables	11,51,714	-	11,51,714
(iii) Cash and Cash Equivalents	2,49,889	-	2,49,889
(b) Other Current Asset	22,721	-	22,721
Total Assets	1,32,30,234	5,10,165	1,37,40,399
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	5,00,000	-	5,00,000
(b) Other Equity	1,14,43,361	3,57,779	1,18,01,140
Total Equity	1,19,43,361	3,57,779	1,23,01,140
(2) Liabilities			
(a) Non- Current Liabilities			
(i) Deferred Tax Liabilities / (Asset)	(9,660)	152,386	142,726
(b) Current Liabilities			
(i) Financial Liabilities			
(a) Trade Payables	2,33,533	-	2,33,533
(ii) Other Current Liabilities	10,63,000	-	10,63,000
Total Liability	12,86,873	1,52,386	14,39,259
Total Equity and Liabilities	1,32,30,234	5,10,165	1,37,40,399

Note :-

Fair valuation of Investments in mutual funds: Under previous GAAP, current investments in mutual funds were measured at lower of cost or fair value. Under Ind AS, these investments in mutual funds have been classified as FVTPL (Fair Value through Profit and Loss statement). This has resulted in increase of equity by ₹ 3,57,779/- as on 1st April 2017.

Deferred Tax: The difference in valuation has given rise to temporary difference and pursuant to which there is an increase in deferred tax liability amounting to ₹ 1,52,386/-.

2 c: FIRST TIME ADOPTION OF Ind AS

Effect of Ind AS adoption on the Balance Sheet as at 31st Mar 2018

Particulars	Previous GAAP	Effect of Transition to IND AS	Ind AS
	₹	₹	₹
ASSETS			
(1) Non-Current Assets			
(a) Property, plant and equipment	16,428	-	16,428
(b) Other Non-Current Tax Asset (Net)	12,17,221	-	12,17,221
(2) Current Assets			
(a) Financial Assets			
(i) Investments	1,40,63,602	11,73,781	1,52,37,383
(ii) Trade Receivables	13,21,002	-	13,21,002
(iii) Cash and Cash Equivalents	1,08,804	-	1,08,804
(b) Other Current Asset	-	-	-
Total Assets	1,67,27,057	11,73,781	1,79,00,838
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	5,00,000	-	5,00,000
(b) Other Equity	1,46,47,507	8,50,375	1,54,97,882
	1,51,47,507	8,50,375	1,59,97,882
(2) Liabilities			
(a) Non- Current Liabilities			
(i) Deferred Tax Liabilities / (Asset)	(10,365)	3,23,406	3,13,041
(3) Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables	2,23,931	-	2,23,931
(b) Other Current Liabilities	13,65,984	-	13,65,984
Total Liability	15,79,550	3,23,406	19,02,956
Total Equity and Liabilities	1,67,27,057	11,73,781	1,79,00,838

Note :-

Fair valuation of Investments in mutual funds: Under previous GAAP, current investments in mutual funds were measured at lower of cost or fair value. Under Ind AS, these investments in mutual funds have been classified as FVTPL (Fair Value through Profit and Loss statement). This has resulted in increase of equity by ₹ 8,50,375/- as at 31st Mar 2018.

Deferred Tax: The difference in valuation has given rise to temporary difference and pursuant to which there is an increase in deferred tax liability amounting to ₹ 3,23,406/-.

2 d: First time Adoption of Ind AS

i) Equity Reconciliation:

Particulars	As at 31st Mar 2018	As at 1st Apr 2017
As reported under Previous GAAP	1,51,47,507	1,19,43,361
Effect of Measuring Current Investment as fair value	8,50,375	3,57,779
Equity under Ind AS	1,59,97,882	1,23,01,140

ii) Total Comprehensive Income Reconciliation:

Particulars	As at 31st Mar 2018
Net Profit after Tax under Previous GAAP	80,18,452
Effect of Measuring Current Investment as fair value	6,63,616
Deferred Tax	-1,71,020
Net Profit after Tax under Ind AS	85,11,048

iii) Cash Flow Reconciliation:

Particulars	As at 31st Mar 2018	As at 1st Apr 2017
Net cash flow from operating activities	-	-
Net cash flow from investing activities	-	-
Net cash flow from financing activities	-	-
Net Increase in cash and cash equivalent	-	-
Equity under Ind AS	-	-

There were no material differences between the Statement of Cash Flows presented under Ind AS and the Previous GAAP.

3. Earnings per share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

Particulars		2018-19	2017-18
Profit after Tax	₹	80,36,165	85,11,048
Total Equity Share Outstanding at the end of the year	Nos.	50,000	50,000
Earnings per share (Basic and Diluted)	₹	160.72	170.22
Face Value per Share	₹	10	10

4. Fair Value Measurement

The following table shows the carrying amounts and fair values of financial assets

Particulars	As at 31.03.2019			
	Total Carrying (Cost)	FVTPL	FVOCI	Amortized Cost
	₹	₹	₹	₹
Financial Assets				
Mutual Fund Investments	1,65,79,597	1,73,67,191	-	-
Trade Receivable	12,82,673	-	-	12,82,673
Cash and Cash Equivalents	1,78,052	-	-	1,78,052
Financial Liabilities				
Borrowings	-	-	-	-
Trade Payables	2,18,171	-	-	2,18,171
Other Current Liabilities	13,64,875	-	-	13,64,875

Particulars	As at 31.03.2018			
	Total Carrying (Cost)	FVTPL	FVOCI	Amortized Cost
	₹	₹	₹	₹
Financial Assets				
Mutual Fund Investments	1,40,63,602	1,52,37,383	-	-
Trade Receivable	13,21,002	-	-	13,21,002
Cash and Cash Equivalents	1,08,804	-	-	1,08,804
Financial Liabilities				
Borrowings	-	-	-	-
Trade Payables	2,23,931	-	-	2,23,931
Other Current Liabilities	13,65,984	-	-	13,65,984

Fair Value Hierarchy

The company measures financial instruments at fair value in accordance with the accounting policies. Fair value is the price that would be received while selling an asset or paid to transfer a liability in an orderly transaction between market participant at the measurement date. The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels.

Level 1 Hierarchy: Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. This includes mutual funds that have quoted price. The mutual funds are valued using the closing NAV.

Level 2 Hierarchy: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 Hierarchy: Inputs that are unobservable for the asset or liability

Particulars	Level 1	Level 2	Level 3
	₹	₹	₹
As at Mar 31, 2019			
Financial Assets at FVTPL:			
Equity Shares	-	-	-
Mutual Fund Investments	1,73,67,191	-	-
As at Mar 31, 2018			
Financial Assets at FVTPL:			
Equity Shares	-	-	-
Mutual Fund Investments	1,52,37,383	-	-

Note No : 5

Related Party Disclosure for the year ended 31.03.2019 as required by IND AS -24

Related Parties

a) Related Party where control exists

Name of the Related Party	Relationship
a) Sundaram Finance Limited	Holding Company
b) Sundaram Alternative Investment Trust Cat III	Associate
c) Sundaram Alternative Investment Trust Cat II	Associate
d) Sundaram Mutual Fund	Associate
e) Sundaram Asset Management Company Limited	Fellow Subsidiary
f) Sundaram Alternate Assets Limited	Fellow Subsidiary
g) Royal Sundaram General Insurance Co. Limited	Fellow Subsidiary
h) Sundaram Finance Holdings Ltd	Fellow Subsidiary
i) Sundaram Asset Management Singapore Pte. Ltd	Fellow Subsidiary
j) LGF Services Limited	Fellow Subsidiary

b) Related Party with whom transactions were carried out during the year and previous year.

Name of the Related Party	Relationship
a) Sundaram Finance Limited	Holding Company
b) Sundaram Alternative Investment Trust Cat III	Associate
c) Sundaram Alternative Investment Trust Cat II	Associate
d) Sundaram Mutual Fund	Associate
e) Sundaram Asset Management Company Limited	Fellow Subsidiary
f) Royal Sundaram General Insurance Co. Limited	Fellow Subsidiary

c) Transactions with related party

Name	Relationship	Nature of Transaction	2018-19 ₹	2017-18 ₹
Sundaram Finance Ltd	Holding Company	Dividend Paid	50,00,000	40,00,000
Sundaram Asset Management Company Ltd	Fellow Subsidiary	Expenses	18,00,000	18,00,000
		Reimbursement	29,46,660	2,30,219
Sundaram Mutual Fund	Associate	Investments in Units	2,05,45,821	76,00,000
		Sale of Units	1,94,45,821	43,00,000
		Income	1,35,31,672	1,45,66,102
Sundaram Alternative Investment Fund - Cat III	Associate	Income	3,66,995	2,50,772
Sundaram Alternative Investment Fund - Cat II	Associate	Income	1,16,953	29,412
Royal Sundaram General Insurance Co. Limited	Fellow Subsidiary	Insurance	2,43,000	1,71,000
Outstanding Receivable as on 31st Mar 2019				
i) Sundaram Mutual Fund			11,91,781	12,54,312
ii) Sundaram Alternative Investment Fund - Cat III			40,870	34,925
iii) Sundaram Alternative Investment Fund - Cat II			49,581	31,765
Outstanding Payable as on 31st Mar 2019 - Sundaram Asset Management Company Limited			2,18,169	2,23,931

Terms and conditions of transactions with related party

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured, interest free and will be settled in cash. There has been no guarantees received or provided for any related party receivables or payables.

Valuation Technique

Investment in Mutual Funds were measured at Closing NAV.

Financial Risk Management

The Company's business activities are exposed to liquidity risk and credit risk. The Risk management policies have been established to identify and analyse the risks faced by the company, to set and monitor appropriate risk limits and controls, periodically review and reflect the changes in the policy accordingly.

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

The Company is exposed to price risk arising from investments in mutual funds recognised at FVTPL. As at 31.03.2019 the carrying value of such instruments recognised at FVTPL amounts to ₹ 1,73,67,191/-.

If the mutual fund prices had been higher/lower by 5% from the market prices existing as at 31.03.2019, Statement of Profit and Loss for the year ended 31.03.2019 would increase/decrease by ₹ 8,68,360/-.

b) Management to Liquidity Risk

Liquidity risk is the risk that the company will face in meeting its obligations associated with its financial liabilities. The company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities. In doing this, management considers both normal and stressed conditions.

The company regularly monitors the rolling forecasts and the actual cash flows to service the financial liabilities on a day-to-day basis through cash generation from business and by having adequate banking facilities.

The following table shows the maturity analysis of the company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value of the Balance Sheet date.

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Payable within one year		
Trade Payable	2,18,171	2,23,931
Borrowing - Cash Credit	-	-

c) Management of Credit risk

Credit Risk is the risk of financial loss to the company if the other party to the financial assets fails to meet its contractual obligation:

1) Trade receivable: Concentration of credit risk with respect to trade receivable are limited as the customers are reviewed, assessed and monitored regularly on a monthly basis with pre determined credit limits assessed based on their payment capacity. Our historical experience of collecting receivables demonstrates that credit risk is low. Hence, trade receivables are considerable to be a single class of Financial assets.

2) Other Financial Assets: The Company has exposure in cash and cash equivalents and term deposits with banks. The company's maximum exposure to credit risk as of 31/03/2019 is the carrying value of each class of financial assets as of that date.

