

Board's Report

Dear Members,

The Directors of your Company have the pleasure in presenting the Twenty Second Annual Report together with the audited financial statements for the financial year ("FY") ended March 31, 2018.

FINANCIAL HIGHLIGHTS

The summary of the Company's financial performance for FY 2017-18 as compared to the previous FY 2016-17 is given below:

(₹ in Lakh)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Gross Income	13.82	14.48
Less: Gross Expenses	(21.33)	(13.64)
Profit before Tax/(Loss)	(7.51)	0.84
Tax Credit/ (Expense)	1.28	1.17
Profit after Tax/(Loss)	(6.23)	2.01
Loss b/f from previous year	(13.65)	(15.66)
Surplus / (Deficit) in the statement of Profit and Loss	(19.88)	(13.65)

INFORMATION ON THE STATE AFFAIRS OF THE COMPANY

The gross income of the Company (in form of Trustee fees) for FY 2017-2018 was ₹ 5 Lakh.

The loss from continuing operations including extraordinary and exceptional items was ₹ 6.23 Lakh as against profit of ₹ 2.01 Lakh for the previous FY.

The net worth of the Company has decreased from ₹ 159.11 Lakh as at March 31, 2017 to ₹ 152.88 Lakh as at March 31, 2018.

MATERIAL CHANGES AND COMMITMENTS

There were no material changes and commitments affecting the financial position of the Company which occurred between the end of the financial year to which these financial statements relate and the date of this Report.

DIVIDEND

In view of the loss incurred, it is not proposed to declare any dividend on the equity shares for the year ended March 31, 2018.

SHARE CAPITAL

During the year under review, your Company had not issued any further capital.

As on March 31, 2018, the paid up share capital of the Company stands at ₹ 15,00,000 (Rupees Fifteen Lakhs only) divided into 1,50,000 (One lakh fifty thousand) equity shares of ₹ 10 each.

FIXED DEPOSITS

The Company has not accepted any deposits from the public since inception.

DIRECTORS

The composition of the Board is in accordance with the provisions of the Companies Act, 2013 ("the Act") and the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 ("SEBI MF Regulations").

Mr. Y. M. Deosthalee, Non-Executive Director of the Company resigned from the Board with effect from June 15, 2017, consequent upon his resignation from the services of L&T Financial Services Group and Mr. Jairaj Purandare, Independent Director had resigned from the Board of Directors to devote time to other commitments and accordingly, ceased to be the Director of the Company with effect from August 8, 2017.

The Board places on record its appreciation for the valuable services rendered by them during their tenure as the Directors of the Company.

During the year under review, the Company appointed Mr. Shailesh Haribhakti as Non-Executive Director in accordance with the provisions of Sections 152 and 161 of the Act, being liable to retire by rotation with effect from June 15, 2017, pursuant to approval of the Members at the Twenty First Annual General Meeting ("AGM") held on August 21, 2017.

Mr. Shailesh Haribhakti was appointed as the Chairperson of the Company and Board with effect from July 20, 2017.

Pursuant to the provisions of the Section 161 of the Act, read with relevant provision in the Articles of Association, Mr. Rajesh Gupta was appointed as an Additional Director by the Board of Directors of the Company

with effect from November 10, 2017. He holds office as a Director up to the date of the forthcoming AGM. Your Company has received a notice in writing from a Member proposing his candidature for the office of Director.

As on the date of this Report, the Board comprises of the following Directors:

Name of Director	Designation
Mr. Shailesh Haribhakti	Non-Executive Director & Chairperson
Mr. V. Natarajan	Independent Director
Mr. Hemant Joshi	Independent Director
Mr. Rajesh Gupta	Independent Director

Mr. V. Natarajan, Mr. Hemant Joshi and Mr. Rajesh Gupta are the Independent Directors of the Company in accordance with the requirements of SEBI MF Regulations.

Section 152 of the Act provides that unless the Articles of Association provide for the retirement of all the Directors at every AGM, not less than two-third of the total number of Directors of a public company (excluding the Independent Directors) shall be persons whose period of office is liable to determination by retirement of Directors by rotation. Accordingly Mr. V. Natarajan, Director of the Company will retire by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment.

STATUTORY AUDITORS

Pursuant to the provisions of Section 139(1) of the Act and the rules made thereunder, the Members at their AGM held on July 28, 2015, had appointed M/s. Price Waterhouse, Chartered Accountants (ICAI Firm's Registration Number 301112E) as the Statutory Auditors of the Company for a term of five years, i.e. from the conclusion of Nineteenth AGM till the conclusion of the Twenty Fourth AGM. They have confirmed that they are not disqualified from continuing as Auditors of the Company.

AUDITORS' REPORT

The Auditors' Report to the Members for FY 2017-18 does not contain any qualification. The Notes to the Accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further clarifications under Section 134(3)(f) of the Act.

PARTICULARS OF EMPLOYEES

During the year under review, there were no employees covered by the Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

In view of the nature of activities which are being carried on by the Company, the particulars regarding conservation of energy and technology absorption as required to be disclosed pursuant to provisions of Rule 8(3) of the Companies (Accounts) Rules, 2014 are not relevant to its activities.

FOREIGN EXCHANGE EARNINGS AND OUTGOING

During the year under review, there are no foreign exchange earnings or out go.

DISCLOSURE RELATING TO HOLDING, SUBSIDIARIES, ASSOCIATES COMPANIES AND JOINT VENTURES

The Company is a subsidiary of L&T Finance Holdings Limited. During the year under review, the Company did not have any subsidiaries or associate companies or joint ventures as defined under the Act.

Accordingly, disclosures under Rule 8(1) and Rule 8(5)(iv) of Companies (Accounts) Rules, 2014 relating to subsidiary, joint venture and associate companies are not applicable to the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Act, the Board of Directors confirm that, to the best of their knowledge and belief:

- 1) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- 2) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018 and of the loss of the Company for that period;
- 3) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- 4) the Directors have prepared the annual accounts on a going concern basis;
- 5) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws including applicable Secretarial Standards and that such systems are adequate and operating effectively.

INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY

The Company has an internal control system, commensurate with the size, scale and complexity of its operations. Such system forms a part of review by the Internal Audit ("IA") function. The scope and authority of the IA function is defined in the IA Charter.

The IA function of L&T Financial Services Group monitors and evaluates the efficacy and adequacy of the internal control systems in the Company and its compliance with operating systems, accounting procedures and policies of the Company. Based on the report of IA function, process owners undertake corrective action, if any, in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee from time to time.

BOARD MEETINGS

A calendar of Meetings is prepared and circulated in advance to the Directors.

The Board of Directors of the Company met 7 (seven) times during the year under review, April 28, 2017, June 6, 2017, July 20, 2017, October 23, 2017, November 28, 2017, January 23, 2018 and March 21, 2018.

The Agenda of the Meetings were circulated to the Directors well in advance. The Minutes of the meetings of the Board of Directors were circulated amongst the members of the Board for their perusal.

The attendance of the members of the Board at the meetings held during the year under review is as follows:

Name of the Director	DIN	Nature of Directorship	No. of Board Meetings held/ conducted during the tenure of Directors/ year	No. of Board Meetings attended
Mr. Y M Deosthalee®	00001698	Non-Executive Director	1	1
Mr. Shailesh Haribhakti#	00007347	Non-Executive Director & Chairperson	5	5
Mr. V. Natarajan*	00049409	Independent Director	7	6
Mr. Hemant Joshi*	01519739	Independent Director	7	7

Name of the Director	DIN	Nature of Directorship	No. of Board Meetings held/ conducted during the tenure of Directors/ year	No. of Board Meetings attended
Mr. Jairaj Purandare*®	00159886	Independent Director	3	1
Mr. Rajesh Gupta*#	00229040	Independent Director	3	3

Notes:

@ Ceased to be a Director with effect from June 15, 2017.

Appointed as Directors on the Board of the Company with effect from June 15, 2017 and November 10, 2017 respectively.

* Appointment as an Independent Director as per SEBI MF Regulations.

& Ceased to be a Director with effect from August 8, 2017.

AUDIT COMMITTEE

Terms of reference:

The role, terms of reference, authority and powers of the Audit Committee ("AC") are in conformity with requirements under the SEBI MF Regulations.

Composition:

The AC comprises of the following:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Shailesh Haribhakti	Member	NED
Mr. V. Natarajan	Member	ID
Mr. Hemant Joshi	Member	ID

Meetings and Attendance:

The AC met 6 (six) times during the year i.e. on April 28, 2017, July 20, 2017, October 23, 2017, November 28, 2017, January 23, 2018 and March 20, 2018. The attendance of the members at the meetings was as follows:

Name of the Director	No. of Meetings held/conducted during the tenure of Directors/year	No. of Meetings attended
Mr. Y. M. Deosthalee*	1	1
Mr. Shailesh Haribhakti #	5	5
Mr. V. Natarajan	6	5
Mr. Hemant Joshi	6	6

Notes:

* Ceased to be a Member of the Committee with effect from June 15, 2017.

Appointed as a Member of the Committee with effect from June 15, 2017.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN OR SECURITY PROVIDED BY THE COMPANY

The Company has not given any loans or guarantees or made any investments or provided any security pursuant to the provisions of Section 186 of the Act and rules thereof during the year under review.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Board of Directors has approved a policy on transactions with related parties ("RPT Policy") pursuant to the recommendation of the AC. The RPT Policy is also available on the website of the Company viz <http://www.ltfs.com>. The RPT Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and related parties.

Key features of the RPT Policy are as under:

- All transactions with related parties ("RPTs") are referred to the AC of the Company for approval, irrespective of its materiality. The AC, also approves any subsequent modification in RPTs. The process of approval of RPTs by the Board and Shareholders is as under:

a) Board

Generally all RPTs are in the ordinary course of business and at arm's length price.

RPTs which are not at arm's length price and which are not in the ordinary course of business are approved by the Board.

b) Shareholders

All Material RPTs require prior approval of the shareholders, based on recommendation of the Board, through an ordinary resolution passed at the general meeting. Where any contract or arrangement is entered into by a Director or any other employee without obtaining the consent of the Board or approval by an ordinary resolution in the general meeting, it is to be ratified by the Board or by the shareholders at a meeting, as the case may be, within three months from the date on which such contract or arrangement was entered into.

No member of the Company can vote on such resolution, if such member is considered to be a related party with reference to a contract or arrangement for which the resolution is passed.

- All RPTs that were entered into during FY 2017-18 were on an arm's length basis and were in the ordinary course of business and disclosed in the Financial Statements. There were no materially significant RPTs made by the Company with Promoters, Directors or body corporate(s), which had a potential conflict with the interest of the Company at large. Accordingly, the disclosure of RPTs as required under the provisions of Section 134(3)(h) of the Act in Form AOC-2 is not applicable. The Directors draw attention to Notes to the Financial Statements which sets out related party disclosures.

RISK MANAGEMENT FRAMEWORK

The Company has framed and implemented a risk management framework which deals with identification of risks in the business of the Company which may threaten the existence of the Company.

EXTRACT OF ANNUAL RETURN AS REQUIRED AND PRESCRIBED UNDER SECTION 92(3) OF THE ACT AND RULES MADE THEREUNDER

The extract of Annual Return in Form No. MGT-9 as required under Section 92(3) of the Act and prescribed in Rule 12 of the Companies (Management and Administration) Rules, 2014 is appended as **Annexure A** to this Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations. Further, no penalties have been levied by the SEBI/any other regulators during the year under review.

OTHER DISCLOSURES

During the year under review, the Company has not obtained any registration / license / authorisation, by whatever name called from any other financial sector regulators.

ACKNOWLEDGEMENT

The Directors express their sincere gratitude to the Securities and Exchange Board of India, National Stock Exchange of India Limited, Ministry of Corporate Affairs, Registrar of Companies, other government and regulatory authorities, the Company's bankers and most

of all, the Investors of L&T Mutual Fund, for the ongoing support extended by them. The Directors sincerely appreciate the commitment displayed by the employees of the Company resulting in successful performance during the year under review.

For and on behalf of the Board of Directors

Shailesh Haribhakti

Chairperson
DIN : 00007347

Place: Mumbai

Date: April 26, 2018

ANNUAL REPORT 2017-18 - ANNEXURE A TO BOARD'S REPORT

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on March 31, 2018

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

I. REGISTRATION AND OTHER DETAILS

i)	CIN	U65993MH1996PLC211198
ii)	Registration Date	April 30, 1996
iii)	Name of the Company	L&T Mutual Fund Trustee Limited
iv)	Category/Sub-category of the Company	Company limited by Shares / Indian Non- Government Company
v)	Address of the Registered office & contact details	Brindavan, Plot No. 177, C.S.T Road, Kalina, Santacruz (East), Mumbai – 400 098, Maharashtra, India. Phone: +91 22 6212 5000 Fax: +91 22 6621 7509 E-mail: contact@ltfs.com Website: www.ltfs.com
vi)	Whether listed company	No
vii)	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited C 101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai - 400 083, Maharashtra, India. Tel: +91 22 4918 6262 Fax: +91 22 4918 6060 E-mail: rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY

Sr. No.	Name & Description of main products/ services	NIC Code of the Product / service	% to total turnover of the company
1	Trustee Company to L&T Mutual Fund	66190	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	L&T Finance Holdings Limited Brindavan, Plot No. 177, C.S.T Road, Kalina, Santacruz (East), Mumbai- 400 098	L67120MH2008PLC181833	Holding Company	100	2(46)

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS % OF TOTAL EQUITY)

(i) Category – wise Share Holding :-

Category of Shareholders	No. of Shares held at the beginning of the year (As on April 1, 2017)				No. of Shares held at the end of the year (As on March 31, 2018)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF.	-	-	-	-	-	-	-	-	-
b) Central govt.	-	-	-	-	-	-	-	-	-
c) State govt.	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	149,993	7*	150,000	100	149,993	7*	150,000	100	-

Category of Shareholders	No. of Shares held at the beginning of the year (As on April 1, 2017)				No. of Shares held at the end of the year (As on March 31, 2018)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
e) Bank/FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total: (A)(1)	149,993	7*	150,000	100	149,993	7*	150,000	100	-
(2) Foreign									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other- Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	149,993	7*	150,000	100	149,993	7*	150,000	100	-
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s).	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Fund	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):	-	-	-	-	-	-	-	-	-
(2) Non - Institutions									
(a) Bodies corporate	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
(c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)= (B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	149,993	7*	150,000	100	149,993	7*	150,000	100	-

*The Company is a wholly-owned subsidiary of L&T Finance Holdings Limited. For the purpose of complying with the provisions regarding minimum number of Members, 7 shares are held by 6 Members jointly with L&T Finance Holdings Limited.

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (As on April 1, 2017)			Shareholding at the end of the year (As on March 31, 2018)			% change in shareholding 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	
1	L&T Finance Holdings Limited*	1,50,000	100	-	1,50,000	100	-	-
	Total	1,50,000*	100	-	1,50,000*	100	-	-

*The Company is a wholly-owned subsidiary of L&T Finance Holdings Limited. For the purpose of complying with the provisions regarding minimum number of Members, 7 shares are held by 6 Members jointly with L&T Finance Holdings Limited.

(iii) Change In Promoters' Shareholding

Sr. No.	Name of the Promoter	Date	Shareholding at the beginning of the Year (As on April 1, 2017)		Cumulative shareholding during the year (April 1, 2017 to March 31, 2018)	
			No. of Shares	% of total Shares of the Company	No of Shares	% of total Shares of the Company
1	L&T Finance Holdings Limited					
	At the beginning of the year	April 1, 2017	1,50,000*	100	-	-
	At the end of the year	March 31, 2018	-	-	1,50,000*	100

*The Company is a wholly-owned subsidiary of L&T Finance Holdings Limited. For the purpose of complying with the provisions regarding minimum number of Members, 7 shares are held by 6 Members jointly with L&T Finance Holdings Limited.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the Year (As on April 1, 2017)		Cumulative shareholding during the year (April 1, 2017 to March 31, 2018)	
		No. of Shares	% of total Shares of the company	No of Shares	% of total Shares of the company
1	At the beginning of the year	-	-	-	-
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc)	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	-	-	-	-

(v) Shareholding of Directors & Key Managerial Personnel (KMP)

Sr. No.	Name of Director/KMP	Date	Shareholding at the beginning of the year (As on April 1, 2017)		Cumulative shareholding during the year (April 1, 2017 to March 31, 2018)	
			No. of Shares	% of total Shares of the company	No of Shares	% of total Shares of the company
1	Mr. Y. M. Deosthalee⁽¹⁾					
	At the beginning of the year	April 1, 2017	2*	-	-	-
	Transfer of shares	July 14, 2017	(2)	-	-	-
	At the end of the year	March 31, 2018	-	-	-	-

*The Company is a wholly-owned subsidiary of L&T Finance Holdings Limited. For the purpose of complying with the provisions regarding minimum number of Members, 7 shares are held by 6 Members jointly with L&T Finance Holdings Limited.

⁽¹⁾ Ceased to be the Director with effect from June 15, 2017.

V. INDEBTEDNESS

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

(Amount in ₹)

Particulars	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	-	-	-	-
• Additions	-	-	-	-
• 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 (MD), Whole time director (WTD) and/or Manager

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of the MD/WTD/Manager
1	Gross salary:	
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax, 1961.	-
	(b) Value of perquisites under section Section 17(2) of the Income Tax Act, 1961	-
	(c) Profits in lieu of salary under section Section 17(3) of the Income Tax Act, 1961	-
2	Stock option	-
3	Sweat Equity	-
4	Commission	-
	- as % of profit	-
	- others (specify)	-
5	Others, please specify	-
	Total (A)	-
	Ceiling as per the Act	There is no managerial personnel appointed by the Company. Hence the ceiling as per the Companies Act, 2013 will not be applicable.

B. Remuneration to other Directors

(Amount in ₹)

Particulars of Remuneration	Name of the Directors					Total Amount
	Non Executive Directors					
	Mr. Shailesh Haribhakti ⁽¹⁾	Mr. V Natarajan	Mr. Hemant Joshi	Mr. Jairaj Purandare ⁽²⁾	Mr. Rajesh Gupta ⁽³⁾	
(a) Fee for attending Board and Committee meetings	4,00,000	3,70,000	4,50,000	20,000	1,20,000	13,60,000
(b) Commission	-	-	-	-	-	-
(c) Others, please specify	-	-	-	-	-	-
Total (B)	4,00,000	3,70,000	4,50,000	20,000	1,20,000	13,60,000
Total Managerial Remuneration (A+B)	4,00,000	3,70,000	4,50,000	20,000	1,20,000	13,60,000
Overall Ceiling as per the Act	Not applicable					

⁽¹⁾ Appointed as the Director with effect from June 15, 2017.

⁽²⁾ Ceased to be the Director with effect from August 8, 2017.

⁽³⁾ Appointed as the Director with effect from November 10, 2017.

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

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of the Key Managerial Personnel
1	Gross Salary	
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-
	b) Value of perquisites under 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 profit	-
	- others, specify	-
5	Others, please specify	-
	Total	-

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NONE

For and on behalf of the Board of Directors

Shailesh Haribhakti
Chairperson
DIN: 00007347

Place: Mumbai

Date: April 26, 2018

Independent Auditors' Report

Report on special purpose financial statements

1. This report is issued in accordance with the terms of our agreement dated February 19, 2018.
2. We have audited the accompanying special purpose financial statements of L&T Mutual Fund Trustee Limited (the "Company") which comprise the balance sheet as at March 31, 2018, and the statement of profit and loss and cash flow statement for the year ended on that date and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

3. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act, to the extent considered relevant by it for the purpose for which these special purpose financial statements have been prepared (the "accounting principles generally accepted in India"). The responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of special purpose financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

4. Our responsibility is to express an opinion on these special purpose financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ("the Act") and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the special purpose financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

7. Based on our audit, we report that:
 - a. We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - b. The Balance Sheet and Statement of Profit and Loss dealt with by this report are in agreement with the books of account;
 - c. In our opinion and to the best of our information and according to the explanations given to us, the special purpose financial statements, together with the notes thereon and attached thereto, fairly present, in all material respects, in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, the state of affairs of the Company as at March 31, 2018;
 - (ii) in the case of the Statement of Profit and Loss, the loss for the year ended on that date; and
 - (iii) in the case of the Cash flow statement, of the cash flows for the year ended on that date.

Emphasis of Matter – Basis of Preparation

8. We draw attention to Note 2.1 to the special purpose financial statements, which describes the basis of its preparation. The special purpose financial statements are not the statutory financial statements of the Company, and are not intended to, and do not, comply with the disclosure provisions applicable to statutory financial statements prepared under the Companies Act, 1956/Companies Act, 2013 as those are considered irrelevant by the Management and the intended users of the special purpose financial statements for the purposes for which those have been prepared. Our opinion is not qualified in respect of this matter.

Other Matter

9. The special purpose financial statements dealt with by this report, have been prepared for the express purpose of furnishing the Ind AS Financial Statements to the Holding Company for consolidation purposes.

Restriction on Use

10. Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may

have (or may have had) as auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditors of any financial statements of the Company.

11. This report is addressed to the Board of Directors of the Company and has been prepared for and only for the purposes set out in paragraph 9 above. This report should not be otherwise used or shown to or otherwise distributed to any other party or used for any other purpose except with our prior consent in writing. Price Waterhouse neither accepts nor assumes any duty, responsibility or liability to any other party or for any other purpose.

For Price Waterhouse

Firm Registration No. 301112E
Chartered Accountants

Alpa Kedia

Partner
Membership No. 100681
Mumbai, April 26, 2018

Annexure A to Independent Auditors' Report

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of L&T Mutual Fund Trustee Limited on the financial statements as of and for the year ended March 31, 2018

- i. The Company does not hold any fixed assets during the year ended 31st March, 2018. Therefore, the provisions of Clause 3(i) of the Order are not applicable to the Company.
 - ii. The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
 - iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
 - iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
 - v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
 - vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
 - vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including income tax, service tax, goods and service tax with effect from July 1, 2017 and other material statutory dues, as applicable, with the appropriate authorities.
 - (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, service-tax, goods and service tax and any other material statutory dues which have not been deposited on account of any dispute.
- viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.
 - ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
 - x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
 - xi. The Company has not paid any managerial remuneration. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.
 - xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
 - xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act,

read with Rule 7 of the Companies (Accounts) Rules, 2014.

- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under

Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse
Firm Registration No. 301112E
Chartered Accountants

Alpa Kedia
Partner
Membership No. 100681
Mumbai, April 26, 2018

Balance Sheet as at March 31, 2018

(INR Lakhs)

Particulars	Notes	As at 31-March-18	As at 31-March-17
I. ASSETS			
1) Non-current assets			
a) Deferred Tax Assets (Net)	14	2.14	0.86
b) Income Tax Assets/Advance Income Tax	4	18.12	17.62
c) Other non-current assets	5	7.46	4.79
		27.72	23.27
2) Current assets			
a) Financial Assets			
(i) Current investments	9	125.29	133.06
(ii) Trade receivables	6	1.35	1.31
(iii) Cash and cash equivalents	7	3.76	5.22
b) Other current assets	8	0.90	0.70
		131.30	140.29
TOTAL		159.02	163.56
II. EQUITY AND LIABILITIES			
1) Equity			
a) Equity Share capital	10	15.00	15.00
b) Other Equity			
(i) Reserves and surplus	11	137.88	144.11
		152.88	159.11
2) Current liabilities			
a) Financial Liabilities			
Trade payables	12	5.08	4.39
b) Other current liabilities	13	1.06	0.06
		6.14	4.45
TOTAL		159.02	163.56

The accompanying notes are integral part of the financial statements.

In terms of our report attached.

For Price Waterhouse

Firm Registration Number : 301112E
Chartered Accountants

For and on behalf of the Board of Directors

Alpa Kedia

Partner
Membership Number : 100681

Place: Mumbai
Date: April 26, 2018

Shailesh Haribhakti

Director
DIN: 00007347

Place: Mumbai
Date: April 26, 2018

Hemant Joshi

Director
DIN: 01519739

Place: Mumbai
Date: April 26, 2018

Statement of Profit and Loss for the year ended March 31, 2018

(INR Lakhs)

Particulars	Notes	Year ended 31st March 18	Year ended 31st March 17
INCOME:			
Revenue from operations (net of service tax / GST)	15	5.00	5.00
Other income	16	8.82	9.48
Total Income		13.82	14.48
EXPENSES:			
Other expenses	17	21.33	13.64
Total Expenses		21.33	13.64
Profit/(Loss) before tax		(7.51)	0.84
Less:			
Tax expense:			
Current tax	18	-	0.20
Deferred tax	18	(1.28)	(0.92)
Excess Provision for earlier years		-	(0.45)
		(1.28)	(1.17)
Profit/(Loss) for the Year		(6.23)	2.01
Other comprehensive income for the Year (Net of tax)			
Total comprehensive income for the Year		(6.23)	2.01
Basic/Diluted earnings per equity share in INR	24	(4.15)	1.34
Nominal value per share in INR		10.00	10.00

The accompanying notes are integral part of the financial statements.

In terms of our report attached.

For Price Waterhouse

Firm Registration Number : 301112E
Chartered Accountants

For and on behalf of the Board of Directors

Alpa Kedia

Partner
Membership Number : 100681

Place: Mumbai
Date: April 26, 2018

Shailesh Haribhakti

Director
DIN: 00007347

Place: Mumbai
Date: April 26, 2018

Hemant Joshi

Director
DIN: 01519739

Place: Mumbai
Date: April 26, 2018

Cash Flow Statement for the year ended March 31, 2018

(INR Lakhs)

Particulars	Year ended 31st March 18	Year ended 31st March 17
Cash flow from operating activities		
Profit/(Loss) before tax	(7.51)	0.84
Adjustments for:		
Interest on income tax refund	-	(0.02)
Profit on sale of current investments (net)	(8.59)	(9.59)
Adjustment on fair value of current investments	(0.23)	0.13
Adjustments Profit on sale of Investments	(8.82)	(9.48)
Operating profit/(loss) before working capital changes	(16.33)	(8.64)
Adjustment for (increase) / decrease in operating assets		
Trade receivables	(0.04)	-
Other Non current assets	(2.67)	(0.84)
Other current assets	(0.20)	-
Adjustment for increase / (decrease) in operating liabilities		
Trade payables	0.69	1.50
Other current liabilities	1.00	(0.23)
Changes in working capital	(1.22)	0.43
Cash used in operations	(17.55)	(8.21)
Net taxes refund/(paid)	(0.50)	(0.30)
Net cash used in operating activities (A)	(18.05)	(8.51)
Cash flows from investing activities		
Purchase of current investments	(1,605.50)	(666.82)
Proceeds on sale of current investments	1,622.09	677.42
Net cash from/ (used) investing activities (B)	16.59	10.60
Cash flows from financing activities	-	-
Net cash generated from financing activities (C)	-	-
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	(1.46)	2.09
Cash and cash equivalents as at beginning	5.22	3.13
Cash and cash equivalents as at end	3.76	5.22
The accompanying notes are integral part of the financial statements.		

In terms of our report attached.

For Price Waterhouse

Firm Registration Number : 301112E
Chartered Accountants

For and on behalf of the Board of Directors

Alpa Kedia

Partner
Membership Number : 100681

Place: Mumbai
Date: April 26, 2018

Shailesh Haribhakti

Director
DIN: 00007347

Place: Mumbai
Date: April 26, 2018

Hemant Joshi

Director
DIN: 01519739

Place: Mumbai
Date: April 26, 2018

Statement of change in equity for year ended 31st March 2018

(INR Lakhs)

a. Equity Share Capital

Balance as at 1st April 2017	Change during period	Balance as at 31st March 2018
15.00	-	15.00

Balance as at 1st April 2016	Change during period	Balance as at 31st March 2017
15.00	-	15.00

b. Other Equity

Particulars	Reserves and Surplus		Total
	Capital Reserve	Retained Earnings	
Balance as at 1st April 2017	157.76	(13.65)	144.11
Profit for the period	-	(6.23)	(6.23)
Balance as on 31st March 2018	157.76	(19.88)	137.88
Balance as at 1st April 2016	157.76	(15.66)	142.10
Profit for the period	-	2.01	2.01
Balance as on 31st March 2017	157.76	(13.65)	144.11

The accompanying notes are integral part of the financial statements.

In terms of our report attached.

For Price Waterhouse

Firm Registration Number : 301112E
Chartered Accountants

For and on behalf of the Board of Directors

Alpa Kedia

Partner
Membership Number : 100681

Place: Mumbai
Date: April 26, 2018

Shailesh Haribhakti

Director
DIN: 00007347

Place: Mumbai
Date: April 26, 2018

Hemant Joshi

Director
DIN: 01519739

Place: Mumbai
Date: April 26, 2018

Notes forming part of Financial Statements - March 31, 2018

1 Background

L&T Mutual Fund Trustee Limited ('the Company') is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company's principal activity is to provide trusteeship service to "L&T Mutual Fund" having its registered office at L& T House, NM Marg, Ballard Estate, Mumbai 400001. The principal shareholder of the Company as at 31st March, 2018 is L&T Finance Holdings Limited.

The financial statements were authorised for issue in accordance with a resolution of the Board of Directors passed in their meeting held on April 26, 2018.

2 Summary of Significant Accounting Policies

2.1 Basis of Preparation

These Special Purpose financial statements have been prepared in accordance with Indian Accounting Standard (Ind AS) notified under the Companies (Indian Accounting Standard) Rules, 2015 read with Section 133 of the Companies Act, 2013.

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets at fair value through profit or loss.

These Special Purpose Financial Statements has been prepared by the Management of the Company, in connection the Company's obligation to furnish the aforesaid to Larson and Toubro Limited, (the Ultimate Holding Company) for the preparation of its Consolidated Financial Statements

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

The financial statements are presented in 'Indian Rupees' (INR), which is Company's functional and presentation currency and the same has been rounded off to the nearest lakhs.

Recent accounting pronouncements:

Standards issued but not yet effective

Ind AS 115 'Revenue from Contracts with Customers':

The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 on 28 March 2018 notifying Ind AS 115 'Revenue from Contracts with Customers'.

Ind AS 115 replaces Ind AS 18 which covers contracts for goods and services and Ind AS 11 which covers construction contracts. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer – so the notion of control replaces the existing notion of risks and rewards. It establishes a five-step model to account for revenue arising from contracts with customer. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The Company does not currently anticipate that the Ind AS 115 will have a material impact on its financial statements. This standard will be applied by the Company from its effective date i.e from accounting period commencing on or after April 1, 2018.

There are no other standards, changes in standards and interpretations that are not in force that the Company expects to have a material impact arising from its application in its financial statements.

2.2 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.

(a) Financial Assets

All financial assets are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are added to the fair value measured on initial recognition of financial assets.

Financials assets are subsequently measured either at amortised cost, fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL) based on assessment of it's business model test and contractual cash flows characteristics.

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

Notes forming part of Financial Statements - March 31, 2018

(b) Financial Liabilities

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost.

2.3 Share Capital

Ordinary equity shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

2.4 Revenue Recognition

Revenue is recognised when there is reasonable certainty of its ultimate realisation/collection. The company recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Company's activities, as described below.

Trusteeship Fees

Trusteeship Fees are accounted on an accrual basis in accordance with the Trust Deed and are dependent on the net asset value as recorded by the schemes of L&T Mutual Fund

2.5 Income Taxes

Income taxes are accounted for in accordance with Ind AS 12 "Income Taxes". Tax expense comprises both current tax and deferred tax.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

2.6 Provisions, Contingent Liabilities & Contingent Assets

The Company recognizes a provision when there is a present obligation as a result of past event

on which it is probable that there will be outflow of resources to settle the obligation in respect of which reliable estimates can be made.

Contingent Liabilities are disclosed by way of notes to Financial Statements after careful evaluation by the management of the facts and legal aspects of the matter involved.

Contingent Assets are disclosed in the financial statement when an inflow of economic benefits are probable.

2.7 Earning Per Shares

Basic earning per shares are calculated by dividing the profit for the year attributable to equity shareholders by the weighted average number of Equity shares outstanding during the year.

3 Critical Estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

The areas involving critical estimates or judgements are:

- (i) Estimation of current tax expense and payable :- There are transactions and calculations for which the ultimate tax determination is uncertain and would get finalized on completion of assessment by tax authorities. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.
- (ii) Recognition of deferred tax assets for carried forward tax losses:- The Company has not recognised deferred tax assets on carried forward tax losses. The losses can be carried forward for a period of 8 years as per tax regulations and the Company does not expects to recover the losses in forceable future.

Notes forming part of Financial Statements - March 31, 2018

4 Income tax assets/ Advance income tax (INR Lakhs)

	As at 31-March-18	As at 31-March-17
Advance income tax	18.12	17.62
Total	18.12	17.62

5 Other non-current assets (INR Lakhs)

	As at 31-March-18	As at 31-March-17
Goods and service tax credit receivable	7.46	4.79
Total	7.46	4.79

6 Trade receivables (INR Lakhs)

	As at 31-March-18	As at 31-March-17
Unsecured, considered good (unless otherwise stated)		
Trade receivables	1.35	1.31
Total	1.35	1.31

7 Cash and cash equivalents (INR Lakhs)

	As at 31-March-18	As at 31-March-17
Balances with banks in current accounts	3.76	5.22
Total	3.76	5.22

8 Other current assets (INR Lakhs)

	As at 31-March-18	As at 31-March-17
Unsecured, considered good (unless otherwise stated)		
Goods and service tax credit receivable	0.90	0.70
Total	0.90	0.70

Financial Assets

9 Investments (INR Lakhs)

Investments at fair value through profit & loss

Particulars	As at 31-March-18	As at 31-March-17
Current Investments (Unquoted) (at fair value)		
Investments in units of Mutual Funds	125.29	133.06
Total	125.29	133.06

Notes forming part of Financial Statements - March 31, 2018

Details of current investments

Particulars	No. of Units		Amount	
	As at 31-March-18	As at 31-March-17	As at 31-March-18	As at 31-March-17
Current investments				
Investments in units of Mutual Funds (unquoted)				
L&T Liquid Fund - Direct Plan -Growth	5,258.118	5,966.734	125.29	133.06
Total Current Investments	5,258.118	5,966.73	125.29	133.06

10 Share capital

The Company has issued Equity Share Capital, the details in respect of which are given below

Number, face value and amount of shares authorised, issued, subscribed and paid-up	As at 31-March-18		As at 31-March-17	
	Number	Amount (INR Lakhs)	Number	Amount (INR Lakhs)
Authorised				
Equity shares of Rs. 10 each with voting rights	250,000	25.00	250,000	25.00
Issued, Subscribed and Paid-up				
Equity shares of Rs. 10 each fully paid up	150,000	15.00	150,000	15.00
Total	150,000	15.00	150,000	15.00

(a) Reconciliation of the number of shares outstanding at the beginning and end of the reporting year

Particulars	As at 31-March-18		As at 31-March-17	
	Number	Amount (INR Lakhs)	Number	Amount (INR Lakhs)
Balance at the beginning of the year	150,000	15.00	150,000	15.00
Add : Shares issued during the year	-	-	-	-
Less : Shares bought back during the year	-	-	-	-
Balance at the end of the year	150,000	15.00	150,000	15.00

(b) The Company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholdings.

(c) Shares in the Company held by the holding company

150,000 Equity Shares (previous year 150,000) are held by L&T Finance Holdings Limited, the Holding Company.

(d) Shares in the Company held by shareholders more than of 5% of the aggregate equity shares as at the reporting date

Name of Shareholder	As at 31-March-18		As at 31-March-17	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
L&T Finance Holdings Limited	150,000	100%	150,000	100%

Notes forming part of Financial Statements - March 31, 2018

11 Reserves and surplus (INR Lakhs)

	As at 31-March-18	As at 31-March-17
Capital reserve		
Balance at the beginning of the year	157.76	157.76
Adjustment during the year	-	-
Balance at the end of the year	157.76	157.76
Retained earnings		
Balance at the beginning of the year	(13.65)	(15.66)
Add : Net profit/(loss) for the year	(6.23)	2.01
Balance at the end of the year	(19.88)	(13.65)
Total	137.88	144.11

12 Trade payables (INR Lakhs)

	As at 31-March-18	As at 31-March-17
Trade payables	5.08	4.39
Total	5.08	4.39

13 Other current liabilities (INR Lakhs)

	As at 31-March-18	As at 31-March-17
Statutory dues (including withholding taxes)	1.02	0.04
Other current liabilities	0.04	0.02
Total	1.06	0.06

14 Deferred tax assets / (liability) (INR Lakhs)

	As at 31-March-18	As at 31-March-17
Deferred tax assets		
Provision for Expenses	0.37	-
Other timing Difference (Amalgamation Exp u/s 35DD)	0.97	-
MAT Credit	0.88	0.88
Deferred tax Liabilities		
Gain on FVTPL of investments made in mutual fund	(0.08)	(0.02)
Total	2.14	0.86

Movement in deferred tax assets

	Tax losses	Other items	Total
At 1-April-16			
(Charged)/ credited:			
-to profit or loss	-	0.86	0.86
-to other comprehensive income	-	-	-
At 31-March-17	-	0.86	0.86
(Charged)/ credited:			
-to profit or loss	-	2.14	2.14
-to other comprehensive income	-	-	-
At 31-Mar-18	-	2.14	2.14

Notes forming part of Financial Statements - March 31, 2018

15 Revenue from operations (INR Lakhs)

	Year ended 31st March 18	Year ended 31st March 17
Trusteeship fees	5.00	5.00
Total	5.00	5.00

16 Other income (INR Lakhs)

	Year ended 31st March 18	Year ended 31st March 17
Profit on sale of current investments (net)	8.59	9.59
Gain/(Loss) on FV of Investments	0.23	(0.13)
Interest on income tax refund	-	0.02
Total	8.82	9.48

17 Other expenses (INR Lakhs)

	Year ended 31st March 18	Year ended 31st March 17
Travelling and conveyance	0.69	0.58
Bank Charges	0.02	0.02
Professional fees	1.70	4.77
Office Expenses	-	0.01
Filing fees	0.07	-
Directors' fees	13.60	4.10
Auditors' remuneration		
- Audit	2.50	1.68
- Limited review	2.50	2.32
- Reimbursement of expenses	0.12	0.12
Miscellaneous expenses	0.13	0.04
Total	21.33	13.64

Notes forming part of Financial Statements - March 31, 2018

18 Tax expense

(INR Lakhs)

(i) Income tax expense

	Year ended 31st March 2018	Year ended 31st March 2017
<u>Current tax</u>		
Current tax on profit for the year	-	0.20
Adjustment for current tax of prior period	-	(0.45)
Total current tax expense	-	(0.25)
<u>Deferred tax</u>		
Decrease / (increase) in deferred tax assets	(1.28)	(0.86)
(Decrease) / increase in deferred tax liabilities	-	(0.06)
Total deferred tax expense / (benefit)	(1.28)	(0.92)
Income tax expense	(1.28)	(1.17)

The Company has not recognised deferred tax assets on carried forward tax losses of INR 20.46 Lakhs. The losses can be carried forward for a period of 8 years as per tax regulations and the Company does not expects to recover the losses in forceable future.

(ii) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

(INR Lakhs)

	Year ended 31st March 2018	Year ended 31st March 2017
Profit/(Loss) before tax	-7.51	0.84
Tax at the Indian tax rate of 30.90% (PY 2016-17 - 30.90%)	-	0.26
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Unrealised gain on fair valuation of investments	(0.06)	0.02
Disallowance under section 40(a)(ia)	0.37	
Expenses u/s 35DD	0.97	
MAT credit of previous year	-	0.70
Tax effect of carried forward losses offsetted against profit for the year	-	0.26
Adjustments for current tax of prior periods	-	0.45
Income tax expense	(1.28)	(1.17)

Notes forming part of Financial Statements - March 31, 2018

19 Fair value measurement

(INR Lakhs)

Financial instruments by category	31st March 18			31st March 17		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments in units of mutual funds	125.29	-	-	133.06	-	-
Trade receivables	-	-	1.35	-	-	1.31
Cash and cash equivalents	-	-	3.76	-	-	5.22
Total financial assets	125.29	-	5.11	133.06	-	6.53
Financial liabilities						
Trade payables	-	-	5.12	-	-	4.41
Total financial liabilities	-	-	5.12	-	-	4.41

(i) Fair value hierarchy

This section explains the estimates and judgements made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in financial statements. To provide an indication about the reliability of the inputs used in determining the fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(INR Lakhs)

Financial assets and liabilities measured at fair value- recurring fair value measurements	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial Investments at FVTPL					
Mutual funds- growth plan					
At 31st March 2018	9	125.29			125.29
At 31st March 2017	9	133.06	-	-	133.06

Level 1 hierarchy- It includes financial instruments measured using quoted prices in active markets for identical assets or liabilities. This includes mutual funds which are valued using the closing NAV.

Level 2 hierarchy- It includes financial instruments measured using valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 hierarchy- It includes financial instruments measured using valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

There are no transfers between levels 1 and levels 2 during the year.

(ii) Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of trade receivables, trade payables and cash and cash equivalents are considered to be the same as their fair values, due to short-term nature.

Notes forming part of Financial Statements - March 31, 2018

20 Financial risk management

The Company's activities expose it to credit risk, liquidity risk and market risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, Trade receivables, Other financial assets measured at amortised cost	Ageing Analysis	Diversification of both deposits and credit limits
Liquidity risk	Trade payables	Rolling cash flow forecasts	Working capital management
Market risk- security prices	Investments in units of mutual funds	Sensitivity Analysis	Portfolio diversification

The table below analyse the financial liabilities into relevant maturity grouping for contractual maturities:-

Contractual Maturity of Financial liabilities	Less than one year	
	As at 31-March-18	As at 31-March-17
Trade payables	5.08	4.39

21 Capital management

The entity objectives when managing capital are to:

- safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital."

22 Disclosure required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Based on the information received by the Company from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 there are no amounts due to any suppliers covered under this Act as at the Balance Sheet date.

23 Related party disclosure:

A Name of the related parties and description of relationship

- | | |
|------------------------------|------------------------------------|
| (i) Ultimate Holding Company | Larsen & Toubro Limited* |
| (ii) Holding Company | L&T Finance Holdings Limited* |
| (iii) Fellow Associate | L&T Investment Management Limited* |
| (iv) Trusteeship | L&T Mutual Fund |

* No transaction during the year.

B Details of Transactions with Related Parties

Particulars	L&T Mutual Fund
Nature of Transaction	(INR Lakhs)
Trusteeship Fees	5.00 (5.00)
Investments purchased	1,605.50 (666.82)
Investments redeemed	(1,622.09) (677.42)
Receivable as on 31-Mar-18	1.35
Receivable as on 31-Mar-17	(1.31)

Note: Previous year figures have been shown in brackets

Notes forming part of Financial Statements - March 31, 2018

24 Earnings per Share

Particulars	Unit	For the year ended 31st March, 18	For the year ended 31st March, 17
Earnings			
Net Profit/(Loss) after tax	INR Lakhs	(6.23)	2.01
Nominal Value of Equity Shares	INR	10	10
No. of Equity Shares	No.	150,000	150,000
Basic EPS	INR	(4.15)	1.34
Diluted EPS	INR	(4.15)	1.34

25 Segment Note:

The Board of directors are the Company's chief operating decision-maker. Management has determined the operating segments based on the information reviewed by the chief operating decision-maker for the purposes of allocating resources and assessing performance.

Presently, the Company is engaged in only one segment viz 'providing trusteeship services to L&T Mutual Fund' and as such there is no separate reportable segment as per Ind AS 108 'Operating Segments'. Presently, the Company's operations are predominantly confined in India. The entire revenue from trusteeship services are from one customer i.e. L&T Mutual fund.

26 Previous year's figures have been regrouped, re-classified and rearranged wherever necessary.

In terms of our report attached.

For Price Waterhouse

Firm Registration Number : 301112E
Chartered Accountants

For and on behalf of the Board of Directors

Alpa Kedia

Partner
Membership Number : 100681

Place: Mumbai
Date: April 26, 2018

Shailesh Haribhakti

Director
DIN: 00007347

Place: Mumbai
Date: April 26, 2018

Hemant Joshi

Director
DIN: 01519739

Place: Mumbai
Date: April 26, 2018