

Board's Report

Dear Members,

The Directors of your Company have the pleasure in presenting the Twenty Third Annual Report together with the Audited Financial Statements for the financial year ("FY") ended March 31, 2019.

FINANCIAL HIGHLIGHTS

The summary of the Company's financial performance for FY 2018-19 as compared to the previous FY 2017-18 is given below:

(₹ in Lakh)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Gross Income	15.67	13.82
Less: Gross Expenses	23.48	21.33
Profit before Tax/(Loss)	(7.81)	(7.51)
Tax Credit/ (Expense)	(2.14)	1.28
Profit after Tax/(Loss)	(9.95)	(6.23)
Loss b/f from previous year	(19.88)	(13.65)
Surplus / (deficit) in the statement of Profit and Loss	(29.83)	(19.88)

INFORMATION ON THE STATE OF AFFAIRS OF THE COMPANY

The gross income of the Company (in form of Trustee fees) for FY 2018-2019 was ₹ 5 Lakh.

The loss from continuing operations including extraordinary and exceptional items was ₹ 9.95 Lakh as against loss of ₹ 6.23 Lakh for the previous FY.

The net worth of the Company has decreased from ₹ 152.88 Lakh as at March 31, 2018 to ₹ 142.93 Lakh as at March 31, 2019.

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, no final dividend has been recommended for the year ended March 31, 2019.

SHARE CAPITAL

During the year under review, your Company did not issue any further capital.

As on March 31, 2019, the paid up share capital of the Company stands at ₹ 15,00,000 (Rupees Fifteen Lakh 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").

During the year under review, Mr. Rajesh Gupta, Independent Director of the Company, resigned from the Board due to personal reasons and accordingly, ceased to be the Director of the Company with effect from October 1, 2018.

The Board places on record its appreciation for the valuable services rendered by Mr. Gupta during his tenure as the Director of the Company.

During the year under review, pursuant to the provisions of the Sections 152 and 161 of the Act, read with relevant provision in the Articles of Association, Ms. Malini Thadani was appointed as an Additional Director by the Board of Directors of the Company with effect from December 21, 2018. She holds office as a Director up to the date of the ensuing Annual General Meeting ("AGM").

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

Name of Director	Designation
Mr. Shailesh Haribhakti	Non-Executive Director & Chairperson
Mr. V. Natarajan	Independent Director
Mr. Hemant Joshi	Independent Director
Ms. Malini Thadani ⁽¹⁾	Independent Director

Note:

⁽¹⁾ Appointed as a Director with effect from December 21, 2018

Mr. V. Natarajan, Mr. Hemant Joshi and Ms. Malini Thadani 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, of which one-third are liable to retire by rotation. Accordingly, Mr. Hemant Joshi, Director of the Company will retire by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment.

STATUTORY AUDITORS

The Board of Directors of the Company at its meeting held on April 25, 2019 had appointed M/s. Deloitte Haskins and Sells LLP ("Deloitte"), Chartered Accountants (ICAI Registration No. 117366W/W-100018) as the Statutory Auditors of the Company to fill the casual vacancy caused due to resignation of M/s Price Waterhouse, Chartered Accountants, who shall hold office till the conclusion of the Twenty Third AGM. Further, the Board has approved the proposal to appoint Deloitte as Statutory Auditors of the Company from the conclusion of Twenty Third AGM till the conclusion of the Twenty Eighth AGM, subject to approval of Members.

The appointment of Deloitte, will be put forth before the Members at the ensuing AGM for their approval.

Deloitte has confirmed that their appointment, if made, will comply with the eligibility criteria in terms of the provisions of Section 141(3) of the Act. Further, Deloitte has confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India ("ICAI") and hold valid certificate issued by the Peer Review Board of the ICAI.

AUDITORS' REPORT

The Auditors' Report to the Members for FY 2018-19 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 period under review, there are no foreign exchange earnings or outgo.

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

The Directors, based on the representations received from the operational management, confirm in pursuance to provisions of Section 134(5) of the Act, that:

- 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, 2019 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 26, 2018, June 26, 2018, July 18, 2018, October 22, 2018, December 13, 2018, January 18, 2019 and March 19, 2019.

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	Board Meetings held/ conducted during the tenure of Directors/year	No. of Board Meetings attended
Mr. Shailesh Haribhakti	00007347	C – NED	7	6
Mr. V. Natarajan	00049409	ID	7	7
Mr. Hemant Joshi	01519739	ID	7	7
Ms. Malini Thadani ⁽¹⁾	01516555	ID	2	2
Mr. Rajesh Gupta ⁽²⁾	00229040	ID	3	3

Notes:

⁽¹⁾ Appointed as a Director on the Board of the Company with effect from December 21, 2018. Appointment as an Independent Director as per SEBI MF Regulations

⁽²⁾ Ceased to be a Director with effect from October 1, 2018

C - Chairperson ID - Independent Director NED - Non-Executive Director

AUDIT COMMITTEE (“AC”)

Terms of reference:

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

The Board has duly accepted the recommendations made by the AC from time to time.

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 4 (four) times during the year on April 26, 2018, July 18, 2018, October 22, 2018 and January 18, 2019 and all the Members had attended all the said meetings.

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

Details of loans, guarantees and investments are given in the notes to the Financial Statements, as applicable.

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 and which are not in the ordinary course of business would be approved by the Board.

b) Shareholders

All material RPTs requires prior approval of the shareholders, based on recommendation of the Board, through 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 has 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.

- All RPTs that were entered into during FY 2018-19 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.

ANNUAL RETURN AS PRESCRIBED UNDER THE ACT AND RULES MADE THEREUNDER

The extract of Annual Return in Form 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.

The Annual Return in Form MGT-7 as required under Section 92(3) of the Act shall be hosted on the website of the Company viz. <https://www.ltfs.com>.

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 25, 2019

ANNUAL REPORT 2018-19 - ANNEXURE A TO BOARD'S REPORT

FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

as on financial year ended on March 31, 2019

[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 6212 5553 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 Toll free: 1800 102 7796

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, Maharashtra, India	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, 2018)				No. of Shares held at the end of the year (As on March 31, 2019)				% 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. or State govt.	-	-	-	-	-	-	-	-	-
c) 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, 2018)				No. of Shares held at the end of the year (As on March 31, 2019)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) 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 ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individuals 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)	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, 2018)			Shareholding at the end of the year (As on March 31, 2019)			% 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, 2018)		Cumulative shareholding during the year (April 1, 2018 to March 31, 2019)	
			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, 2018	1,50,000*	100	-	-
	At the end of the year	March 31, 2019	-	-	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, 2018)		Cumulative shareholding during the year (April 1, 2018 to March 31, 2019)	
		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, 2018)		Cumulative shareholding during the year (April 1, 2018 to March 31, 2019)	
			No. of Shares	% of total Shares of the Company	No of Shares	% of total Shares of the Company
	At the beginning of the year	-	-	-	-	
	At the end of the year	-	-	-	-	

V. INDEBTEDNESS

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

(₹ in Lakh)

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	Mr. V Natarajan	Mr. Hemant Joshi	Ms. Malini Thadani ⁽¹⁾	Mr. Rajesh Gupta ⁽²⁾	
(a) Fee for attending Board and Committee meetings	4,00,000	4,40,000	4,40,000	80,000	1,20,000	14,80,000
(b) Commission	-	-	-	-	-	-
(c) Others, please specify	-	-	-	-	-	-
Total (B)	4,00,000	4,40,000	4,40,000	80,000	1,20,000	14,80,000
Total Managerial Remuneration (A+B)	-	-	-	-	-	14,80,000
Overall Ceiling as per the Act	Not applicable					

⁽¹⁾ Appointed as the Director with effect from December 21, 2018.

⁽²⁾ Ceased to be the Director with effect from October 1, 2018.

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 25, 2019

Independent Auditors' Report

To the Members of L&T Mutual Fund Trustee Limited

Report on the audit of the financial statements

Opinion

1. We have audited the accompanying financial statements of L&T Mutual Fund Trustee Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

3. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw your attention to Note 25 to the financial statements that describes the preparation of financial statements for the years ended March 31, 2017 and March 31, 2018 in accordance with

Companies (Accounting Standards) Rules 2006. The Company, pursuant to the requirement set out in notification G.S.R. 111(E) dated February 16, 2015 issued by Ministry of Corporate Affairs was however required to prepare said financial statements in accordance with Companies (Indian Accounting Standards) Rules 2015 (as amended) as required by section 129 of the Act. Consequently, the financial statements filed with the Registrar of Companies under section 137 were a special purpose financial statements prepared in accordance with Indian Accounting Standards (IND AS) notified under Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Act and not the statutory financial statements of the Company. The Company is in the process of taking necessary steps in this regard pending which, the impact if any, on the financial statements is presently unascertainable. Our opinion is not modified in respect of this matter.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report, 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 have 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.

Responsibilities of management and those charged with governance for the financial statements

6. 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 This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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.

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

Auditor's responsibilities for the audit of the financial statements

8. 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.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain

professional scepticism 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements 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.

10. 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.
11. 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

12. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
13. 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 including other comprehensive income, the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

- (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 A".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company has long-term contracts as at March 31, 2019 for which there were no material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2019.
 - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2019.

For **Price Waterhouse**
Firm Registration Number: 301112E
Chartered Accountants

Alpa Kedia
Partner
Membership Number: 100681

Place: Mumbai
Date: April 25, 2019

Annexure A to Independent Auditors' Report

Referred to in paragraph 13(f) of the Independent Auditors' Report of even date to the members of L&T Mutual Fund Trustee Limited on the financial statements for the year ended March 31, 2019

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of L&T Mutual Fund Trustee Limited ("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

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls 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 deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and

plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls 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.
5. 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls 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 controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised

acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls 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 with reference to financial statements to future periods are subject to the risk that the internal financial control controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls

system with reference to financial statements and such internal financial controls with reference to financial statements 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 **Price Waterhouse**

Firm Registration Number: 301112E

Chartered Accountants

Alpa Kedia

Partner

Membership Number: 100681

Place: Mumbai

Date: April 25, 2019

Annexure B to Independent Auditors' Report

Referred to in paragraph 12 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, 2019

- i. The Company does not hold any fixed assets during the year ended March 31, 2019. Therefore, the provisions of Clause 3(i) of the said 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 and goods and service tax 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, goods and service tax 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 Number: 301112E
Chartered Accountants

Alpa Kedia
Partner
Membership Number: 100681

Place: Mumbai
Date: April 25, 2019

Balance Sheet as at March 31, 2019

₹ in lakhs

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
A ASSETS			
1 Non-current assets			
(a) Deferred tax assets (net)	5	-	2.14
(b) Other non-current assets	6	9.88	7.46
(c) Income tax receivable (net)	2	18.62	18.12
Total Non - Current Assets		28.50	27.72
2 Current assets			
(a) Financial Assets			
(i) Investments	3	111.47	125.29
(ii) Trade receivables	4	1.35	1.35
(iii) Cash and cash equivalents	7	7.14	3.76
(b) Other current assets	6	0.90	0.90
Total Current Assets		120.86	131.30
Total Assets		149.36	159.02
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	8	15.00	15.00
(b) Other equity	9		
(i) Reserves and surplus		127.93	137.88
Total equity		142.93	152.88
2 Current liabilities			
(a) Financial Liabilities			
(i) Trade payables	10		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		6.04	5.08
(b) Other current liabilities	11	0.39	1.06
Total Current Liabilities		6.43	6.14
Total Equity and Liabilities		149.36	159.02
Significant Accounting Policies	1	-	-
The accompanying notes are integral part of the financial statements.			

In terms of our report attached

For Price Waterhouse

Firm Registration No. : 301112E

Chartered Accountants

**For and on behalf of the Board of Directors
of L&T Mutual Fund Trustee Limited**

Alpa Kedia

Partner

Membership No. : 100681

Place : Mumbai

Date : April 25, 2019

Shailesh Haribhakti

Chairperson

(DIN - 00007347)

Place : Mumbai

Date : April 25, 2019

Statement of Profit and Loss for the year ended March 31, 2019

₹ in lakhs

Particulars	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
I INCOME			
(a) Revenue from operations	12	5.00	5.00
(b) Other income	13	10.67	8.82
Total income (a + b)		15.67	13.82
II EXPENSES			
(a) Other expenses	14	23.48	21.33
Total expenses		23.48	21.33
III Loss before tax (I - II)		(7.81)	(7.51)
IV Tax Expense			
(1) Current tax		-	-
(2) Deferred tax	15	2.14	(1.28)
Total tax expense (IV)		2.14	(1.28)
V Loss for the year (III-IV)		(9.95)	(6.23)
VI Other comprehensive income for the year (net of tax)		-	-
VII Total comprehensive loss for the year		(9.95)	(6.23)
VIII Loss per equity share:	22		
(1) Basic		(6.63)	(4.15)
(2) Diluted		(6.63)	(4.15)
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 No. : 301112E
Chartered Accountants

Alpa Kedia

Partner
Membership No. : 100681

Place : Mumbai
Date : April 25, 2019

**For and on behalf of the Board of Directors
of L&T Mutual Fund Trustee Limited**

Shailesh Haribhakti

Chairperson
(DIN - 00007347)

Place : Mumbai
Date : April 25, 2019

Cash Flow Statement for the year ended March 31, 2019

₹ in lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Cash flow from operating activities		
Loss before tax	(7.81)	(7.51)
Adjustments for:		
Profit on sale of current investments (net)	(6.09)	(8.59)
Changes in the fair value of financial assets at fair value through profit and loss	(2.38)	(0.23)
	<u>(8.47)</u>	<u>(8.82)</u>
Operating loss before working capital changes	(16.28)	(16.33)
Adjustment for (increase) / decrease in operating assets		
Trade receivables	-	(0.04)
Non current assets	(2.42)	(2.67)
Other current assets	-	(0.20)
Adjustment for increase / (decrease) in operating liabilities		
Trade payables	0.96	0.69
Other current liabilities	(0.67)	1.00
Changes in working capital	(2.13)	(1.22)
Cash used in operations	(18.41)	(17.55)
Net taxes paid	(0.50)	(0.50)
Net cash used in operating activities (A)	(18.91)	(18.05)
Cash flows from investing activities		
Purchase of current investments	(15,188.05)	(1,605.50)
Proceeds on sale of current investments	15,210.34	1,622.09
Net cash from investing activities (B)	22.29	16.59
Net cash generated from financing activities (C)	-	-
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	3.38	(1.46)
Cash and cash equivalents as at the beginning	3.76	5.22
Cash and cash equivalents as at the end	7.14	3.76
The accompanying notes are integral part of the financial statements.		

In terms of our report attached

For Price Waterhouse

Firm Registration No. : 301112E
Chartered Accountants

Alpa Kedia

Partner
Membership No. : 100681

Place : Mumbai
Date : April 25, 2019

**For and on behalf of the Board of Directors
of L&T Mutual Fund Trustee Limited**

Shailesh Haribhakti

Chairperson
(DIN - 00007347)

Place : Mumbai
Date : April 25, 2019

Statement of change in equity for the year ended March 31, 2019

a. Equity share capital

₹ in lakhs

Balance as at April 1, 2018	Change during year	Balance as at March 31, 2019
15.00	-	15.00

Balance as at April 1, 2017	Change during year	Balance as at March 31, 2018
15.00	-	15.00

b. Other equity

₹ in lakhs

Particulars	Reserves and surplus		Total
	Capital Reserve	Accumulated Deficit	
Balance as at April 1, 2018	157.76	(19.88)	137.88
Loss for the year	-	(9.95)	(9.95)
Balance as on March 31, 2019	157.76	(29.83)	127.93
Balance as at April 1, 2017	157.76	(13.65)	144.11
Loss for the year	-	(6.23)	(6.23)
Balance as on March 31, 2018	157.76	(19.88)	137.88

The accompanying notes are integral part of the financial statements.

In terms of our report attached

For Price Waterhouse

Firm Registration No. : 301112E
Chartered Accountants

For and on behalf of the Board of Directors of L&T Mutual Fund Trustee Limited

Alpa Kedia

Partner
Membership No. : 100681

Place : Mumbai
Date : April 25, 2019

Shailesh Haribhakti

Chairperson
(DIN - 00007347)

Place : Mumbai
Date : April 25, 2019

Notes forming part of Financial Statements - March 31, 2019

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, 2019 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 25, 2019.

1 Summary of Significant Accounting Policies:

(a) Statement of compliance:

These 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 with effect from April 1, 2016. (Refer note - 25)

(b) Basis of preparation and presentation:

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

(c) Presentation of financial statements:

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.

(d) Revenue Recognition

The Company is in the business of providing trusteeship services. Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. Trusteeship fees is recognised in the statement of profit and loss over the period of service, net of service tax / GST.

(e) 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.

(f) Financial instruments

Financial instruments are recognised when the company becomes party to a contract. At initial recognition, the Company measures a financial asset at its fair value plus the transaction costs that are directly attributable to the acquisition of the financial asset. In case of financial assets carried at fair value through profit or loss, transaction costs are expensed in Statement of profit and loss as incurred.

Financial assets

All recognised financial assets are subsequently measured in their entirety at amortised cost or at fair value depending on the classification of the financial assets as follows:

- a) The Company classifies its financial assets as at amortised cost only if both of the following criteria are met:
 - The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
 - The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company currently classifies cash and cash equivalents, trade receivables and other financial assets that meet the above definition are classified at amortised cost.
- b) Debt instruments that meet the following conditions shall be subsequently measured at fair value through other comprehensive income (FVOCI):
 - The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
 - The contractual terms of instrument give rise on specified dates to cash

Notes forming part of Financial Statements - March 31, 2019

flows that are solely payments of principal and interest on the principal amount outstanding.

- c) Assets that do not meet the above criteria for amortised cost or FVOCI are measured at fair value through profit or loss (FVTPL). Investments in equity instruments are classified as at FVTPL, unless the related instruments are not held for trading and the Company irrevocably elects on initial recognition to present subsequent changes in fair value in Other Comprehensive Income.

For financial assets that are measured at FVOCI, income by way of interest is recognised in profit or loss and changes in fair value (other than on account of such income) are recognised in Other Comprehensive Income and accumulated in other equity. On disposal of debt instruments measured at FVOCI, the cumulative gain or loss previously accumulated in other equity is reclassified to profit or loss. In case of equity instruments measured at FVOCI, such cumulative gain or loss is not reclassified to profit or loss on disposal of investments.

A financial asset is primarily derecognised when:

1. the right to receive cash flows from the asset has expired, or
2. the company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and (a) the company has transferred substantially all the risks and rewards of the asset, or b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of derecognition and the consideration received is recognised in profit or loss.

Impairment of financial assets: The company recognises impairment loss on trade receivables

using expected credit loss model, which involves use of a provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109 - Impairment loss on investments.

Financial liabilities

- A. The Company measures all the financial liabilities including trade payables as measured at amortised cost using Effective Interest Rate (EIR) method.
- B. A financial liability is derecognised when the related obligation expires or is discharged or cancelled.

(g) Taxation

Current Tax

The income tax expense or credit for the period is the tax payable on the current periods taxable income based on the applicable income tax rate adjusted by changes in deferred tax asset and liabilities attributable to temporary differences and to unused tax losses.

Current tax on income for the current period is determined on the basis of taxable income (or on the basis of book profits wherever minimum alternate tax is applicable) and tax credits computed in accordance with the provisions of the Income Tax Act 1961, and based on the expected outcome of assessments/appeals. This is assessed periodically by the management.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Notes forming part of Financial Statements - March 31, 2019

Deferred tax assets relating to unabsorbed depreciation/business losses/losses under the head "capital gains" are recognised and carried forward to the extent of available taxable temporary differences or where there is convincing other evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets in respect of unutilised tax credits which mainly relate to minimum alternate tax are recognised to the extent it is probable of such unutilised tax credits will get realised.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intend either to settle on net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or direct in equity, respectively.

(h) Provisions, Contingent Liabilities & Contingent Assets

Provisions are recognised only when:

- (i) an entity has a present obligation (legal or constructive) as a result of a past event; and
- (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- (iii) a reliable estimate can be made of the amount of the obligation.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of:

- (i) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- (ii) a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are disclosed where an inflow of economic benefits is probable. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

(i) Earning Per Share

The Company presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

(j) Cash and cash equivalents

For the purposes of presentation in the statement of cash flow, cash and cash equivalents comprise cash on hand and balance with banks.

(k) Cash flow statement

Statement of cash flows is prepared segregating the cash flows into operating, investing and financing activities. cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- i) changes during the period in operating receivables and payables transactions of a non-cash nature;
- ii) non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and
- iii) all other items for which the cash effects are investing or financing cash flows.

Notes forming part of Financial Statements - March 31, 2019

(l) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Refer note 20 for segment information.

(m) Fair value Measurement

The Company measures financial instruments such as investments in mutual funds at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy (refer note 16).

(n) Critical Estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires that 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 estimates and underlying assumptions are reviewed on an ongoing basis. 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) Recognition of deferred tax assets for carried forward tax losses :- The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts. Where the temporary differences are related to losses, relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits.

2 Income tax receivable (net)

₹ in lakhs

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Advance Income Tax	18.62	18.12
Total	18.62	18.12

3 Investments

₹ in lakhs

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Investments carried at fair value through Profit & Loss		
Mutual Fund - Liquid Funds	111.47	125.29
L&T Liquid Fund (G) Direct 4349.797 units (PY 5258.118 units) NAV as on March 31, 2019 :2562.6272 (NAV as on March 31, 2018: 2382.8749)		
Total	111.47	125.29

Notes forming part of Financial Statements - March 31, 2019

4 Trade receivables		₹ in lakhs	
Particulars	As at March 31, 2019	As at March 31, 2018	
Trade receivables - Secured, considered good	-	-	
Trade receivables - Unsecured, considered good	1.35	1.35	
Trade receivables which have significant increase in credit risk	-	-	
Trade receivables - Credit impaired	-	-	
Total	1.35	1.35	

5 Deferred tax assets (Net)		₹ in lakhs	
Particulars	As at March 31, 2019	As at March 31, 2018	
Deferred tax assets		-	
Provision for Expenses	0.35	0.37	
MAT Credit Entitlement	0.27	0.88	
Others	-	0.97	
Deferred tax Liabilities			
Gain on FVTPL of investments made in mutual fund	(0.62)	(0.08)	
Total	-	2.14	

6 Other assets		₹ in lakhs	
Particulars	As at March 31, 2019	As at March 31, 2018	
Non Current Assets			
Unsecured, considered good (unless otherwise stated)			
Statutory dues recoverable	9.88	7.46	
Total	9.88	7.46	
Current assets			
Unsecured, considered good (unless otherwise stated)			
Statutory Dues Recoverable	0.90	0.90	
Total	0.90	0.90	

7 Cash and cash equivalents			
Particulars	As at March 31, 2019	As at March 31, 2018	
Bank balances in current accounts	7.14	3.76	
Total	7.14	3.76	

Notes forming part of Financial Statements - March 31, 2019

8 Equity Share Capital

The Company has issued Equity share capital, the details in respect of which are given below

(a) Share capital authorised, issued, subscribed and paid up:

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Authorised				
Equity shares of ₹ 10 each	2,50,000	25.00	2,50,000	25.00
	2,50,000	25.00	2,50,000	25.00
Issued, subscribed and paid up				
Equity shares of ₹ 10 each	1,50,000	15.00	1,50,000	15.00
	1,50,000	15.00	1,50,000	15.00

(b) Reconciliation of the number of equity shares and share capital:

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Issued, subscribed and fully paid up equity share outstanding at the beginning of the year	1,50,000	15.00	1,50,000	15.00
Add: Shares issued during the year	-	-	-	-
Issued, subscribed and fully paid up equity shares outstanding at the end of the year	1,50,000	15.00	1,50,000	15.00

(c) Shares held by holding company (L&T Finance holdings Limited)

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares	Amount	No. of Shares	Amount
Equity shares of ₹ 10 each	1,50,000	15.00	1,50,000	15.00
	1,50,000	15.00	1,50,000	15.00

(d) Details of shareholders holding more than five percent equity shares in the Company as at the reporting date are as under:

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of Shares held	% of holding	No. of Shares held	% of holding
L&T Finance Holdings Limited	1,50,000	100%	1,50,000	100%
	1,50,000	100%	1,50,000	100%

Notes forming part of Financial Statements - March 31, 2019

9 Other Equity

Reserves and Surplus

₹ in lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Capital Reserve	157.76	157.76
Retained Earnings	(29.83)	(19.88)
Total	127.93	137.88

9.1 Capital Reserve

₹ in lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Balance at beginning of the year	157.76	157.76
Addition during the year	-	-
Balance at end of year	157.76	157.76

Capital reserve comprises of capital receipt received as compensation in the earlier years with respect to erstwhile merger. The said capital reserve is not available for distribution as dividend.

9.2 Accumulated deficit

₹ in lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Balance at beginning of the year	(19.88)	(13.65)
Addition during the year	(9.95)	(6.23)
Balance at end of year	(29.83)	(19.88)

Accumulated deficit represents the Company's Cumulative losses

10 Trade Payables

₹ in lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Trade Payables	6.04	5.08
Total	6.04	5.08

11 Other Current Liabilities

₹ in lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Statutory Dues payable (including withholding taxes)	0.39	1.02
Unclaimed Liability	-	0.04
Total	0.39	1.06

Notes forming part of Financial Statements - March 31, 2019

12 Revenue From Operations

₹ in lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue from contracts with customers		
Trusteeship Fees	5.00	5.00
Total	5.00	5.00

13 Other Income

₹ in lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Realised Profit on Sale of Investments	6.09	8.59
Unrealised Gain on Fair value of Investments	2.38	0.23
Provisions for earlier years no longer required written back	2.20	-
Total	10.67	8.82

14 Other expenses

₹ in lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Travelling and Conveyance	1.96	0.69
Directors Fees	14.40	13.60
Bank Charges	0.01	0.02
Professional Fees	3.27	1.70
Audit Fees		
Audit Fees	1.50	2.50
Limited review fees	1.50	2.50
Reimbursement of expenses	0.07	0.12
Others Expenses	0.07	0.13
Filing fees	0.70	0.07
Total	23.48	21.33

15 Tax Expenses

₹ in lakhs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current tax expense	-	-
Deferred tax expense/(credit)	2.14	(1.28)
Income tax expense reported in the statement of profit or loss	2.14	(1.28)

Notes forming part of Financial Statements - March 31, 2019

16 Fair value measurements

₹ in lakhs

Financial instruments by category

Particulars	March 31, 2019		March 31, 2018	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Investments				
- Mutual funds	111.47	-	125.29	-
Trade receivables	-	1.35	-	1.35
Cash and cash equivalents	-	7.14	-	3.76
Total financial assets	111.47	8.49	125.29	5.11
Financial liabilities				
Trade payables	-	6.04	-	5.08
Total financial liabilities	-	6.04	-	5.08

FVTPL : Fair value through profit and loss account

Items of Income, expense, gains or losses

Particulars	March 31, 2019		March 31, 2018	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Net gain/ (losses) on financial assets and financial liabilities				
Gain/ (loss) on fair valuation of mutual fund units	2.38	-	0.23	-

(i) Fair value hierarchy

This section explains the judgements and estimates 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 the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

₹ in lakhs

Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3
As at March 31, 2019			
Financial assets			
Financial Investments at FVTPL			
Mutual funds	111.47	-	-
Financial assets and liabilities measured at fair value - recurring fair value measurements			
As at March 31, 2018			
Financial assets			
Financial Investments at FVTPL			
Mutual funds	125.29	-	-

Notes forming part of Financial Statements - March 31, 2019

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. There are no transfers between levels 1 and 2 during the year.

(ii) Valuation processes:

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 their short-term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are approximately equal to the fair values.

17 Financial risk management

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

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk in the financial statements

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, Trade receivables, Other financial assets measured at amortised cost	Aging analysis	Diversification of bank deposits and credit limits
Liquidity risk	Trade payables and Other current liabilities	Rolling cash flow forecasts	Working Capital Management
Market Risk – security prices	Investments in units of mutual funds	Sensitivity analysis	Portfolio diversification

(A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities including deposits with banks. On account of Ind AS 109, the Company uses simplified approach for recognition of impairment loss allowance under the expected credit loss model.

Trade receivable

The Company renders services to related entities only and as such credit risk of trade receivable is not expected to be significant considering the credit worthiness of the related entities. The Company closely monitors the ageing of its trade receivables to ensure the non-receipt of payment is escalated and recovered. The Company uses a provision matrix to compute impairment loss allowance for trade receivable.

Deposits with banks

The Company performs a qualitative assessment of credit risk on its cash and cash equivalents. The Company maintains its current deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis.

Notes forming part of Financial Statements - March 31, 2019

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities as and when they are due. The Company aims to maintain an adequate level of its cash and cash equivalent at an amount in excess of expected cash outflows, arising from operations. Currently, the Company's financial liabilities only include trade payables which are payable within a period of 12 months.

(C) Market Risk

The Company's exposure to investment in mutual funds held as FVTPL exposes it to price risk. To manage this risk, the Company diversifies its portfolio. The Company's total exposure in investments in mutual fund carried at FVTPL is ₹ 111.47 Lakhs (Previous Year: ₹ 125.29 Lakhs).

Financial instruments by category	FY 18-19	FY 17-18
	Impact on profit or (loss)	Impact on profit or (loss)
Investment in mutual fund (impact of increase and decrease)		
Liquid mutual funds-NAV increased by 1%	1.11	1.25
Liquid mutual funds-NAV decreased by 1%	-1.11	-1.25

18 Capital management

The Company's 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.

19 Contingent liabilities and Capital commitments

The Company does not have any contingent liabilities / capital commitments as at March 31, 2019 (Previous Year: Nil)

20 Segment Reporting

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.

The company operates in only one segment viz 'providing trusteeship services' to L&T Mutual fund. Further all activities are carried out within India. As such, there are no separate reportable segments as per Ind AS 108 'Operating Segments'. There exists concentration risk as 100 percentage of revenue (Trusteeship Fees) is from one single customer i.e. L&T Mutual Fund.

21 Micro and Small Enterprises

There are no dues to micro and small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 which are outstanding as at the Balance Sheet date. This information has been determined on the basis of information available with the Company.

22 Loss Per Share:

EPS is computed by dividing the net profit after tax by the weighted average number of equity shares.

Notes forming part of Financial Statements - March 31, 2019

Particulars	Unit	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit available to equity shareholders (A)			
Loss after tax	₹	(9.95)	(6.23)
Weighted average number of equity shares			
Number of shares at the beginning of the year	No.	150,000	150,000
Shares issued during the year	No.	-	-
Total number of equity shares outstanding at the end of the year	No.	150,000	150,000
Weighted average number of equity shares (B)	No.	150,000	150,000
Nominal value of equity shares	₹	10/-	10/-
Basic and Diluted earnings per share [(A)/(B)]	₹	(6.63)	(4.15)

23 Related party disclosures

(A) Related parties with whom a controlling relationship exists and/or with whom transactions have taken place:

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

* No Transaction during the year

(B) Key Management Personnel

Mr. S. V. Haribhakti - Chairperson
 Mr. V Natarajan - Director
 Mr. Hemant Joshi - Director
 Ms. Malini Thadani - Director

Sitting fees paid to the directors has been disclosed as 'Director fees' under other expenses in Note 14. There is no other benefit paid to the directors.

(C) Details of Transactions with Related Parties

Particulars	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2019	Year ended March 31, 2018	Year ended March 31, 2019	Year ended March 31, 2018
	L&T Mutual Fund	L&T Mutual Fund	L&T Finance Holdings Ltd.	L&T Finance Holdings Ltd.	Larsen & Toubro Limited	Larsen & Toubro Limited
Nature of Transaction	(INR Lakhs)	(INR Lakhs)	(INR Lakhs)	(INR Lakhs)	(INR Lakhs)	(INR Lakhs)
Trusteeship Fees	5.00	5.00	-	-	-	-
Investment purchased	15,188.05	1,605.50	-	-	-	-
Investment redeemed	15,210.34	1,622.09	-	-	-	-
Deposit received (for Director nomination)	-	-	-	1.00	-	-
Deposit repaid (for Director nomination)	-	-	-	1.00	-	-
Filing Fees	-	-	-	-	0.7	-
Trade Receivable	1.35	1.35	-	-	-	-

Notes forming part of Financial Statements - March 31, 2019

24 Income Taxes

- (a) Reconciliation of Income tax expense and accounting profit multiplied by domestic tax rate applicable in India:

Particulars		For the year ended	For the year ended
		March 31, 2019	March 31, 2018
Loss before tax	(a)	(7.81)	(7.51)
Corporate tax rate as per Income tax Act, 1961	(b)	26.00%	30.90%
Tax on accounting loss	(c)=(a)*(b)	(2.03)	(2.32)
(i) Tax on expense not tax deductible/(taxable) :			
(A) Unrealised gain on fair value of investments		-	(0.06)
(B) Disallowance u/s 40(a)(ia)		-	0.37
(C) Expenses u/s 35DD		-	0.97
(ii) Opening deferred tax asset written off		0.61	-
(iii) Unrecognised temporary differences (losses on which no deferred tax asset is recognised)		2.03	2.32
(iv) Adjustment in respect to deferred tax of previous years		1.58	-
(v) Others		(0.06)	-
Total effect of tax adjustments	(d)	4.17	3.60
Less: Mat Credit Entitlement		-	-
Tax expense recognised during the year	(e)=(c)-(d)	2.14	1.28

- (b) Unused tax losses and unused tax credits for which no deferred tax asset is recognised in Balance sheet

Particulars	As at March 31, 2019		As at March 31, 2018	
	₹ lakh	Expiry year	₹ lakh	Expiry year
Tax losses (Business loss and unabsorbed depreciation)				
Business losses on which no DTA is created	38.50	AY2020-27	24.51	AY2019-26
Total	38.50		24.51	

- (c) Major components of Deferred Tax Liabilities and Deferred Tax Assets:

Particulars	Deferred tax liabilities/ (assets) as at April 01, 2018	Charge/(credit) to Statement of Profit and Loss	Deferred tax liabilities/ (assets) as at March 31, 2019
Deferred tax liabilities:			
-Fair value of investments (routed through FVTPL)	0.08	0.54	0.62
Deferred tax liabilities	0.08	0.54	0.62
Offsetting of deferred tax liabilities with deferred tax (assets)	-	-	-
Net Deferred tax liabilities	(A) 0.08	0.54	0.62

Notes forming part of Financial Statements - March 31, 2019

Particulars	Deferred tax liabilities/ (assets) as at April 01, 2018	Charge/(credit) to Statement of Profit and Loss	Deferred tax liabilities/ (assets) as at March 31, 2019
Deferred tax (assets):			
-Unutilised MAT credit	(0.88)	0.61	(0.27)
-Other items giving rise to temporary differences	(1.34)	0.99	(0.35)
-Deferred Tax asset created to the extent of brought forward losses	-	-	-
Deferred tax (assets)	(2.22)	1.60	(0.62)
Offsetting of deferred tax (assets) with deferred tax liabilities	-	-	-
Net Deferred tax (assets) (B)	(2.22)	1.60	(0.62)
Net deferred tax liability/(assets) (A) + (B)	(2.14)	2.14	-
Particulars			
	Deferred tax liabilities/ (assets) as at April 01, 2017	Charge/(credit) to Statement of Profit and Loss	Deferred tax liabilities/ (assets) as at March 31, 2018
Deferred tax liabilities:			
-Fair value of investments (routed through FVTPL and FVTOCI)	0.02	0.06	0.08
Deferred tax liabilities	0.02	0.06	0.08
Offsetting of deferred tax liabilities with deferred tax (assets)	-	-	-
Net Deferred tax liabilities (A)	0.02	0.06	0.08
Deferred tax (assets):			
-Unutilised MAT credit	(0.88)		(0.88)
-Other items giving rise to temporary differences	-	(1.34)	(1.34)
Deferred tax (assets)	(0.88)	(1.34)	(2.22)
Offsetting of deferred tax (assets) with deferred tax liabilities	-	-	-
Net Deferred tax (assets) (B)	(0.88)	(1.34)	(2.22)
Net deferred tax liability/(assets) (A) + (B)	(0.86)	(1.28)	(2.14)

- 25** The Company is an indirect subsidiary of Larsen & Toubro Limited ('ultimate parent company') which adopted Ind AS from April 1, 2016 and accordingly prepared its first financial statements under Ind AS for the year ended March 31, 2017. Accordingly, the Company was required to prepare its general purpose financial statements for the year ended March 31, 2017 and March 31, 2018 under Ind AS.

The Company prepared its general purpose financial statements for the year ended March 31, 2018 and March 31, 2017 under Companies (Accounting Standard) Rules, 2006 (as amended) [previous GAAP or Indian GAAP]. Further, the Company also prepared special purpose financial statements for the year ended March 31, 2018 and March 31, 2017 under Ind AS in connection with preparation of consolidated financial statements of the ultimate parent company. These special purpose financial statements for the financial year 2018 and

Notes forming part of Financial Statements - March 31, 2019

2017 have been filed with the Registrar of Companies on June 29, 2018 and on April 2, 2018, respectively. This matter has subsequently been reported to the Registrar of Companies by the Company vide its letter dated April 25, 2019.

These general purpose financial statements for the year ended March 31, 2019 have been prepared under Ind AS and are in continuation to the special purpose financial statements prepared under Ind AS for the year ended March 31, 2018.

The accounting policies set out in Note 1 have been applied in preparing the financial statements for the year ended March 31, 2019 and the comparative information presented in these financial statements for the year ended March 31, 2018. The Company has provided below, the reconciliations between amounts reported previously in general purpose financial statements for the year ended March 31, 2018 prepared in accordance with the previous GAAP and comparative Ind AS amounts included in these financial statements.

i) Reconciliation of Other equity between previous GAAP and Ind AS:

	As at March 31, 2018	As at April 01, 2017
Other equity (reserves and surplus) as per previous GAAP	137.67	144.07
Adjustments:		
Fair valuation of investment in Mutual fund units	0.29	0.06
Tax Impact of Ind AS Adjustments	(0.08)	(0.02)
Total adjustments	0.21	0.04
Total equity as per Ind AS	137.88	144.11

ii) Reconciliation of profit as per Ind AS with profit reported under previous GAAP:

	Year ended March 31, 2018
Net profit after tax as per previous GAAP	(6.40)
Adjustments:	
Fair valuation of investment in mutual fund units	0.23
Tax impact on above items	(0.06)
Profit after tax as per Ind AS	0.17
Other Comprehensive Income:	-
Total comprehensive income as per Ind AS	(6.23)

iii) Impact of Ind AS adoption on the statements of cash flows for the year ended March 31, 2018

There is no change in the net cash flow from operating, investing or financing activities due to Ind AS adoption. Further, there is no change in the cash and cash equivalents for the purposes of statement of cash flows under previous GAAP and under Ind AS.

26 Transfer from IGAAP to IND AS:

i) Fair valuation of investments

Under the previous GAAP, investments in mutual fund units were classified as current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value.

Notes forming part of Financial Statements - March 31, 2019

Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in accumulated deficit as at the date of transition and subsequently in the statement of profit or loss. This increased the other equity by ₹ 0.21 Lakhs (net of tax) as at March 31, 2018 (April 1, 2017 - ₹.0.04 Lakhs) and profit for the year ended March 31, 2018 has been increased by ₹.0.17 Lakhs (net of tax) due to fair value gain.

ii) Deferred tax

Deferred tax have been recognised on the adjustments made on transition to Ind AS.

27 Previous year figures have been reclassified to conform to current year's classification.

In terms of our report attached

For Price Waterhouse

Firm Registration No. : 301112E
Chartered Accountants

Alpa Kedia

Partner
Membership No. : 100681

Place : Mumbai
Date : April 25, 2019

For and on behalf of the Board of Directors of L&T Mutual Fund Trustee Limited

Shailesh Haribhakti

Chairperson
(DIN - 00007347)

Place : Mumbai
Date : April 25, 2019