



1 Corporate Information

Birla Sun Life Trustee Company Private Limited ('the Company') is a private limited company, incorporated in India on 23 September 1994 under the provisions of the Companies Act, 1956. The principal object of the Company is to act as trustee for Birla Sun Life Mutual Fund ('the Fund') under a trust deed dated 16 December 1994, and for that purpose to set up, promote, settle and execute trusts and devise various schemes for raising funds in any manner from persons, body corporates, trust, society, association of persons in India and abroad and to deploy funds raised and earn reasonable returns on their investments and to acquire, hold, manage, dispose of all or any property or assets or securities.

2 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended 31 March 2016, the company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31 March 2017 are the first the company has prepared in accordance with Ind AS. Refer to note 25 for information on how the Company adopted Ind AS. The financial statements have been prepared on a historical cost basis, except for investments which have been measured at fair value.

2.1 Summary of significant accounting policies

a Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

b Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Investment has been recognised at fair value as per Ind AS 109.

c Revenue recognition

Trusteeship fee earned by the Company for discharging its obligations as trustee to the Fund is recognised on an accrual basis, in accordance with the terms of the Deed of Trust.

Purchase and sale of investments are recorded on the trade date. The profit/ loss on sale of investments are recognised in the statement of profit and loss on trade date, using weighted average cost method.

d Income taxes

Tax expense comprises current tax and deferred taxes. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India.

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal Income Tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the Guidance Note issued by the ICAI, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period. In the year of utilisation of MAT credit, not recognised earlier, the same is credited to statement of Profit & Loss for the year.



e Earnings per share

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

Diluted earnings per share is calculated by dividing net profit/ loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period, adjusted for the effects of all dilutive equity shares.

f Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

g Contingent liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

h Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

i Current versus Non-current classification

The company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

j Financial Instruments

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

Financial Assets

Initial Recognition and Measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial asset at amortised cost
- Financial asset at fair value through other comprehensive income (FVTOCI)
- Financial asset at fair value through profit or loss (FVTPL)



Financial asset at amortised cost

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

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial asset at FVTOCI

A financial asset is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows

Financial asset at FVTPL

FVTPL is a residual category. Any financial asset which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

The Company does not have any financial assets at amortised cost or FVTOCI. It has mutual fund units classified as financial assets at FVTPL.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- 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 either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.



Balance Sheet as at 31st March 2017

		(In Rupees)		
		As at 31-Mar-2017	As at 31-Mar-2016	As at 1-Apr-2015
		Ind AS	Ind AS	Ind AS
I	ASSETS			
(1)	Non-current assets			
	(a) Financial Assets			
	(i) Non Current Investments - Others	3A 579,783	540,185	498,937
	(ii) Long Term Loans and advances	4 5,000	5,000	5,000
	(b) Advance tax	10,150	-	1,700
		<u>594,933</u>	<u>545,185</u>	<u>505,637</u>
(2)	Current assets			
	(a) Financial Assets			
	(i) Current Investments	3B 5,454,526	5,601,696	4,839,227
	(ii) Cash and cash equivalents	6 948,736	99,615	83,635
	(b) Other Current Assets-non financial	5 27,014	18,503	37,538
		<u>6,430,276</u>	<u>5,719,814</u>	<u>4,960,400</u>
	Total assets	<u>7,025,209</u>	<u>6,264,999</u>	<u>5,466,037</u>
II	EQUITY AND LIABILITIES			
(1)	Equity			
	(a) Equity Share capital	7 200,000	200,000	200,000
	(b) Other Equity			
	(i) Retained Earnings	8 5,952,801	5,383,339	4,629,629
	(ii) Reserves			
	- Reserves representing unrealised gains/losses	-	-	-
	- Other Reserves	377,911	377,911	377,911
	Total equity	<u>6,530,712</u>	<u>5,961,250</u>	<u>5,207,540</u>
(2)	Non-current liabilities			
	(a) Deferred tax liabilities (net)	298,783	170,298	179,103
		<u>298,783</u>	<u>170,298</u>	<u>179,103</u>
(3)	Current liabilities			
	(a) Financial Liabilities	9 157,500	54,882	51,180
	(b) Other Current Liabilities-non financial	10 21,034	11,034	11,034
	(c) Short Term Provisions	11 17,180	17,180	17,180
	(d) Liabilities for Current Tax (Net)	-	50,355	-
		<u>195,714</u>	<u>133,451</u>	<u>79,394</u>
	Total liabilities	<u>494,497</u>	<u>303,749</u>	<u>258,497</u>
	Total Equity and Liabilities	<u>7,025,209</u>	<u>6,264,999</u>	<u>5,466,037</u>

Summary of significant accounting policies

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

As per our report of even date.

For S. R. Batliboi & Co. LLP
Firm Registration No. 301003E/E300005
Chartered Accountants

For and on behalf of the Board of Directors
Birla Sun Life Trustee Company Private Limited

per Jayesh Gandhi
Partner
Membership No. 37924

B N Puranmalka
Director

Prafull Anubhai
Director

Place: Mumbai
Date: 29th April 2017

Place: Mumbai
Date: 29th April 2017



Statement of Profit and Loss for the year ended 31st March 2017

		<u>In Rupees</u>	<u>In Rupees</u>
	<u>Note No</u>	<u>31-Mar-2017</u>	<u>31-Mar-2016</u>
Income			
Revenue from operations		500,000	500,000
Other Income	12	534,496	476,549
Total Revenue		<u>1,034,496</u>	<u>976,549</u>
Expenses			
Administrative and other expenses	13	245,399	107,793
Finance cost	14	-	2,997
Total Expenses		<u>245,399</u>	<u>110,790</u>
Profit before tax		<u>789,097</u>	<u>865,759</u>
Tax expenses			
- Current tax		90,850	137,330
- Deferred tax expenses		128,485	(8,806)
- Short Provision of Tax of earlier years		300	-
- MAT Credit Availed		-	(16,475)
Profit after tax		<u>569,462</u>	<u>753,710</u>
Earnings per equity shares (Nominal value of shares Rs. 10)	16		
(31 March 2016: Rs.10)			
Basic earnings per share		<u>28.47</u>	<u>37.69</u>

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

As per our report of even date.

For S. R. Batliboi & Co. LLP
Firm Registration No. 301003E/E300005
Chartered Accountants

For and on behalf of the Board of Directors
Birla Sun Life Trustee Company Private Limited

per Jayesh Gandhi
Partner
Membership No. 37924

B N Puranmalka
Director
Prafull Anubhai
Director

Place: Mumbai
Date: 29th April 2017

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Statement of Changes in Equity for the year ended 31st March 2017

a. Equity Share Capital

Equity shares of INR 10/- each issued, subscribed and fully paid	Number of Shares	In Rupees
At April 1, 2015	20,000	200,000
At March 31, 2016	20,000	200,000
At March 31, 2017	20,000	200,000

b. Other Equity

Particulars	Reserve and Surplus		Equity attributable to Shareholders of ABNL	Total Equity
	Retained Earnings	Capital Fund *		
Balance as of April 1, 2016	5,383,339	377,911	5,761,250	5,761,250
Profit for the year	569,462	-	569,462	569,462
Balance as at 31st March, 2017	5,952,801	377,911	6,330,712	6,330,712

Particulars	Reserve and Surplus		Equity attributable to Shareholders of ABNL	Total Equity
	Retained Earnings	Capital Fund *		
Balance as at 1st April, 2015	4,629,629	377,911	5,007,540	5,007,540
Profit for the year	753,710	-	753,710	753,710
Balance as at 31st March, 2016	5,383,339	377,911	5,761,250	5,761,250

* Capital fund comprises an amount received, on a non-repatriable basis from the Sponsor, as a contribution to the Birla Sun Life Mutual Fund ('the Fund') in accordance with the terms of the Trust Deed, together with accretion thereon. The amount is held by the Company in its fiduciary capacity as the trustee to the Fund and is intended to be utilised only for the purposes of settlement of claims, if any, from the unit holders of the mutual fund schemes launched by the Fund.



Cash Flow Statement for the year ended 31st March 2017

In Rupees

PARTICULARS	Year ended March 31, 2017	Year ended March 31, 2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit (Loss) before tax	789,097	865,759
Adjustments :		
Net Gain on sale of current investments	(222,122)	(245,005)
Net unrealised Gain on investments	(312,374)	(231,544)
Finance Cost	-	1,017
Operating Profit/(Loss) before working capital changes	254,601	390,227
Adjustment for :		
Increase/(Decrease) in Current liabilities	112,618	3,702
(Increase)/Decrease in Loans and advances	(8,511)	19,035
Cash from operating activities	358,708	412,964
Taxes Paid, net of refund received	(151,651)	(68,800)
NET CASH(USED IN)/ FROM OPERATING ACTIVITIES A	207,057	344,164
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Investments	-	(1,700,000)
Proceeds from sale of Investments	642,064	1,372,833
NET CASH(USED IN)/ FROM INVESTING ACTIVITIES B	642,064	(327,167)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Finance Cost	-	(1,017)
NET CASH (USED IN)/FROM FINANCING ACTIVITIES C	-	(1,017)
Net increase/(Decrease) in Cash and Cash equivalent (A+B+C)	849,121	15,980
Cash and Cash equivalent at beginning of the year	99,615	83,635
Cash and Cash equivalent at end of the year	948,736	99,615
Notes :		
1) Cash and Cash equivalent includes :		
Cash in hand	-	-
Balance with Banks	948,736	99,615
Total	948,736	99,615

As per our report of even date.

For S. R. Batliboi & Co. LLP
Firm Registration No. 301003E/E300005
Chartered Accountants

**For and on behalf of the Board of Directors of
Birla Sun Life Trustee Company Private Limited**

per Jayesh Gandhi
Partner
Membership No. 37924

B N Puranmalka
Director

Prafull Anubhai
Director

Place: Mumbai
Date: 29th April 2017

Place: Mumbai
Date: 29th April 2017



	<u>31-Mar-2017</u> In Rupees	<u>31-Mar-2016</u> In Rupees	<u>1-Apr-2015</u> In Rupees
NOTE: 3A			
NON CURRENT INVESTMENTS - OTHERS			
Un-quoted mutual fund units (Valued at cost unless stated otherwise)			
1,010.80 Units (31 March 2016 : 1,010.80 Units) of Birla Sun Life Cash Plus - Retail Plan (Growth Option)	427,317	398,219	367,892
583.47 Units (31 March 2016 : 583.47 Units) of Birla Sun Life Cash Plus - Direct Plan (Growth Option)	152,466	141,966	131,045
Total non current investments - Others	579,783	540,185	498,937
* The above investments are earmarked towards capital fund (Refer note 2)			
Aggregate Market value (at NAV) of above Investment as on 31st March 2017	579,783	540,185	498,937
NOTE: 3B			
CURRENT INVESTMENTS (NON-TRADE)			
Unquoted mutual fund units (Valued at cost or market value whichever is lower)			
2,906.33 Units (31 March 2016 : 3,717.28 Units) of Birla Sun Life Cash Plus - Direct Plan (Growth Option)	759,452	904,466	834,888
Nil Units (31 March 2016 : 1,460.73 Units) of Birla Sun Life Savings Fund - Retail Plan (Growth Option)	-	413,938	1,065,033
9,041.91 Units (31 March 2016 : 9,041.91 Units) of Birla Sun Life Savings Fund - Direct Plan (Growth Option)	2,894,413	2,656,674	2,437,892
8,560.59 Units (31 March 2016 : 8,560.59 Units) of Birla Sun Life Treasury Optimizer - Direct Plan (Growth Option)	1,800,661	1,626,618	501,414
Total current investments	5,454,526	5,601,696	4,839,227
Aggregate Market value (at NAV) of above Investment as on 31st March 2017	5,454,526	5,601,696	4,839,227



	<u>31-Mar-2017</u> In Rupees	<u>31-Mar-2016</u> In Rupees	<u>1-Apr-2015</u> In Rupees
NOTE: 4			
LONG-TERM LOANS AND ADVANCES			
Advance to Birla Sun Life Mutual Fund towards corpus of the Fund*	5,000	5,000	5,000
Total long-term loans and advances	5,000	5,000	5,000
* This amount is repayable by the Fund only at the closure of the Fund.			
NOTE: 5			
OTHER CURRENT ASSET NON FINANCIAL			
(Unsecured, considered good except otherwise stated)			
Service tax input credit	27,014	18,503	37,538
Total Other Current Asset Non Financial	27,014	18,503	37,538
NOTE: 6			
CASH AND CASH EQUIVALENTS			
Cash & Cash Equivalent			
Balances with Bank			
Current Account	948,736	99,615	83,635
Total cash and bank balance	948,736	99,615	83,635



	<u>No of shares</u>	<u>31-Mar-2017</u>	<u>31-Mar-2016</u>	<u>1-Apr-2015</u>
		In Rupees	In Rupees	In Rupees
NOTE: 7				
EQUITY SHARE CAPITAL				
Authorised shares				
1,000,000 (31 March 2016 : 1,000,000) equity shares of Rs. 10/- each	1,000,000	10,000,000	10,000,000	10,000,000
Total	1,000,000	10,000,000	10,000,000	10,000,000
Issued, subscribed and fully paid-up shares				
20,000 (31 March 2016 : 20,000) equity shares of Rs. 10/- each	20,000	200,000	200,000	200,000
Total Issued, subscribed and fully paid-up share capital	20,000	200,000	200,000	200,000

a Reconciliation of shares outstanding at the beginning and at the end of the year

Sr No.	Equity shares	31-Mar-2017		31-Mar-2016	
		Number of Shares	In Rupees	Number of Shares	In Rupees
1	At the beginning of the year	20,000	200,000	20,000	200,000
2	Issued during the year	-	-	-	-
	Outstanding at the end of the year	20,000	200,000	20,000	200,000

b Terms/rights attached to equity shares

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

The Company has not declared any dividend during the year.

In the event of liquidation of the Company the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c Details of shares held by holding company and shareholders holding more than 5 percent shares

	Name of shareholder	As at 31-Mar-17			As at 31-Mar-16		
		Number of Shares held	Value of Shares In Rupees	% of total paid-up equity share	Number of Shares held	Value of Shares In Rupees	% of total paid-up equity share capital
1	Aditya Birla Financial Services Limited, the holding company	10,170	101,700	50.85%	10,170	101,700	50.85%
2	Sun Life (India) AMC Investment Inc.	9,800	98,000	49.00%	9,800	98,000	49.00%


NOTE: 8 - OTHER EQUITY

Particulars	Reserve and Surplus		Equity attributable to Shareholders of ABNL	Total Equity
	Retained Earnings	Capital Fund *		
Balance as of April 1, 2016	5,383,339	377,911	5,761,250	5,761,250
Profit for the year	569,462	-	569,462	569,462
Balance as at 31st March, 2017	5,952,801	377,911	6,330,712	6,330,712

Particulars	Reserve and Surplus		Equity attributable to Shareholders of ABNL	Total Equity
	Retained Earnings	Capital Fund *		
Balance as at 1st April, 2015	4,629,629	377,911	5,007,540	5,007,540
Profit for the year	753,710	-	753,710	753,710
Balance as at 31st March, 2016	5,383,339	377,911	5,761,250	5,761,250

* Capital fund comprises an amount received, on a non-repatriable basis from the Sponsor, as a contribution to the Birla Sun Life Mutual Fund ('the Fund') in accordance with the terms of the Trust Deed, together with accretion thereon. The amount is held by the Company in its fiduciary capacity as the trustee to the Fund and is intended to be utilised only for the purposes of settlement of claims, if any, from the unit holders of the mutual fund schemes launched by the Fund.



	<u>31-Mar-2017</u> In Rupees	<u>31-Mar-2016</u> In Rupees	<u>1-Apr-2015</u> In Rupees
NOTE: 9			
CURRENT LIABILITIES - FINANCIAL			
Trade payables	157,500	54,882	51,180
Total Current Liabilities - Financial	<u>157,500</u>	<u>54,882</u>	<u>51,180</u>

Micro and Small Scale Business Entities :

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2017. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

NOTE: 10
OTHER CURRENT LIABILITIES - NON FINANCIAL

TDS payable	15,000	5,000	5,000
Others	6,034	6,034	6,034
Total Other Current Liabilities - Non Financial	<u>21,034</u>	<u>11,034</u>	<u>11,034</u>

NOTE: 11
SHORT-TERM PROVISIONS

Provision for profession tax	17,180	17,180	17,180
Total short term provision	<u>17,180</u>	<u>17,180</u>	<u>17,180</u>



	<u>31-Mar-2017</u> In Rupees	<u>31-Mar-2016</u> In Rupees
NOTE: 12		
OTHER INCOME		
Fair Value gain on financial Instruments at fair value through Profit or Loss	534,496	476,549
Total other income	<u>534,496</u>	<u>476,549</u>
NOTE: 13		
ADMINISTRATIVE AND OTHER EXPENSES		
Travelling and conveyance	516,601	605,502
Directors' sitting fees	2,650,000	2,700,000
Payment to auditors' (excluding service tax)		
As audit fees	100,000	50,000
For other Services	50,000	-
Professional charges	24,450	24,750
Provision for Profession Tax	2,500	2,500
Bank charges	114	568
Miscellaneous expenses	14,553	4,912
Less: Received/Receivable from Schemes of Birla Sun Life Mutual Fund	(3,112,819)	(3,280,439)
Total administrative and other expenses	<u>245,399</u>	<u>107,793</u>
NOTE : 14		
FINANCE COST		
Interest expenses on taxes	-	2,997
	<u>-</u>	<u>2,997</u>



Notes to financial statements for the year ended 31st March 2017

Note 15
Income Tax

The major components of income tax expense for the years ended 31 March 2017 and 31 March 2016 are:

Statement of profit and loss:

Profit or loss section

	<u>31 March 2017</u>	<u>31 March 2016</u>
	In Rupees	In Rupees
Current income tax:		
Current income tax charge	90,850	137,330
Adjustments in respect of current income tax of previous year	300	
Deferred tax:		
Relating to origination and reversal of temporary differences	128,485	(8,806)
Mat Credit Availed	-	(16,475)
Income tax expense reported in the statement of profit or loss	219,635	112,049

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2016 and 31 March 2017:

	<u>31 March 2017</u>	<u>31 March 2016</u>
	In Rupees	In Rupees
Accounting profit before income tax	789,097	865,759
At India's statutory income tax rate of 29.87% (31 March 2016: 30.9%)	235,703	267,520
Adjustments in respect of current income tax of previous years	300	-
Tax on Income subject to Capital gain tax	(66,348)	(75,707)
Long term capital gain tax	9,760	4,815
Short term capital gain tax	-	11,320
Tax on Profit on revaluation of Investments	(93,306)	(71,547)
Non-deductible expenses for tax purposes:	-	929
MAT Credit availed	-	(16,475)
Additional tax liability as per MAT Provision	5,041	-
Deferred Tax	128,485	(8,806)
At the effective income tax rate of 28% (31 March 2016: 13%)		
Income tax expense reported in the statement of profit and loss	219,635	112,049

Deferred tax:

Deferred tax relates to the following:

	<u>Balance Sheet</u>			<u>Profit & Loss</u>	
	<u>31 March 2017</u>	<u>31 March 2016</u>	<u>1 April 2015</u>	<u>31 March 2017</u>	<u>31 March 2016</u>
	In Rupees	In Rupees	In Rupees	In Rupees	In Rupees
Deferred tax Assets	-	-	-	-	-
Deferred tax Liabilities	-	-	-	-	-
Other items giving rise to temporary differences	298,783	170,298	179,103	128,485	8,806
Deferred tax expense/(income)				128,485	8,806
Net deferred tax assets/(liabilities)	298,783	170,298	179,103		

Reflected in the balance sheet as follows:

	<u>31 March 2017</u>	<u>31 March 2016</u>	<u>1 April 2015</u>
	In Rupees	In Rupees	In Rupees
Deferred tax assets	-	-	-
Deferred tax liabilities	298,783	170,298	179,103
Deferred tax Assets/(liabilities), net	298,783	170,298	179,103

Reconciliation of deferred tax Assets/ (liabilities) (net):

	<u>31 March 2017</u>	<u>31 March 2016</u>
	In Rupees	In Rupees
Opening balance as of 1 April	170,298	179,103
Tax (income)/expense during the period recognised in profit or loss	128,485	(8,806)
Closing balance as at 31 March	298,783	170,298



		<u>31-Mar-2017</u> In Rupees	<u>31-Mar-2016</u> In Rupees
NOTE: 16			
EARNING PER SHARE ('EPS')			
Earnings per Share (EPS) is calculated as under:			
Net Profit as per Statement of Profit and Loss		569,462	753,710
Net profit considered for EPS -	A	569,462	753,710
Weighted average number of Equity Shares for calculation of Basic EPS	B	20,000	20,000
Basic and diluted EPS	A/B	<u><u>28.47</u></u>	<u><u>37.69</u></u>
Nominal Value of Shares (Rs.)		10.00	10.00

The Company has not issued any potential equity shares and, accordingly, the basic EPS and diluted EPS are the same.



Notes to financial statements for the year ended 31st March 2017

Note 17**Related party disclosures****Name and relationship with the parties:-****Parties where control exists:**

Ultimate Holding Company : Aditya Birla Nuvo Limited

Holding Company : Aditya Birla Financial Services Limited

The Company has not entered into any related party transactions.

Note 18**Contingent liabilities and capital commitments are Nil (March 31, 2016 : Nil)****Note 19****Segmental Reporting**

Since the Company operates in single business and geographical segment (i.e. rendering of trusteeship services), no further disclosure is required to be given as per the notified Indian Accounting Standard - 108 'Operating Segments'.

Note 20

Disclosure on Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016, as required under MCA notification number GSR 308(E) dated 30th March, 2017 is as follows :-

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on	-	-	-
Add : Permitted receipts	-	-	-
Less : Permitted payments	-	-	-
Less : Amount deposited in Banks	-	-	-
Closing cash in hand as on	-	-	-

Note 21**Fair Values**

Set out below, is a comparison by class of the carrying amounts and fair value of the Companies financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

	Carrying value			Fair value		
	<u>31-Mar-2017</u> <u>In Rupees</u>	<u>31-Mar-2016</u> <u>In Rupees</u>	<u>1-Apr-2015</u> <u>In Rupees</u>	<u>31-Mar-2017</u> <u>In Rupees</u>	<u>31-Mar-2016</u> <u>In Rupees</u>	<u>1-Apr-2015</u> <u>In Rupees</u>
Financial assets						
Other financial assets						
FVTPL financial investments	6,034,309	6,141,881	5,338,164	6,034,309	6,141,881	5,338,164
Total	6,034,309	6,141,881	5,338,164	6,034,309	6,141,881	5,338,164



Notes to financial statements for the year ended 31st March 2017

Note 22

Fair Value Hierarchy

The Company measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Particulars	Level 1	Level 2	Level 3	Total
FVTPL Assets :				
- Equity	-	-	-	-
- Mutual Funds *	6,034,309	-	-	6,034,309
-Others	-	-	-	-
Total	6,034,309	-	-	6,034,309
Amortised Cost Assets :				
- Equity	-	-	-	-
- Mutual Funds	-	-	-	-
-Others	-	-	-	-
Total	-	-	-	-
Loans and advances to customers	-	-	-	-
Financial liabilities	157,500	-	-	157,500
Total	5,876,809	-	-	5,876,809

* Valuation as on 31st March 2017

**Note 23****Financial Risk Management Objectives And Policies**

The company's financial risk management is an integral part of how to plan and execute its business strategies. The company's financial risk management policy is set by the Managing Board of Risk management committee.

i Market Risk

The Company manages market risk through finance department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

(i) Interest Rate Risk

The Company's doesn't have any interest rate risk instruments.

(ii) Foreign Currency Risk

The Company does not have branch presence internationally. So the Company is not exposed to foreign exchange risk.

ii Credit Risk

Liquid investments are held primarily in own mutual funds.

(i) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations or at a reasonable price. The company's Finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Particulars	Less than 3 months	3 to 12 months	1 to 5 years	Total
Year ended 31 March, 2017	157,500	-	-	157,500
Year ended 31 March, 2016	54,882	-	-	54,882
As at 1st April, 2015	51,180	-	-	51,180

Note 24**Capital Risk Management**

For the purpose of the Company's capital management, capital includes issued equity capital and other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2017 and 31 March 2016.

Note 25**First-time adoption of Ind AS**

These financial statements, for the year ended 31 March 2017, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2016, the company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2017, together with the comparative period data as at and for the year ended 31 March 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2015, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2015 and the financial statements as at and for the year ended 31 March 2016.



Reconciliation of equity as at 1 April 2015

	Note	As at 1-Apr-2015 IGAAP	Adjustments	As at 1-Apr-2015 Ind AS
I				
(1)				
ASSETS				
Non-current assets				
(a) Financial Assets				
(i) Non Current Investments - Others	3A	357,268	141,669	498,937
(ii) Long Term Loans and advances	4	5,000	-	5,000
(b) Advance tax		1,700	-	1,700
		363,968	141,669	505,637
(2)				
Current assets				
(a) Financial Assets				
(i) Current Investments	3B	4,223,374	615,853	4,839,227
(ii) Cash and cash equivalents	6	83,635	-	83,635
(b) Other Current Assets-non financial	5	37,538	-	37,538
		4,344,547	615,853	4,960,400
Total assets		4,708,515	757,522	5,466,037
II				
(1)				
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	7	200,000	-	200,000
(b) Other Equity				
(i) Retained Earnings	8	4,051,210	578,419	4,629,629
(ii) Reserves				
- Reserves representing unrealised gains/losses		-	-	-
- Other Reserves		377,911	-	377,911
Total equity		4,629,121	578,419	5,207,540
(2)				
Non-current liabilities				
(a) Deferred tax liabilities (net)		-	179,103	179,103
		-	179,103	179,103
(3)				
Current liabilities				
(a) Financial Liabilities	9	51,180	-	51,180
(b) Other Current Liabilities-non financial	10	11,034	-	11,034
(c) Short Term Provisions	11	17,180	-	17,180
		79,394	-	79,394
Total liabilities		79,394	179,103	258,497
Total Equity and Liabilities		4,708,515	757,522	5,466,037

Footnotes to the reconciliation of equity as at 1st April, 2015

1. Investments

Under Indian GAAP, the company accounted for long term investments as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the company has designated such investments as FVTPL investments. Ind AS requires FVTPL investments to be measured at fair value. The investments in mutual funds are valued at fair value.

2. Deferred Tax Assets/(Liabilities)

Indian GAAP requires tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The fair valuation of investments has led to creation of deferred tax liability as the liability of taxation would be deferred on sale of investments. The application of Ind AS 12 approach has resulted in recognition of tax on new temporary differences which was not required under Indian GAAP.

3. Reserves

The impact on reserves is due to the fair valuation of investments.



Notes to financial statements for the year ended 31st March 2017

(In Rupees)

Reconciliation of equity as at 31st March 2016

	<u>Note</u>	<u>As at 31-Mar-2016 IGAAP</u>	<u>Adjustments</u>	<u>As at 31-Mar-2016 Ind AS</u>
I				
(1)				
ASSETS				
Non-current assets				
(a) Financial Assets				
(i) Non Current Investments - Others	3A	357,268	182,917	540,185
(ii) Long Term Loans and advances	4	5,000	-	5,000
		<u>362,268</u>	<u>182,917</u>	<u>545,185</u>
(2)				
Current assets				
(a) Financial Assets				
(i) Current Investments	3B	4,795,546	806,150	5,601,696
(ii) Cash and cash equivalents	6	99,615	-	99,615
(b) Other Current Assets-non financial	5	18,503	-	18,503
		<u>4,913,664</u>	<u>806,150</u>	<u>5,719,814</u>
Total assets		<u>5,275,932</u>	<u>989,067</u>	<u>6,264,999</u>
II				
EQUITY AND LIABILITIES				
(1)				
Equity				
(a) Equity Share capital	7	200,000	-	200,000
(b) Other Equity				
(i) Retained Earnings	8	4,564,570	818,769	5,383,339
(ii) Reserves				
- Reserves representing unrealised gains/losses		-	-	-
- Other Reserves		377,911	-	377,911
		<u>5,142,481</u>	<u>818,769</u>	<u>5,961,250</u>
(2)				
Non-current liabilities				
(a) Deferred tax liabilities (net)		-	170,298	170,298
		<u>-</u>	<u>170,298</u>	<u>170,298</u>
(3)				
Current liabilities				
(a) Financial Liabilities	9	54,882	-	54,882
(b) Other Current Liabilities-non financial	10	11,034	-	11,034
(c) Short Term Provisions	11	17,180	-	17,180
(d) Liabilities for Current Tax (Net)		50,355	-	50,355
		<u>133,451</u>	<u>-</u>	<u>133,451</u>
Total liabilities		<u>133,451</u>	<u>170,298</u>	<u>303,749</u>
Total Equity and Liabilities		<u>5,275,932</u>	<u>989,067</u>	<u>6,264,999</u>

Footnotes to the reconciliation of equity as at 31st March, 2016

1. Investments

Under Indian GAAP, the company accounted for long term investments as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the company has designated such investments as FVTPL investments. Ind AS requires FVTPL investments to be measured at fair value. The investments in mutual funds are valued at fair value.

2. Deferred Tax Assets/(Liabilities)

Indian GAAP requires tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The fair valuation of investments has led to creation of deferred tax liability as the liability of taxation would be deferred on sale of investments. The application of Ind AS 12 approach has resulted in recognition of tax on new temporary differences which was not required under Indian GAAP.

3. Reserves

The impact on reserves is due to the fair valuation of investments.



Reconciliation of profit or loss for the year ended 31 March 2016

		<u>In Rupees</u>		<u>In Rupees</u>
	Note No	<u>31-Mar-2016</u>	<u>Adjustments</u>	<u>31-Mar-2016</u>
		<u>IGAAP</u>		<u>Ind AS</u>
Income				
Revenue from operations		500,000	-	500,000
Other Income	12	245,005	231,544	476,549
Total Revenue		745,005	231,544	976,549
Expenses				
Administrative and other expenses	13	107,793	-	107,793
Finance cost	14	2,997	-	2,997
Total Expenses		110,790	-	110,790
Profit before tax		634,215	231,544	865,759
Tax expenses				
- Current tax		137,330	-	137,330
- Deferred tax expenses		-	(8,806)	(8,806)
- Short Provision of Tax of earlier years		-	-	-
- MAT Credit Availed		(16,475)	-	(16,475)
Profit after tax		513,360	240,350	753,710

Footnotes to the reconciliation of profit or loss for the year ended 31 March 2016

1. Other Income

Under Indian GAAP, the Company accounted for long term investments in unquoted at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the Company has designated such investments as FVTPL investments. Ind AS requires FVTPL investments to be measured at fair value. At the date of transition to Ind AS, difference between the instruments fair value and Indian GAAP carrying amount has been recognised as other income of Rs. 2.31 Lacs.

2. Tax expenses

Indian GAAP requires tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of tax on new temporary differences which was not required under Indian GAAP.



Note 26

Events after the reporting period

There are no events after the reporting period that materially affect the financial position, financial performance, changes in equity or cash flows for the year ended 31 March 2017.

As per our report of even date.

For S. R. Batliboi & Co. LLP

Firm Registration No. 301003E/E300005
Chartered Accountants

**For and on behalf of the Board of Directors of Birla Sun Life
Trustee Company Private Limited**

per Jayesh Gandhi
Partner
Membership No. 37924

B N Puranmalka Prafull Anubhai
Director Director

Place: Mumbai
Date: 29th April 2017

Place: Mumbai
Date: 29th April 2017