



IDBI MF TRUSTEE COMPANY LIMITED
CIN: U65991MH2010PLC199326

ANNUAL REPORT

2019-20

Date of AGM : September 30, 2020

IDBI MF Trustee Company Limited (Trustee to IDBI Mutual Fund)

CIN: U65991MH2010PLC199326

Registered office: IDBI Tower, WTC Complex, Cuffe Parade, Colaba, Mumbai - 400 005.

IDBI MF TRUSTEE COMPANY LIMITED

CIN: U65991MH2010PLC199326

BOARD OF DIRECTORS

(as on March 31, 2020)

Shri Samuel Joseph Jebaraj (DIN:02262530) – **Chairman**

Shri Jagadeesan Jayaraman (DIN:02423487) – **Independent Director**

Shri Avinash Chander Mahajan (DIN:00041661) – **Independent Director**

Shri Parthasarathy Krishnamurthy (DIN:05336749) – **Independent Director**

AUDIT COMMITTEE

(as on March 31, 2020)

Shri Jagadeesan Jayaraman (DIN:02423487) – **Independent Director**

Shri Avinash Chander Mahajan (DIN:00041661) – **Independent Director**

Shri Parthasarathy Krishnamurthy (DIN:05336749) – **Independent Director**

Registered office

IDBI Tower, WTC Complex, Cuffe Parade, Colaba, Mumbai - 400 005

Tel : (22) 6655 3355

Website : www.idbimutual.co.in

Email : corp.secretarial@idbimutual.co.om

Statutory Auditors

U.G. Devi & Co.

7/10, Botawala Building

Horniman Circle, Fort, Mumbai 400 023

Email : ugdevi@hotmail.com

NOTICE
OF
ANNUAL
GENERAL
MEETING

NOTICE

NOTICE is hereby given that the Tenth Annual General Meeting of the member of IDBI MF Trustee Company Limited will be held on Wednesday, 30th Day of September, 2020 at 3.00 p.m. through Video Conferencing/other Audio Video Means, to transact the following business:

ORDINARY BUSINESS –

Item No. 1 – *Adoption of Financial Statements:*

To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2020 including audited Balance Sheet as at March 31, 2020, Profit & Loss Account for the year ended on that date and the reports of the Board of Directors, Statutory Auditors and Comptroller and Auditor General of India thereon.

Item No. 2 – *To fix the remuneration of the Statutory Auditors:*

To consider and, if thought fit, pass with or without modification(s), the following resolution as **Ordinary Resolution:**

‘RESOLVED THAT approval of the members of IDBI MF Trustee Company Limited is accorded to the remuneration of Rs. 1,31,000/- (Rupees One Lakh Thirty One Thousand only) excluding applicable taxes and admissible travelling, lodging, boarding and out-of-pocket expenses, to S G C O & Co., LLP, Chartered Accountants as Statutory Auditors of the Company appointed by the Comptroller and Auditor General of India (C&AG) pursuant to the provisions of Section 139(5) and other applicable provisions, if any, of the Companies Act, 2013.

SPECIAL BUSINESS –

Item No. 3 – *Authorization of related party transactions.*

To consider and, if thought fit, pass, with or without modification(s), the following resolution as **Ordinary Resolution :**

‘RESOLVED THAT in terms of the provisions of Section 188 and other applicable provisions of the Companies Act, 2013, read with Rule 15 of the Companies (Meeting of the Board and its powers) Rules, 2014 and other applicable rules notified under the act, as amended from time to time, the members of the Company hereby approve the continuation of existing contracts of the Company and further hereby authorize the Board/Audit Committee of the Board of Directors to approve and enter into contracts and arrangements with related parties including sub-delegation thereof to a Director/Committee of Directors, as it may think fit including granting of omnibus approval in compliance with the provisions of Section 177

of the Companies Act, 2013, for a aggregate value not exceeding Rs. 10 Crores for contracts and/or arrangements whether entered into in ordinary course of business or not and/or whether at arm's length price or not or at such price with the recommendation and approval of the Audit Committee to the Board of Directors of the Company for their approval, without any further reference to the shareholders of the Company.

RESOLVED FURTHER THAT the Board shall have the authority and power to accept any modification(s), in the proposal as may be required at the time of according/granting their approvals, consents, permissions and sanctions to such contracts or arrangements proposed to be entered with the related parties and as agreed to by the Board.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board, be and is hereby authorized to do all such acts, deeds, matters and things and execute such deeds, documents and agreements, as they may, in their absolute discretion, deem necessary, proper or desirable and to settle or give instructions or directions for settling any questions, difficulties or doubts that may arise and to give effect to such modifications, changes, variations, alterations, deletions, addition as regards the terms and conditions, as it may, in its absolute discretion, deem fit and proper in the best interest of the Company, without requiring any further approval of the members and intent that members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers, herein conferred, to a Director/duly constituted committee of directors, to give effect to the aforesaid resolution.'

*For and on behalf of the Board of Director of
IDBI MF Trustee Company Limited*

Sd/-

SAMUEL JOSEPH JEBARAJ
DIN No. 02262530

Place : Mumbai

Date : September 25, 2020

Registered office:

**IDBI Tower, World Trade Centre,
Cuffe Parade, Colaba, Mumbai 400 005**

NOTES :

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF, THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE EFFECTIVE, THE PROXY FORM DULY COMPLETED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FOURT EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE ANNUAL GENERAL MEETING. BLANK PROXY FORM IS ENCLOSED.**

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

2. Members/Proxies/Representatives should bring the attendance slip duly filled in for attending the meeting. Only Members carrying the attendance slips or holders of valid proxies registered with the Company will be permitted to attend the meeting. In case of shares held in joint names or shares held under different registered folios wherein the name of the sole holder/first joint-holder is same, only the first joint-holder/sole holder or any proxy appointed by such holder, as the case may be, will be permitted to attend the meeting
3. The relevant explanatory statements pursuant to Section 102(1) of the Companies Act, 2013 in respect of business under item no. 3 is attached herewith.

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

IDBI MF Trustee Company Limited (“IDBI MFT”) is a wholly owned subsidiary of IDBI Bank Limited. IDBI Asset Management Limited (“IDBI AMC”) has been appointed as an Investment Manager for IDBI Mutual Fund by IDBI MF Trustee Company Limited *vide* Investment Management Agreement dated February 20, 2010. As per the agreement the Company is required to manage the funds, ensure compliance with regulations and accounting of transactions of schemes, formalize, float and launch new schemes with approval of Trustees, to inter alia issue, sell units of Mutual fund, to invest in securities as per the scheme(s) investment objective on behalf of Mutual Fund, to declare and pay dividend, calculation of NAV, appointment of intermediaries.

The Board of IDBI MFT has in its meeting held on April 25, 2016 had accorded omnibus approval for two transactions namely Trusteeship fees and Secretarial, Accounting and Administration Services.

The above contracts or arrangements have been entered into by the Company in the ordinary course of business and are continuing in nature.

None of the Directors (except Shri Samuel Joseph Jebaraj) of the Company or their respective relatives are concerned or interested in the Resolution mentioned in Item no. 3 for approval of the members.

PROXY FORM

Form No. MGT-11

Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

| | | |
|----------------------------|---|---|
| CIN | : | U65991MH2010PLC199326 |
| Name of the Company | : | IDBI MF TRUSTEE COMPANY LIMITED |
| Registered Office | : | IDBI Tower, WTC Complex, Cuffe Parade, Colaba, Mumbai - 400 005. |

I/We hereby record my/our presence at the the Tenth Annual General Meeting of the member of IDBI MF Trustee Company Limited will be held Wednesday, 30th Day of September, 2020 at 3.00 p.m. through Video Conferencing.

.....
Member's Folio Member's/Proxy Name Member's/Proxy Signature

PROXY FORM

Form No. MGT-11

Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

| | | |
|----------------------------|---|---|
| CIN | : | U65991MH2010PLC199326 |
| Name of the Company | : | IDBI MF TRUSTEE COMPANY LIMITED |
| Registered Office | : | IDBI Tower, WTC Complex, Cuffe Parade, Colaba, Mumbai - 400 005. |

| | | |
|------------------------|---|--|
| Name of the members(s) | : | |
| Registered address | : | |
| E-mail Id | : | |
| Folio No/Client Id | : | |
| DP ID | : | |

I/We, being the members(s) of _____ shares of the above name company, hereby appoint

| | | | |
|---|-----------|---|-----------------|
| 1 | Name | : | |
| | Address | : | |
| | E-mail Id | : | |
| | Signature | : | ,or failing him |

| | | | |
|---|-----------|---|-----------------|
| 2 | Name | : | |
| | Address | : | |
| | E-mail Id | : | |
| | Signature | : | ,or failing him |

| | | | |
|---|-----------|---|-----------------|
| 3 | Name | : | |
| | Address | : | |
| | E-mail Id | : | |
| | Signature | : | ,or failing him |

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the Tenth Annual General Meeting of the member of IDBI MF Trustee Company Limited which will be held on Wednesday, 30th Day of September, 2020 at 3.00 p.m. and at any adjournment thereof in respect of such resolutions set out in the Notice convening the meeting, as are indicated below:

Resolution No.

- 1.....
- 2.....
- 3.....
- 4.....
- 5.....

Signed this.....day of.....2020

Signature of shareholder.....

Signature of Proxy holder(s).....

| |
|---------|
| Affix |
| Revenue |
| Stamp |

Note: This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.

STATUTORY

AUDITOR'S

APPOINTMENT

To
THE MANAGING DIRECTOR
IDBI MF TRUSTEE COMPANY LIMITED
IDBI TOWER, WTC COMPLEX,
CUFFE PARADE
MUMBAI-400005

Subject : Appointment of Auditors under section 139 of the Companies Act, 2013 for the financial year 2020-2021

Sir/Madam,

I am directed to state that in exercise of the powers conferred by section 139 of the Companies Act 2013, the Comptroller and Auditor General of India is pleased to appoint the Chartered Accountant firms/Limited Liability Partnerships As per Annexure - II as the Statutory/Joint Statutory/ Branch Auditors of the company for the year(s) : 2020-2021. Statutory/Joint Statutory Auditor (s) of holding company shall also be the auditors of Consolidated Financial Statements under section 139 read with section 129(4) of the Companies Act, 2013.

2. You are requested to contact the concerned auditors individually under intimation to this office

3. The supplementary/test audit under sections 143 (6) & (7) of the Companies Act, 2013 of your company is entrusted to

PRINCIPAL DIRECTOR OF AUDIT (SHIPPING)
PLOT NO. C-2, G.N. BLOCK, 6 & 7 FLOOR, NEAR ASIAN HEART INST
BANDRA- KURLA COMPLEX, BANDRA (E)
MUMBAI-400001

4. The remuneration and other allowances payable to the auditors may be regulated as per the provisions of section 142 of the Companies Act 2013 read with guidelines issued by the Department of Company Affairs vide no. 7/76 dated 8th April, 1976 and no. 8/6/83 dated 07th June, 1984.

5. The audit fees paid/payable to the auditors as intimated by the Company has been indicated in Annexure-II. Any revision in the audit fees payable (including fees for consolidation) for the year 2020-2021 and item-wise details of all remuneration paid to the auditors for other services (other than statutory audit) alongwith the amount of TA/DA paid for 2019-2020 may be intimated.

The said information may be provided as soon as the Accounts for the year 2019-2020 is finalised so as to enable this office to review the appointment/ re-appointment of the appointed auditors.

6. The above appointment is subject to the other conditions stipulated in Annexure-I(available on the CAG's website <http://care.cag.gov.in/policy/terms.pdf>).

Yours faithfully,

(Rajesh Rajpal)

Sr. Administrative Officer

ANNEXURE - I I

LIST OF CHARTERED ACCOUNTANT FIRMS FOR THE YEAR 2020-2021

| Sl. No. | Firm Name | PSU Code / Unit Code | Station | Audit Details | Fees in Rs (As intimated by the PSU) |
|--------------------------|---|---|---------------|----------------------------------|--------------------------------------|
| STATUTORY AUDITOR | | | | | |
| 1 | S G C O & C O L L P (B00635) 4A, KALEDONIA, 2ND FLOOR, SAHAR ROAD, NEAR ANDHERI STATION ANDHERI EAST MUMBAI MUMBAI - 400069, MAHARASHTRA | IDBITR ST AR (1) | MUMBAI | STATUTORY AUDIT | 131000 |

SGCO & Co.LLP

Chartered Accountants

IDBI MF Trustee Company Limited

IDBI Tower, WTC Complex Cuffe Parade,
Colaba Mumbai 400005

Dear Sir,

Sub.: Auditor's Consent and Eligibility Certificate u/s. 139 of the Companies Act, 2013

With reference to the above-mentioned subject we thank you for your letter dated 16th September, 2020 for seeking our consent and eligibility certificate to act as Statutory Auditors of your Company. We hereby confirm that we will act as Statutory Auditors of the Company and our appointment, if made, as the Statutory Auditors of your Company will be in accordance with the conditions laid down in Rule 4 of Companies (Audit and Auditors) Rules, 2014 i.e.

- a) Our firm is eligible for appointment and is not disqualified under the Companies Act 2013 (Act), the Chartered Accountants Act, 1949 and the rules or regulations made thereunder.
- b) The proposed appointment is as per the term provided under the Act.
- c) The proposed appointment is within the limits laid down by or under the authority of the Act.
- d) There is no proceeding pending against our firm or any partner thereof with respect to professional matters of conduct.

Further, we also wish to inform that we satisfy all the criteria's provided under Section 141 of the Act.

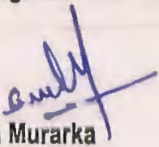
Thanking you,

Yours faithfully,

For S G C O & CO. LLP

Chartered Accountants

Firm Reg. No. 112081W/W100184


Suresh Murarka

Designated Partner

Date: 16th September, 2020

Place: Mumbai



4A, Kaledonia,
2nd Floor, Sahar Road,
Near Andheri Station,
Andheri (East),
Mumbai - 400 069.

Tel. +91 22 6625 6363
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E-mail: info@sgco.co.in
www.sgco.co.in

Mumbai • Delhi

DIRECTOR'S
REPORT

DIRECTOR'S REPORT

Dear Members,

The Board of Directors takes pleasure to present the **Tenth Annual Report** on the affairs of IDBI MF Trustee Company Limited along with the audited accounts for the financial year ended March 31, 2020.

HIGHLIGHTS OF FINANCIAL SUMMARY

The company's financial performance for the year ended March 31, 2020 is summarized as below:-

| Particulars | <i>(Rs.in Lakh)</i> | |
|---|---------------------|-------------|
| | 2019- 20 | 2018 - 19 |
| Total Income | 57.74 | 81.56 |
| Total Expenses | 45.70 | 75.02 |
| Profit/(Loss) before Tax | 12.04 | 6.54 |
| Tax expenses: | | |
| Current Tax | (1.88) | (2.04) |
| Deferred Tax | 0.19 | (0.01) |
| Tax Adjustment in respect of earlier year | 0.01 | -- |
| MAT Credit Entitlement | 0.07 | |
| Profit/(Loss) for the year | 10.43 | 4.49 |
| Earnings per equity share: | | |
| Basic | 5.22 | 2.25 |
| Diluted | 5.22 | 2.25 |

The total Asset Under Management (AUM) of IDBI Mutual Fund has declined to Rs. 3396crores as on March 31, 2020 as against Rs. 6,238 crores as on March 31, 2019 due to decrease in Equity and Liquid AUM. The total income of your company has decreased from Rs.81.56 Lakhs during financial year 2018-19 to Rs. 57.74 Lakhs during financial year 2019-20. The Net profit has increased from Rs.4.49 Lakhs during the financial year 2018-19 to Rs. 10.43 Lakhs during the financial year 2019-20.

SHARE CAPITAL

During the year under review, the company's authorizedshare capital was Rs.50 lakhs and issued, subscribed & paid up share capital was Rs.20 lakhs divided into 2 lakhs equity shares of Rs.10 /- each. IDBI Bank Limited holds 100% shares of the Company (which includes 1 share each held by the nominee shareholders, in order to comply with the provisions minimum shareholders as per the Companies Act, 2013)

I. RESULT OF OPERATIONS AND THE COMPANY'S STATE OF AFFAIRS

IDBI MF Trustee company Limited (*'IDBI MFT'*) acts as a 'Trustee' to IDBI Mutual Fund appointed vide Trust Deed dated February 19, 2010. The year 2019-20 is the Tenth year of operation of your company IDBI MFT performs a supervisory role over the operations of IDBI Asset Management Limited (*'IDBI AMC'*). For performing the said role IDBI MFT receives Trusteeship fees at a defined rate as prescribed under SEBI (Mutual Funds) Regulations, 1996 and the Trust Deed. IDBI AMC, being an investment manager to 'IDBI Mutual Fund' manages 22 schemes during the year ended March 31, 2020 which consist of 12 equity fund schemes, 6 debt fund schemes, 2 hybrid fund schemes and one each FOF (Gold) and Gold ETF scheme of IDBI Mutual Fund. The Average Assets under Management (AAUM) of IDBI Mutual Fund during the quarter ended March 31, 2020 was Rs.5065 crores.

The trustee fee income for the company YoY decreased by 42.94% from Rs. 81.56 Lakhs for the year ended March 31, 2019 to Rs.46.54 Lakhs for the year ended March 31, 2020.

There were no new Schemes launched in the financial year 2019-20.

Business Environment:

The financial year 2020 was a challenging year for the economy. GDP growth for FY20 slowed down to its lowest since FY09 at 4.2% from 6.1% in FY19. Manufacturing growth slipped from 4.9% in FY19 to 0.9% in FY20. Growth in Service Sector recorded 5.5% in FY20 from 7.7% in FY19. Investment demand contracted by 2.8% in FY20 compared to an increase of 9.8% in FY19. Even consumption demand slipped to 5.3% in FY20 from 7.2% in FY19. This was reflected in contraction in auto sales, with both passenger car and two wheeler declining by 24.5% (from 2% in FY19) and 17.5% (from 4.9% in FY19) respectively in FY20. On the positive side, the incumbent government won the 2019 General Elections, allowing it to continue for next 5-years, in-line with market expectation as this would ensure policy continuity.

During the year, headline CPI edged up to 4.8% in FY20 from 3.4% in FY19, above RBI's 4% target. This was on account of higher food inflation resulting from unusual supply disruption related to weather. Core inflation, however moderated to 4% in FY20 compared to 5.8% in FY19, driven by muted oil prices (14% lower in FY20). All elements of core inflation have fallen, except personal care segment. RBI was able to cut policy rate by 135bps between Feb'19 and Oct'19 as inflation was well within its target. The second phase of policy rate reductions started in Mar'20 to support economic activity due to the negative economic shock emanating from covid pandemic.

RBI also undertook a number of measures such as OMO purchase of Rs 1.5tn in FY20 and Rs 1.7tn in FYTD21, Targeted Long-Term Repo Operations (TLTRO: Rs 1.25tn), Operation Twist (Rs.700bn in CYTD20) involving selling of short-term securities for buying long-term to ensure transmission of lower yields across the yield curve and 1% reduction in CRR.

The Government overshoot its fiscal deficit target for FY20 from 3.8% (revised estimates) to 4.6% (provisional actual). This was mainly owing to sharp dip in centre's net tax revenue growth, which rose by only 2.9% versus targeted 14.2%. The key reason for this was reduction in corporate tax rate which was brought down from 35% to 25% to stimulate private investment. As a result corporate tax collections fell by 16.1% and direct tax collections were down by 8.7%. Spending momentum was maintained at 16% which was in line with budget estimates i.e 16.6%. In FY21, with pandemic and contraction of economic activity, the Central government has already increased its borrowing to Rs 12tn from Rs 7.8tn projected in the Budget.

Global growth considerably slipped to 2.3% in FY20 the lowest rate since the global financial crisis of 2008-2009. The trade war between US and China, Brexit uncertainty, structural factor such as low productivity along with impact of the pandemic towards the end of the period was one of the key contributors to the slowdown in global growth.

FII's remained net buyers for most of FY20, onset of COVID-19 and imposition of nationwide lockdown led to FII outflows of US\$ 16.6bn in the month of Mar'20. For FY20, FII outflows were US\$ 6bn led by outflows in the debt segment. DIIs were net buyers in equity during the year. (source: Bloomberg)

Mutual Fund Industry

Average Assets Under Management (AAUM) of Indian Mutual Fund Industry for the month of March 2020 stood at Rs. 24,70,882Crore.

Net Assets Under Management (AUM) of Indian Mutual Fund Industry as on March 31, 2020 was Rs. 22,26,203Crore as compared to Rs. 23,79,584 Crore as on March 31, 2019.

The AUM of the Indian MF Industry has grown more than double in the last 5 years i.e. from Rs.10,82,757 Crore as on March 31, 2015 to Rs. 22,26,203 Crore as on March 31, 2020 .

The total number of folios as on March 31, 2020 stood at 8.97crore. The number of folios doubled in the last 5 years from 4.17crore as on March 31, 2015.

Over the years, the regulatory operating framework has undergone various changes in order to bring more transparency in operation and safeguard the Investors' interest. SEBI (the regulator) has introduced many tightening norms for Mutual fund Industry. It has changed the valuation methodology for debt and money market instruments to mark-to-market, doing away with amortisation entirely.

Measures like change in Investment norms for Mutual Funds for investment in Debt and Money Market Instruments, creation of segregated portfolio in Mutual Fund Schemes, extension of timeline for uploading the NAVs of schemes (except FOFs) on website of AMFI/AMCs in order to enable consideration of all trades during a day for valuation, deviation from valuation guidelines, etc. are introduced.

A graded exit load is levied on investors of liquid schemes who exit the scheme up to a period of seven days mainly with a view to deter the corporates from using liquid funds to park their money for very short periods and to reduce the risk from large short-term inflows and redemptions in liquid funds.

Considering the rapid technological advancement and use of digital platforms in Mutual Fund Industry, SEBI has also initiated few steps like System Audit framework, Technology Committee for Mutual Funds / Asset Management Companies (AMCs) to deal with various technology related issues/risks.

Systematic Investment Plan or SIP as it is commonly known, is an investment plan offered by Mutual Funds wherein one could invest a fixed amount in a mutual fund Scheme periodically at fixed intervals instead of making a lump-sum investment. SIP has been gaining popularity among Indian MF investors, as it helps in Rupee Cost averaging and also in investing in a disciplined manner without worrying about market volatility and timing the market. Indian Mutual Funds recorded about 3.12 crore SIP accounts during FY 2019-20 through which investors have been regularly investing in Indian Mutual Fund schemes.

Over the years, the industry has matured and grown enough to absorb the changes. The whole Mutual Fund Industry now focuses on growing retail investor base and SIP book.

Change in the nature of Business, if any.

Your company was incorporated to act as “Trustee” to IDBI Mutual Fund *vide* Trust Deed dated February 19, 2010. Your company has carried on the same business activity during the financial year 2019-20 and there has been no change in the nature of business of the Company during the financial year.

II. DIVIDEND

No dividend has been recommended during the financial year under review.

III. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there is no unpaid /unclaimed dividend.

IV. TRANSFER TO RESERVES

The Board of Directors has decided to transfer Rs. 10.43 Lakhs to Reserves.

V. FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review, there was no foreign exchange earnings and outgo.

VI. MATERIAL CHANGES AND COMMITMENTS IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There are no material changes occurred in between the financial year ended March 31, 2018 and the date of the report affecting the financial position of your company. During the Financial year 2019-20, IDBI Bank (the promoters of the company) has signed a Share Purchase Agreement (SPA) on November 22, 2019, with Muthoot Finance Limited for sale of 100% stake in your Company. As per the SEBI Regulations, Muthoot Finance Limited made an application to SEBI for approval of the same. The approval is awaited.

VII. BOARD OF DIRECTORS

Changes in Board of Directors: -

During the year under review, there were no changes in the composition of Board of Directors of your company except the resignation/retirement of some of the Directors, which is detailed in the table given below:

The composition of the Board, as on March 31, 2020 was as under: -

| S. No. | Name of the Director | Designation | Date of Appointment | Date of Resignation/ Retirement |
|---------------|--|----------------------|----------------------------|--|
| 1. | Shri Gurudeo Madhukar Yadwadkar(DIN: 01432796) | Chairperson | October 28, 2016 | September 13, 2019 |
| 2. | Shri Thirukkurugavoor Muthiah Nagarajan(DIN: 00518074) | Independent Director | June 28, 2014 | September 27, 2019 |
| 3. | Shri J. Samuel Joseph (DIN : 02262530) | Chairman | September 26, 2019 | N.A. |
| 4. | Shri Avinash Chander Mahajan* (DIN: 00041661) | Independent Director | June 28, 2014 | N.A. |

| S. No. | Name of the Director | Designation | Date of Appointment | Date of Resignation/ Retirement |
|--------|--|----------------------|---------------------|---------------------------------|
| 5. | Shri Jagadeesan Jayaraman* (DIN: 02423487) | Independent Director | June 28, 2014 | N.A. |
| 6. | Shri Parthasarathy Krishnamurthy* (DIN: 05336749) | Independent Director | June 28, 2014 | N.A. |

**Re-appointed for a further period of 5 years w.e.f. September 26, 2019 in the Annual General Meeting held on September 26, 2019.*

Retirement by Rotation

Section 152 (6) of the Companies Act, 2013 provides that two-third of the total number of Directors should be retiring director, of which one-third of the directors should retire at every Annual General Meeting. Also, as per the provisions of the Section 152 of the Companies Act, 2013, the Independent Directors are not liable to retire by rotation. Further, the Articles of Association of your company provides that the Chairman is also not liable to retire by rotation.

The Board of your company comprises of the Chairman and three independent directors as on the date of the Annual General Meeting.

As the Board of your company comprises of the Chairman and Independent Directors only, your company has no director to retire at the Annual General Meeting of the company.

VIII. BOARD MEETINGS HELD DURING THE YEAR

The Board meets at regular intervals to discuss and decide the operations of your company. The notice of Board meeting is given well in advance to all the Directors of the company. The Agenda of the Board meeting is circulated a week prior to the Board meeting and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board and committee meetings were carried out unanimously as recorded in the minutes of the meetings as the case may be.

During the year under review total of seven Board meetings were held, the details of the same has been summed up as under: -

| Dates on which Board Meetings were held | Total strength of the Board | Director's present |
|---|-----------------------------|--------------------|
| April 24, 2019 | 5 | 5 |
| June 21, 2019 | 5 | 4 |
| July 17, 2019 | 5 | 5 |
| August 6, 2019 | 5 | 3 |
| September 26, 2019 | 4 | 4 |

| | | |
|-------------------|---|---|
| October 25, 2019 | 4 | 4 |
| November 21, 2019 | 4 | 4 |
| December 27, 2019 | 4 | 4 |
| February 10, 2020 | 4 | 4 |

ATTENDANCE OF DIRECTORS AT BOARD MEETINGS

(Leave of Absence – LoA)

| Name of the Director | Attendance at the Board Meeting held on | | | | | | | | |
|--|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 24 Apr 19 | 21 Jun 19 | 17 Jul 19 | 6 Aug 19 | 26 Sep 19 | 25 Oct 19 | 21 Nov 19 | 27 Dec 19 | 10 Feb 20 |
| Shri Gurudeo Madhukar Yadwadkar (DIN:01432796) | Present | LoA | Present | LoA | Not Applicable | Not Applicable | Not Applicable | Not Applicable | Not Applicable |
| Shri J. Samuel Joseph (DIN : 02262530) | Not Applicable | Not Applicable | Not Applicable | Not Applicable | Not Applicable | Present | Present | Present | Present |
| Shri Avinash Chander Mahajan (DIN: 00041661) | Present | Present | Present | Present | Present | Present | Present | Present | Present |
| Shri Jagadeesan Jayaraman (DIN: 02423487) | Present | Present | Present | Present | Present | Present | Present | Present | Present |
| Shri Parthasarathy Krishnamurthy (DIN:05336749) | Present | Present | Present | Present | Present | Present | Present | Present | Present |
| Shri Thirukkurugavoor Muthiah Nagarajan (DIN: 00518074) | Present | Present | Present | LoA | Present | Not Applicable | Not Applicable | Not Applicable | Not Applicable |

AUDIT COMMITTEE OF THE BOARD:

The Audit Committee was constituted in the year 2010 and adopted a charter for its functioning. The Committee was further reconstituted as per the Section 177 of the Companies Act, 2013 and the Charter was also redefined in lines with the provisions of the said Act. The primary objective of the Committee is to monitor and provide effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting.

| | | | | | | | |
|---|---------|---------|---------|---------|---------|---------|---------|
| Shri Jagadeesan Jayaraman (DIN: 02423487) | Present | Present | Present | Present | Present | Present | Present |
|---|---------|---------|---------|---------|---------|---------|---------|

IX. OTHER COMMITTEES

Committee of Independent Directors

The company has constituted a Committee of its Independent Directors as provided under the provisions of the Companies Act, 2013. As on March 31, 2020, the composition of the Committee of Independent Directors was as under: -

| S. No. | Name of the Director | Particulars | Date of Appointment | Date of Resignation / Retirement |
|--------|---|------------------------------------|---------------------|----------------------------------|
| 1. | Shri Parthasarathy Krishnamurthy (DIN: 05336749) | Chairperson & Independent Director | June 28, 2014 | N.A. |
| 2. | Shri Avinash Chander Mahajan (DIN:00041661) | Independent Director | June 28, 2014 | N.A. |
| 3. | Shri Jagadeesan Jayaraman (DIN:02423487) | Independent Director | June 28, 2014 | N.A. |
| 4. | Shri Thirukurugavoor Muthiah Nagarajan(DIN: 00518074) | Independent Director | June 28, 2014 | September 27, 2019 |

The Committee met once during the financial year 2019-20 on March 24, 2020 where all the Directors were present.

X. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability confirm:-

- In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures.
- 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 at the end of the financial year and the profit and loss of the company for that period.
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- The Directors have prepared the annual accounts on a going concern basis;
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively; and
- Those proper internal financial controls were laid down and that such internal financial controls are adequate and were operating effectively.

XI. EXTRACT OF THE ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 including Companies (Amendment) Act, 2017 the copy of the annual return of the company will be available on the website of IDBI Mutual Fund at www.idbimutual.co.in.

XII. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS

The company has received necessary disclosures from the Independent Directors under Section 149(7) of the Companies Act, 2013 that he/she meets all the criteria laid down in Section 149(6) of the Companies Act, 2013 and there has been no change in the circumstances which may affect their status as Independent Director during the year.

XIII. DIRECTOR'S APPOINTMENT AND REMUNERATION POLICY

There is no Director's Appointment and Remuneration Policy of the Company.

XIV. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY

The company acts as a Trustee to IDBI Mutual Fund. The Trustees have been appointed by the Sponsor ('*IDBI Bank Limited*') vide Trust deed dated February 19, 2010. Further the company has appointed IDBI Asset Management Limited ('*IDBI AMC*') as Investment Manager to IDBI Mutual Fund vide Investment Management Agreement dated February 26, 2010. Thus, the company has the function more of a supervisory on the management of operations by IDBI AMC which are guided by the SEBI Regulations and directives and AMFI guidelines issued from time to time. In compliance with the SEBI circular, IDBI AMC has in place a policy manual on managing risks related to the business and is duly implemented.

XV. CORPORATE SOCIAL RESPONSIBILITY POLICY

The Provisions of Corporate Social Responsibility (CSR) are not applicable to your company during the year under review.

XVI. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186

During the financial year under review your company did not seek/ provide for loans and guarantee.

XVII. PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188

All the Related Party Transactions are entered in the ordinary course of business and are on arm's length basis, and are in compliance with the applicable provisions of the Companies Act, 2013. Materially significant related party transactions made by the company with Promoters, Directors or Key Managerial Personnel etc. are being reported in Form AOC-2 in terms of Section 134 of the Companies Act read with Rule 8 of the Companies (Accounts) Rules, 2014 as Annexure – "A".

All Related Party Transactions are presented to the Audit Committee and the Board.

XVIII. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Your company is not involved in industrial manufacturing; and has not consumed energy more than required for its day to day operations.

(A) Conservation of energy-

- (i) The steps taken or impact on conservation of energy: **Not Applicable**
- (ii) The steps taken by the company for utilizing alternate sources of energy: **Not Applicable**
- (iii) The capital investment on energy conservation equipment's: **Not Applicable**

(B) Technology absorption-

- (i) The efforts made towards technology absorption: **Not Applicable**
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution: **Not Applicable**
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):- **Not Applicable**
 - a) The details of technology imported
 - b) The year of import
 - c) Whether the technology been fully absorbed
 - d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- (iv) The expenditure incurred on Research and Development: **Not Applicable**

Your company has been increasingly using Information Technology systems in its operations.

XIX. STATUTORY AUDITOR

The office of Comptroller and Auditor General of India (C&AG) vide letter no. CA.V/COY/CENTRAL GOVERNMENT.IDBITR(1)/470 dated August 18, 2020 has appointed S G C O & Co., LLP, Chartered Accountants, Mumbai as Statutory Auditor of the company for the financial year 2020-21 in terms of Section 139 & 141 of the Companies Act, 2013 read with Rule 4 of the Companies (Audit and Auditors) Rules, 2014 as amended from time to time.

As per the Section 139 of the Companies Act, 2013, the remuneration of Auditors appointed by the office of C&AG, shall be fixed by the company in the Annual General Meeting. Accordingly, the

Notice of the Annual General Meeting includes an item pertaining to remuneration of the Auditors for the year 2020-21.

XX. STATUTORY AUDITOR'S REPORT

The Auditor's Report does not contain any qualification. The notes to the accounts referred to in the Report are self-explanatory and therefore do not call for any further comments from the Directors.

XXI. COMPLIANCE WITH SECRETARIAL STANDARDS

The company has in place proper systems to ensure compliance with the provisions of the applicable secretarial standards issued by the Institute of Company Secretaries of India and subsequent modifications thereof and such systems are adequate and operating effectively.

XXII. MODEL CODE OF CONDUCT

The Directors confirm that all Board members have affirmed compliance with the company's code of conduct for the financial year 2019-20.

XXIII. PARTICULARS OF EMPLOYEES

The provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to your company since there are no employees in the company during the year under review.

XXIV. EXPLANATION OR COMMENTS OF THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE

The report of Statutory Auditor is free from any qualification, reservation or adverse remark or disclaimer.

XXV. PERFORMANCE EVALUATION OF THE DIRECTORS ETC.

A meeting of Independent Directors of the company was held to review the performance of Non-Independent Directors, including the performance of Chairperson of the company.

The performance evaluation of the Board as a whole and its committees and of every individual Director has been conducted as per the Director's Appointment and Evaluation policy of the Company.

XXVI. DETAILS OF SUBSIDIARY/ JOINT VENTURE/ ASSOCIATE COMPANIES

Your company does not have any subsidiaries/ Joint Ventures/Associate company within the meaning of the Companies Act, 2013.

XXVII. DEPOSITS

The company has not accepted any deposits and accordingly no amount was outstanding as on the date of the Balance Sheet.

XXVIII. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future during the year under review.

XXIX. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

There are no frauds reported by the Auditors under sub-section (12) of Section 143.

XXX. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The company acts as a Trustee to IDBI Mutual Fund. The Trustees have been appointed by the Sponsor ('IDBI Bank Limited') vide Trust deed dated February 19, 2010. Further the company has appointed IDBI Asset Management Limited ('IDBI AMC') as Investment Manager to IDBI Mutual Fund vide Investment Management Agreement dated February 26, 2010. Thus the company has the function more of a supervisory on the management of operations by IDBI Asset Management Limited which are guided by the SEBI Regulations and Directives and AMFI guidelines issued from time to time. Since, the operations of the IDBI Mutual Fund are managed by IDBI AMC; your Company does not have any employees and therefore the provisions of the said Act are not applicable to the Company.

XXXI. INTERNAL CONTROL SYSTEMS

The company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are certified by the Statutory Auditor.

XXXII. ACKNOWLEDGEMENTS

The Board takes the opportunity to express their gratitude for the continued support and co-operation extended by the Securities and Exchange Board of India as well as Reserve Bank of India, IDBI Bank Limited, the Registrars & Transfer Agents, the Custodians, the Bankers, Market Intermediaries and Distributors, Government Agencies, Auditors, Association of Mutual Funds in India.

*For and on behalf of the Board of Directors
of IDBI MF Trustee Company Limited*

**Sd/-
Samuel Joseph Jebaraj
DIN:02262530**

**Place: Mumbai
Date: September 25, 2020**

FORM NO. AOC 2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis: **NIL**

2. Details of material contracts or arrangement or transactions at arm's length basis: -

| S. No. | Particulars | Details |
|---------------|--|--|
| 1. | Name(s) of the related party and nature of relationship. | IDBI Asset Management Limited – Group company |
| 2. | Nature of contracts/arrangements/transactions. | Management fees from IDBI Mutual Fund for managing the schemes of the Fund |
| 3. | Duration of the contracts/arrangements/transactions. | Has authorized IDBI Asset Management Limited to act as Investment Manager to IDBI Mutual Fund and manage affairs and operations of the Fund. The company has entered into an Investment Management agreement with IDBI Asset Management Limited. |
| 4. | Salient terms of the contracts or arrangements or transactions including the value, if any. | Management fees: To charge with recurring expenses and such other costs as per permissible limit prescribed by SEBI. To incur expenses on behalf of Mutual Fund and take on books expenses crossing the threshold limit. |
| 5. | Date of approval by the Board. | February 11, 2010 |
| 6. | Amount paid as advances, if any. | NIL |
| 7. | Justification for entering into the contracts/arrangements/transactions. | Regulation 52 of SEBI (Mutual Funds) Regulations, 1996 allows IDBI Asset Management Limited to recover from the schemes, management fees for managing the schemes of IDBI Mutual Fund as per the Investment Management Agreement dated February 26, 2010 entered into with IDBI MF Trustee Company Limited (Trustees to IDBI Mutual Fund). |

**For and on behalf of the Board of Directors
of IDBI MF Trustee Company Limited**

**Sd/-
Samuel Joseph Jebaraj
DIN:02262530**

**Place: Mumbai
Date: September 25, 2020**

FORM NO. AOC 2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis: **NIL**
2. Details of material contracts or arrangement or transactions at arm's length basis:

| S. No. | Particulars | Details |
|---------------|--|--|
| 1. | Name(s) of the related party and nature of relationship. | IDBI Mutual Fund constituted by IDBI Bank Limited – Holding company |
| 2. | Nature of contracts/arrangements/transactions. | To receive Trusteeship Fees |
| 3. | Duration of the contracts/arrangements/transactions. | Entered into Trust Deed dated February 19, 2010 with the company. The settlor (<i>IDBI Bank Limited</i>) has constituted a Trust in the name of IDBI Mutual Fund. The Settlor has appointed IDBI MF Trustee Company Limited as (“Trustees”) to the Mutual Fund. The Trustees are responsible for the management of Mutual Fund, to hold Trust property, to provide information to Unit Holders, SEBI, Settlor, to ensure compliance by Mutual Fund, to protect interest of the unit holders, to frame, formulate and launch Schemes. The Settlor had contributed Rs. 20 lakhs in the equity capital of the company. |
| 4. | Salient terms of the contracts or arrangements or transactions including the value, if any. | Trusteeship fees: The Trustee shall be entitled to receive a fee not exceeding 0.01% per annum of the daily/net assets of the Mutual Fund. The Trustee shall also be entitled for reimbursement of all costs, charges and expenses incurred in the course of the administration and execution of the Fund. Such reimbursement would always be to the extent permitted under the Regulations. |
| 5. | Date of approval by the Board. | February 11, 2010 |
| 6. | Amount paid as advances, if any. | NIL |
| 7. | Justification for entering into the contracts/arrangements/transactions. | Schedule III of SEBI (Mutual Funds) Regulations 1996 allows IDBI MF Trustees |

| | | |
|--|--|--|
| | | Company Limited to recover from the schemes Trusteeship fees for supervising the operations of the schemes of IDBI Mutual Fund as per the Trust deed dated February 19, 2010 entered into with IDBI Bank Limited (Sponsor to IDBI Mutual Fund) |
|--|--|--|

***For and on behalf of the Board of Directors
of IDBI MF Trustee Company Limited***

**Sd/-
Samuel Joseph Jebaraj
DIN:02262530**

**Place: Mumbai
Date: September 25, 2020**

FORM NO. AOC 2

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

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

1.Details of contracts or arrangements or transactions not at arm's length basis: **NIL**

2. Details of material contracts or arrangement or transactions at arm's length basis: -

| S. No. | Particulars | Details |
|---------------|--|--|
| 1. | Name(s) of the related party and nature of relationship. | IDBI Asset Management Limited – Group company. |
| 2. | Nature of contracts/arrangements/transactions. | To pay fees for Secretarial & Accounting services. |
| 3. | Duration of the contracts/arrangements/transactions. | The arrangement shall be in existence till the IDBI Asset Management Limited acts as investment manager to IDBI Mutual Fund in terms of Investment Management agreement entered into with the company. |
| 4. | Salient terms of the contracts or arrangements or transactions including the value, if any. | IDBI Asset Management Limited (“IDBI AMC”) being an investment manager to IDBI Mutual Fund also provides secretarial and account services to the company. The employees of IDBI Asset Management Limited manage the above services. Further all other expenses towards utility bills etc are borne by IDBI AMC. Secretarial & accounting service expenses: Certain common expenses incurred by IDBI AMC such as Rent, Electricity, Maintenance relating to Mumbai office premises and also a portion of salary expenses for the services rendered by IDBI AMC. Out of the above common expenses IDBI AMC charges 5% to MF Trustee Co. The Services of around 12 officials are being used for MF Trustee Co related work as MF Trustee Co. does not have any employee on its roles. These AMC officials take care of the work relating to secretarial matters, conducting of meetings, ROC work, accounts/tax matters, SEBI compliance etc. IDBI AMC is charging 1% of salary expenses. Above 5% and 1 % has been replaced with 0.25% of expenses w.e.f. 01 st October, 2019. |
| 5. | Date of approval by the Board. | October 22, 2013 |
| 6. | Amount paid as advances, if any. | NIL |

| | | |
|----|---|--|
| 7. | Justification for entering into the contracts/arrangements/transactions. | The secretarial and account services of the company are managed by the employees of the IDBI AMC (Investment Manager to IDBI Mutual Fund), since the company has no employees on roll. Also since the company also shares premises due to above services, it is prudent to also share other expense with IDBI AMC. Thus with approval of Board a percentage share was arrived at so as to cover the expenses and services and a policy in this regard was formulated and put in place. |
|----|---|--|

***For and on behalf of the Board of Directors
of IDBI MF Trustee Company Limited***

Sd/-

**Samuel Joseph Jebaraj
DIN:02262530**

**Place: Mumbai
Date: September 25, 2020**

EXTRACT
OF
ANNUAL
RETURN

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on March 31, 2017
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

| | | |
|---|---|--|
| 1 | CIN | U65991MH2010PLC199326 |
| 2 | Registration Date | 25th JANUARY, 2010 |
| 3 | Name of the Company | IDBI MF TRUSTEE COMPANY LIMITED |
| 4 | Category/Sub-Category of Company | PUBLIC COMPANY |
| 5 | Address of the Registered office and contact details | IDBI TOWER, WTC COMPLEX, CUFFE PARADE, COLABA, MUMBAI - 400 005, MAHARASHTRA Ph. No. (022) 66553355; Fax: (022) 66442801 |
| 6 | Whether listed company | NO |
| 7 | Name, Address and Contact details of Registrar and Transfer Agent, if any | Kfintech Technologies Private Limited |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

| S.No. | Name and Description of main products/ services | NIC Code of the Product/ service | % to total turnover of the Company |
|-------|---|----------------------------------|------------------------------------|
| 1 | Trusteeship Services | 64300* | 100.00% |

**(As per National Industrial Classifications (NIC) 2008 code)*

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| S.No. | Name of the Company | CIN | Holding/ Subsidiary/ Associate | % of shares held | Applicable Section |
|-------|---------------------|-----------------------|--------------------------------|------------------|--------------------|
| 1 | IDBI BANK LTD | L65190MH2004GOI148838 | Holding | 100 | 2(46) |

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Shareholding

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % change in Shareholding during the year |
|--|---|-----------------|-----------------|-------------------|---|-----------------|-----------------|-------------------|--|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoter(s) | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Central Govt. | 0 | 0 | 0 | 0 | 0 | | | 0 | 0 |
| c) State Govt. (s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Bodies Corp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Banks/FI | 0 | 2,00,000 | 2,00,000 | 100 | 0 | 2,00,000 | 2,00,000 | 100 | 0 |
| f) Any Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (A)(1):- | 0 | 2,00,000 | 2,00,000 | 100 | 0 | 2,00,000 | 2,00,000 | 100 | Nil |
| 2) Foreign | | | | | | | | | |
| a) NRIs -Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Other - Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) Bodies Corp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Banks/FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Any Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total(A)(2):- | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total shareholding (A)= (A)(1)+(A)(2) | 0 | 2,00,000 | 2,00,000 | 100 | 0 | 2,00,000 | 2,00,000 | 100 | Nil |

| | | | | | | | | | |
|---|----------|-----------------|-----------------|------------|----------|-----------------|-----------------|------------|------------|
| ii)Individual shareholders holding nominal share capital in excess of Rs.1 lakh | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) Others | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total(B)(2):- | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Nil |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Nil |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | Nil |
| Grand Total (A+B+C) | 0 | 2,00,000 | 2,00,000 | 100 | 0 | 2,00,000 | 2,00,000 | 100 | Nil |

ii. Shareholding of Promoters

| S. No. | Shareholders Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in share-holding during the year |
|--------|---|---|----------------------------------|---|-------------------------------------|----------------------------------|---|---|
| | | No. of Shares | % of total Shares of the Company | % of Shares Pledged/ encumbered to total shares | No. of Shares | % of total Shares of the Company | % of Shares Pledged/ encumbered to total shares | |
| 1 | IDBI Bank Ltd * (L65190MH2004GOI148838) | 2,00,000 | 100 | 0 | 2,00,000 | 100 | 0 | 0 |
| | - | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | Total | 2,00,000 | 100 | 0 | 2,00,000 | 100 | 0 | 0 |

* The shareholding of IDBI Bank Limited includes its six nominee shareholders holding one equity share of Rs.10/- each.

iii. Change in Promoters' Shareholding please specify, if there is no change): No Change

| S. No. | Particulars | Shareholding at the | | Cumulative Shareholding | |
|--------|--|---------------------|----------------------------------|-------------------------|----------------------------------|
| | | 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 | 2,00,000.00 | 100.00 | 2,00,000.00 | 100.00 |
| 2 | Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment sweat equity etc. | - | - | - | - |
| | | - | - | - | - |
| | | - | - | - | - |
| | | - | - | - | - |
| 3 | At the end of the year | 2,00,000.00 | 100.00 | 2,00,000.00 | 100.00 |

| iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): NIL | | | | | |
|---|--|---|----------------------------------|---|----------------------------------|
| S. No. | For each of the Top 10 Shareholders | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
| | | No. of shares | % of total shares of the Company | No. of shares | % of total shares of the company |
| 1 | At the beginning of the year | Nil | Nil | Nil | Nil |
| 2 | Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for Increase/ Decrease (e.g. allotment/ transfer/ bonus/sweat equity etc.) | Nil | Nil | Nil | Nil |
| 3 | At the end of the year (or on the date of separation, if separated during the year) | Nil | Nil | Nil | Nil |
| v. Shareholding of Directors and Key Managerial Personnel: NIL | | | | | |
| S. No. | For each of the Directors and KMP | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
| | | No. of shares | % of total shares of the Company | No. of shares | % of total shares of the Company |
| 1 | At the beginning of the year | - | - | - | - |
| 2 | Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for Increase/Decrease (e.g. allotment/ transfer/ bonus/sweat equity etc.) | - | - | - | - |
| | | - | - | - | - |
| | | - | - | - | - |
| 3 | At the end of the year (or on the date of separation, if separated during the year) | - | - | - | - |
| V. INDEBTEDNESS: | | | | | |
| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness | |
| Indebtedness at the beginning of the financial year | - | - | - | - | |
| i)Principal Amount | - | - | - | - | |
| ii)Interest due but not paid | - | - | - | - | |
| iii)Interest accrued but not due | - | - | - | - | |
| Total(i+ii+iii) | - | - | - | - | |
| Change in Indebtedness during the financial year | | | | | |
| Addition | - | - | - | - | |
| Reduction | - | - | - | - | |
| Net Change | - | - | - | - | |
| Indebtedness at the end of the financial year | | | | | |
| i)Principal Amount | - | - | - | - | |
| ii) Interest due but not paid | - | - | - | - | |
| iii) Interest accrued but not due | - | - | - | - | |
| Total (i+ii+iii) | - | - | - | - | |

| VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL | | | | | |
|---|--|--------------------------|--|---|-------|
| A. Remuneration to Managing Director, Whole-time Directors and/or Manager: NONE | | | | | |
| S. No. | Particulars of Remuneration | Name of MD/WTD/Manager | Total Amount: | | |
| 1 | Gross salary | - | - | - | - |
| | (a)Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | - | - | - | - |
| | (b)Value of perquisites u/s 17(2)Income-tax Act, 1961 | - | - | - | - |
| | (c)Profits in lieu of salary under section17(3) Income- tax Act, 1961 | - | - | - | - |
| 2 | Stock Option | - | - | - | - |
| 3 | Sweat Equity | - | - | - | - |
| 4 | Commission - as % of profit | - | - | - | - |
| | - others specify | - | - | - | - |
| 5 | Others, please specify | - | - | - | - |
| | Total(A1) | | | - | |
| | Ceiling as per the Act | | | - | |
| S. No. | Particulars of Remuneration | Name of MD/WTD/Manager | Total Amount: | | |
| B. REMUNERATION TO OTHER DIRECTORS: As per new excel sheet | | | | | |
| S. No. | Particulars of Remuneration | Name of Directors | Total Amount | | |
| 1 | Fee for attending Board/ Committee meetings to Independent Directors | Refer excel sheet | Refer excel sheet | | |
| | Commission | - | - | | |
| | Others, please specify | - | - | | |
| | Total (1) | | | | |
| 2 | Other Non-Executive Directors:- | N.A. | - | | |
| | Fee for attending board committee meetings | | | | |
| | Commission | | | | |
| | Others, please specify | | | | |
| | Total(2) | | - | | |
| | Total(B) =(1)+(2) | | | | |
| Total Managerial Remuneration(A+B) | | | 0 | | |
| Overall Ceiling as per the Act | | | Not more than Rs. 1 Lakh per meeting of Board or Committee | | |
| C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD | | | | | |
| S.No. | Particulars of Remuneration | Key Managerial Personnel | | | Total |
| 1 | Gross salary | - | - | - | - |
| | (a)Salary as per provisions contained in section17(1)of the Income-tax | - | - | - | - |
| | (b)Value of perquisites u/s 17(2)Income-tax Act,1961 | - | - | - | - |
| | (c)Profits in lieu of salary under section17(3)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: NIL | | | | | |
|--|------------------------------|-------------------|---|--------------------------------|--|
| Type | Section of the Companies Act | Brief Description | Details of Penalty/ Punishment/ Compounding Fees imposed | Authority [RD/ NCLT/ COURT] | Appeal made, if any (give details) |
| A.COMPANY | | | | | |
| Penalty | | | | | |
| Punishment | | NONE | | | |
| Compounding | | | | | |
| B.DIRECTORS | | | | | |
| Penalty | | | | | |
| Punishment | | NONE | | | |
| Compounding | | | | | |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | | | | | |
| Punishment | | NONE | | | |
| Compounding | | | | | |

For and on behalf of the Board of Directors

Date :
Place : Mumbai

Sd/-
(Samuel Joseph Jebaraj)
Chairman
DIN: 2262530

AUDITOR'S

REPORT

&

FINANCIAL

STATEMENTS



Independent Auditor's Report

To the Members of IDBI Mutual Fund Trustee Company Limited

Report on the audit of standalone financial statements

1. Opinion

We have audited the accompanying standalone financial statements of **IDBI Mutual Fund Trustee Company Limited** ('the Company'), which comprise the balance sheet as at 31 March 2020, the statement of profit and loss, the statement of cash flows for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, and its profits, and its cash flows for the year ended on that date.

2. Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) prescribed under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone 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 standalone 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.

3. Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the financial statements and our auditors' report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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.

4. Management's responsibility for the Standalone financial statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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.

5. Auditor's responsibility for the audit of the standalone financial statements

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

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

- a. 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.
- b. 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. 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.

- e. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

6. Report on other Legal and Regulatory requirements

- I. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of Section 143(11) of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the Order.
- II. We are enclosing a report in terms of Section 143(5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, in the "Annexure B" on the directions and sub directions issued by the Comptroller and Auditor General of India.
- III. 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 and the statement of cash flows dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016;
 - e) On the basis of written representations received from the directors of the Company and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 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 C". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting; and

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 did not have any long-term contracts including derivative contracts having any material foreseeable losses; and
- iii. There are no amounts required to be transferred, to the Investor Education and Protection Fund by the Company.

IV. With respect to the matter to be included in the Auditors' Report under section 197(16), we have nothing to report as no remuneration has been paid to the Directors.

For U. G. Devi & Company
Chartered Accountants
FRN. No. 102427-W

VINAY
UDHAVD
AS DEVI



(Vinay U. Devi)

Partner

Membership No. 38973

UDIN: 20038973AAAABX8859

Mumbai, Dated: 22.05.2020

Annexure “A” to the Independent Auditors’ Report of IDBI Mutual Fund Trustee Company Limited for the year ended 31stMarch2020 (referred to in our report of even date).


We report that

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As per information and explanations given to us, the fixed assets have been physically verified by the management at regular intervals in accordance with the programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its fixed assets. According to the information & explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the company does not own any immovable property included under the head fixed assets. Accordingly, provisions of clause 3(i)(c) of the order is not applicable to the company.
- (ii) The company’s business does not involve inventories and accordingly provisions of clause 3 (ii) of the Order are not applicable.
- (iii) According to the information and explanations given to us, the company has not granted any loans secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clauses 3 (iii) (a) to (c) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the company has not given/made loans, investments, guarantees, and security. The issue of compliance with the provisions of section 185 and 186 of the Companies Act, 2013, therefore does not arise.
- (v) The Company has not accepted any deposits from the public to which the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules framed there under apply.
- (vi) The Central Government has not prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013 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, the company has been regular in depositing undisputed statutory dues including Income-Tax, Goods & Services Tax and any other material statutory dues applicable to it, with the appropriate authorities. The provisions relating to provident fund, employees’ state insurance, are not applicable to the Company. As explained to us, the Company does not have dues on account of Sales Tax, Service Tax, Value Added Tax and Customs Duty and Excise Duty. We are informed that there are no undisputed amounts payable in respect of Income-Tax, Goods & Service Tax , Custom Duty, Excise Duty, Value Added Tax, Cess and any other material statutory dues outstanding as at 31st March, 2020 for period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us there are no dues in respect of Income Tax, Sales Tax, Goods & Service Tax, Customs Duty, Excise Duty, Value Added Tax which have not been deposited on account of dispute.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not borrowed any amounts from financial institutions, banks, government or by issue of debentures.

- (ix) The Company has neither raised money by way of initial public offer or further public offer (including debt instruments) nor taken any term loans.
- (x) To the best of our knowledge and according to the information and explanations given to us no fraud by the Company and no fraud on the Company by its officers and employees has been noticed or reported during the year.
- (xi) No managerial remuneration has been paid or provided for.
- (xii) The company is not a Nidhi Company accordingly clause 3 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (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
- (xv) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) In our opinion and according to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For U. G. Devi & Company
Chartered Accountants
Firm Reg. No. 102427-W

VINAY
UDHAVD
AS DEVI



(Vinay U. Devi)

Partner

M. No. 038973

UDIN: 20038973AAAABX8859

Mumbai, Dated: 22.05.2020

Annexure “B” to the Independent Auditors’ Report of IDBI Mutual Fund Trustee Company Limited for the year ended 31st March 2020 (referred to in our report of even date).

Report in terms of Section 143(5) of the Act on the directions and sub directions issued by the Comptroller and Auditor General of India. We further report as under.

| Sr. No. | Directions | Observations of Auditor | Financial Implications/Impact |
|----------------|---|--|--------------------------------------|
| 1 | Whether the company has system in place to process all the accounting transactions through IT systems? If yes, the implications of processing of accounting transactions outside IT System on the integrity of the accounts along with the financial implications, if any, may be stated. | Yes, the company has a system in place to process all the accounting transactions through IT Systems. In our opinion and as per the records examined by us there are no accounting transactions processed outside the IT System which may affect the integrity of the accounts. | NIL |
| 2 | Whether there is any restructuring of an existing loan or cases of waiver / write off of debts / loans / interest etc. made by a lender to the company due to company’s inability to repay the loan? If yes, the financial impact may stated. | Not Applicable, as the Company has no borrowings. | NIL |
| 3 | Whether funds received / receivable for specific schemes from central /state agencies were properly accounted for / utilized as per its terms and conditions? List the cases of deviation. | Not Applicable, as the company has not received any funds for specific schemes from central/ state agencies. | NIL |

For U. G. Devi & Company
Chartered Accountants
Firm Reg. No. 102427-W

VINAY
UDHAVD
AS DEVI

(Vinay U. Devi)
Partner

M. No. 038973

UDIN: 20038973AAAABX8859

Mumbai, Dated: 22.05.2020

ANNEXURE “C” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF IDBI Mutual Fund Trustee Company Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of IDBI Mutual Fund Trustee Company Limited (“the Company”) as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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. 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 Companies Act, 2013.

Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial

reporting 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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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 U. G. Devi & Company
Chartered Accountants
Firm Reg. No. 102427-W

VINAY
UDHAVD
AS DEVI



(Vinay U. Devi)

Partner

Membership No. 038973

UDIN: 20038973AAAABX8859

Mumbai, Dated: 22.05.2020



गोपनीय/शीघ्र डाक

संख्या: जीए/सीए III/आयडीबीआयएमएफट्रस्टी/लेखा/2019-20/ 82

सेवा में,

20/08/2020

निदेशक ,

आयडीबीआय एमएफ ट्रस्टी कंपनी लिमिटेड,

4 माला, आयडीबीआय टॉवर,

कफ परेड, कोलाबा,

मुंबई -400005

विषय: 31 मार्च 2020 को समाप्त वर्ष हेतु आयडीबीआय एमएफ ट्रस्टी कंपनी लिमिटेड के वित्तीय विवरणों पर कंपनी अधिनियम 2013 की धारा 143 (6)(बी) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ ।

महोदय,

31 मार्च 2020 को समाप्त वर्ष हेतु आयडीबीआय एमएफ ट्रस्टी कंपनी लिमिटेड के वित्तीय विवरणों पर कंपनी अधिनियम 2013 की धारा 143 (6)(बी) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक के द्वारा दी गई टिप्पणियाँ इस पत्र के साथ संलग्न हैं। टिप्पणियों को मुद्रित वार्षिक प्रतिवेदन के विषयसूची में उचित संकेत सहित सांविधिक लेखापरीक्षक के प्रतिवेदन के आगे रखा जाये।

वार्षिक सामान्य बैठक के समापन के पश्चात, वित्तीय विवरणों, सांविधिक लेखापरीक्षक का प्रतिवेदन तथा भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियों को अपनाते हुए सामान्य वार्षिक बैठक की कार्यवाही की एक प्रतिलिपि इस कार्यालय को अविलंब अग्रेषित की जाए। मुद्रित वार्षिक रिपोर्ट की दस प्रतियाँ भी इस कार्यालय को भेजी जायें। कृपया इस पत्र एवं संलग्नकों की प्राप्ति की सूचना दें।

भवदीय,

जी. वी. हरि कृष्णा
20/08/2020

(पी.वी. हरि कृष्णा)

प्रधान निदेशक लेखापरीक्षा (नौवहन), मुंबई

संलग्न: यथोपरि।

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF IDBI MF TRUSTEE COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2020.

The preparation of financial statements of IDBI MF Trustee Company Limited for the year ended 31 March 2020 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the Financial Statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 22 May 2020.

The assets under management through various schemes managed by IDBI MF Trustee Company Limited are not reflected in its Balance Sheet, since these assets do not form part of the IDBI MF Trustee Company Limited. Therefore, I do not look into operation of these schemes including decision making regarding acquisition, management and disposal of the assets managed by the IDBI MF Trustee Company Limited and express no opinion on the soundness of the investments.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of IDBI MF Trustee Company Limited for the year ended 31 March 2020 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on the behalf of the
Comptroller and Auditor General of India



(P. V. Hari Krishna)

Principal Director of Audit (Shipping), Mumbai

Place : Mumbai

Date : 20.08.2020.

IDBI MF TRUSTEE COMPANY LIMITED

(CIN:U65991MH2010PLC199326)

Balance Sheet as at 31st March 2020

| Particulars | Note No. | As at 31st March 2020 | As at 31st March 2019 |
|--|----------|-----------------------|-----------------------|
| I. EQUITY AND LIABILITIES | | | |
| 1 Shareholders' funds | | | |
| (a) Share capital | 3 | 20,00,000 | 20,00,000 |
| (b) Reserves and surplus | 4 | 1,37,03,382 | 1,26,60,248 |
| (c) Money received against share warrants | | - | - |
| | | 1,57,03,382 | 1,46,60,248 |
| 2 Share application money pending allotment | | - | - |
| 3 Non-current liabilities | | | |
| (a) Long-term borrowings | | - | - |
| (b) Deferred tax liabilities (Net) | | - | 612 |
| (c) Other Long term liabilities | | - | - |
| (d) Long-term provisions | | - | - |
| | | - | 612 |
| 4 Current liabilities | | | |
| (a) Short-term borrowings | | - | - |
| (b) Trade payables | | - | - |
| (c) Other current liabilities | 5 | 7,48,215 | 20,57,732 |
| (d) Short-term provisions | | - | - |
| | | 7,48,215 | 20,57,732 |
| TOTAL | | 1,64,51,597 | 1,67,18,592 |
| II. ASSETS | | | |
| Non-current assets | | | |
| 1 (a) Fixed assets | | | |
| (i) Property, Plant and Equipment | 6 | 1,19,434 | 2,26,005 |
| (ii) Intangible assets | | - | - |
| (iii) Capital work-in-progress | | - | - |
| (iv) Intangible assets under development | | - | - |
| (b) Non-current investments | 7 | 1,51,27,437 | 1,40,51,552 |
| (c) Long term loans and advances | 8 | 2,85,038 | 8,86,256 |
| (d) Deferred Tax Assets(Net) | | 18,177 | - |
| | | 1,55,50,086 | 1,51,63,813 |
| 2 Current assets | | | |
| (a) Current investments | 7 | - | - |
| (b) Trade receivables | 9 | 3,49,509 | 6,97,683 |
| (c) Cash and cash equivalents | 10 | 33,454 | 1,47,981 |
| (d) Other current assets | 11 | 5,18,548 | 7,09,115 |
| | | 9,01,511 | 15,54,779 |
| TOTAL | | 1,64,51,597 | 1,67,18,592 |
| Significant accounting policies | 1-2 | | |
| Notes forming part of the financial statements | 15-26 | | |

In terms of our report attached

For U. G Devi & Company

Chartered Accountants

Firm Regn No 102427 W

U. G. Devi

Partner

M.No.38973

Place: Mumbai

Date: 22.5.20

For IDBI MF Trustee Company Limited

Samuel Joseph

Chairman

DIN: 02262530

A C Mahajan

Director

DIN: 00041664



Profit and loss statement for the period ended 31st March 2020

| Particulars | Refer Note No. | For the period ended 31st March 2020 | For the period ended 31st March 2019 |
|--|----------------|--------------------------------------|--------------------------------------|
| I. Revenue From Operations | 12 | 46,54,093 | 81,56,166 |
| II. Other income | 13 | 11,19,966 | - |
| III. Total Revenue (I + II) | | 57,74,059 | 81,56,166 |
| IV. Expenses: | | | |
| Employee benefits expense | | - | - |
| Finance Cost | | - | - |
| Other Expenses | 14 | 45,00,859 | 74,86,919 |
| Depreciation & Amortisation | | 69,100 | 15,780 |
| V. Total Expenses | | 45,69,959 | 75,02,699 |
| VI. Profit before exceptional and extraordinary items and tax (III-IV) | | 12,04,100 | 6,53,467 |
| VII. Exceptional Items | | - | - |
| VIII. Profit before extraordinary items and tax (V - VI) | | 12,04,100 | 6,53,467 |
| IX. Extraordinary Items | | - | - |
| X. Profit before tax (VII- VIII) | | 12,04,100 | 6,53,467 |
| XI. Tax expense: | | | |
| (1) Current tax | | 1,87,840 | 2,03,589 |
| (2) Deferred tax | | (18,789) | 612 |
| (3) Tax adjustment in respect of earlier years | | (614) | - |
| (4) MAT credit Entitlement | | (7,471) | - |
| XII. Profit (Loss) for the period from continuing operations (X-XI) | | 10,43,134 | 4,49,266 |
| XIII. Profit/(loss) from discontinuing operations | | - | - |
| XIV. Tax expense of discontinuing operations | | - | - |
| XV. Profit/(loss) from Discontinuing operations (after tax) (XIII-XIV) | | | |
| XVI. Profit (Loss) for the period (XII + XV) | | 10,43,134 | 4,49,266 |
| Earnings per equity share: Basic and diluted | 15 | 5.22 | 2.25 |
| Nominal value per share | | 10 | 10 |
| Significant accounting policies | 1-2 | | |
| Notes forming part of the financial statements | 15-26 | | |

In terms of our report attached
For U. G Devi & Company
Chartered Accountants
Firm Regn No 102427 W

V. U. Devi
Partner
M.No.38973
Place: Mumbai
Date: 22.03.20

For IDBI MF Trustee Company Limited

Samuel Joseph
Chairman
DIN: 02262530

A. C. Mahajan
Director
DIN: 00041661



Robha

| Cash Flow Statement for the year ended 31.03.2020 | | | |
|---|---|-------------------|-------------------|
| Ref No | Particulars | 31 March' 2020 | 31 March' 2019 |
| (A) | Cash Flow from Operating Activities : | | |
| | Profit/(Loss) before Tax | 12,04,100 | 6,53,467 |
| | Adjustments- | | |
| | Deferred tax | | |
| | Depreciation | 69,100 | 15,780 |
| | Profit on sale of investments | (10,75,886) | - |
| | Loss From Sale of Fixed Asset | 36,578 | - |
| | Operating Profit/(Loss) before Working Capital changes | 2,33,893 | 6,69,247 |
| | Adjustments for (increase)/decrease in operating assets | | |
| | (Increase)/Decrease in Trade Receivables | 3,48,175 | 1,46,060 |
| | (Increase)/Decrease in Other Assets | 7,91,785 | (4,62,239) |
| | Adjustments for (increase)/decrease in operating liabilities | | |
| | Increase/(Decrease) in Current Liabilities | (13,09,518) | 6,53,097 |
| | Increase/(Decrease) in Short Term Provisions | - | - |
| | Cash generated from operating activities | 64,335 | 10,06,165 |
| | Net Income tax (paid)/refunds | (1,79,755) | (9,22,576) |
| | Net Cash from Operating activities (A) | (1,15,420) | 83,589 |
| (B) | Cash Flow from Investing activities | | |
| | Purchase of Fixed Assets | - | (2,41,785) |
| | (Increase)/Decrease in Investments | (10,75,885) | - |
| | Investment in Mutual Fund | | - |
| | Profit on sale of investments | 10,75,886 | - |
| | Sale of Fixed Assets | 893 | - |
| | Dividend Income | - | - |
| | Interest Income | - | - |
| | Other Income | - | - |
| | Net Cash used in Investing Activities (B) | 893 | (2,41,785) |
| (C) | Cash Flow from Financing activities | | |
| | Increase in Share Capital | - | - |
| | Net Cash from Financing Activities (C) | | |
| | Cash & Cash Equivalents for the year | (1,14,527) | (1,58,196) |
| | Cash & Cash Equivalents at the Beginning of the year | 1,47,981 | 3,06,176 |
| | Cash & Cash Equivalents at the End of the year | 33,454 | 1,47,981 |
| | Cash & Cash Equivalents Comprise of : | | |
| | Cash on hand | - | - |
| | Bank Accounts | 33,454 | 1,47,981 |

The cash flow statement is prepared using the indirect method
See accompanying Notes forming part of the Financial Statements

In terms of our report attached

For U. G Devi & Company
Chartered Accountants
Firm Regn No 102427 W




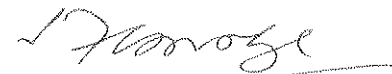

V. U. Devi
Partner

M.No.38973

Place: Mumbai

Date: 22.03.20

For IDBI MF Trustee Company Limited

Samuel Joseph
Chairman
DIN: 02262530

A.C. Mahajan
Director
DIN: 00041661





Note 3:

| Share Capital | As at 31st March 2020 | As at 31st March 2019 |
|---|--------------------------|--------------------------|
| <u>Authorised</u> | | |
| 5,00,000 Equity shares of Rs. 10/- each | 50,00,000 | 50,00,000 |
| <u>Issued</u> | | |
| 2,00,000 Equity shares of Rs. 10/- each are held by IDBI Bank Limited, Holding Company, and no Fresh allotment has been made in the year. | 20,00,000 | 20,00,000 |
| <u>Subscribed & fully Paid up</u> | | |
| 2,00,000 Equity shares of Rs. 10/- each are held by IDBI Bank Limited, Holding Company, and no Fresh allotment has been made in the year. | 20,00,000 | 20,00,000 |
| <u>Subscribed but not fully Paid up</u> | - | - |
| Total | 20,00,000 | 20,00,000 |

Terms/rights attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/-. Each holder of equity shares is entitled to one vote per share. The company has not declared any dividends during the year. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

The reconciliation of the number of shares outstanding is set out below

| Particulars | As at 31st March 2020 | | As at 31.03.2019 | |
|-----------------------------------|-----------------------|-----------|------------------|-----------|
| | No | Amount | No | Amount |
| Number of shares at the beginning | 2,00,000 | 20,00,000 | 2,00,000 | 20,00,000 |
| Add: Shares issued | - | - | - | - |
| Number of Shares at the end | 2,00,000 | 20,00,000 | 2,00,000 | 20,00,000 |

Details of shares held by holding company and shareholders holding more than 5% shares is set out below:

| Name of Shareholder | As at 31st March 2020 | | As at 31.03.2019 | |
|---------------------------------|-----------------------|--------|------------------|--------|
| | No | % held | No | % held |
| IDBI Bank (the holding company) | 2,00,000 | 100% | 2,00,000 | 100% |



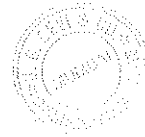
Note 4 :

| <u>Reserves & Surplus</u> | As at 31st March 2020 | As at 31st March 2019 |
|--|--------------------------|--------------------------|
| a. Capital Reserves | | |
| Opening Balance | | |
| (+) Current Year Transfer | - | - |
| (-) Written Back in Current Year | - | - |
| Closing Balance | - | - |
| b. Capital Redemption Reserve | | |
| Opening Balance | - | - |
| (+) Current Year Transfer | - | - |
| (-) Written Back in Current Year | - | - |
| Closing Balance | - | - |
| c. Securities Premium Account | | |
| Opening Balance | - | - |
| Add : Securities premium credited on Share issue | - | - |
| <u>Less : Premium Utilised for various reasons</u> | - | - |
| Premium on Redemption of Debentures | - | - |
| For Issuing Bonus Shares | - | - |
| Closing Balance | - | - |
| d. Debenture Redemption Reserve | | |
| Opening Balance | - | - |
| (+) Current Year Transfer | - | - |
| (-) Written Back in Current Year | - | - |
| Closing Balance | - | - |
| e. Revaluation Reserve | | |
| Opening Balance | | |
| (+) Current Year Transfer | - | - |
| (-) Written Back in Current Year | - | - |
| Closing Balance | - | - |
| f. Share Options Outstanding Account | | |
| Opening Balance | - | - |
| (+) Current Year Transfer | - | - |
| (-) Written Back in Current Year | - | - |
| Closing Balance | - | - |
| g. Profit & Loss | | |
| Opening balance | 1,26,60,248 | 1,22,10,982 |
| (+) Net Profit/(Net Loss) For the current year | 10,43,134 | 4,49,266 |
| (+) Transfer from Reserves | - | - |
| (-) Proposed Dividends | - | - |
| (-) Income Tax Provision of Last Year Transfer | - | - |
| (-) Deferred Tax Provision of Last Year Transfer | - | - |
| Closing Balance | 1,37,03,382 | 1,26,60,248 |
| Total | 1,37,03,382 | 1,26,60,248 |



Note 5 :

| Other Current Liabilities | As at 31st March 2020 | As at 31st March 2019 |
|---|--------------------------|--------------------------|
| (a) Current maturities of long-term debt | - | - |
| (b) Current maturities of finance lease obligations | - | - |
| (c) Interest accrued but not due on borrowings | - | - |
| (d) Interest accrued and due on borrowings | - | - |
| (e) Income received in advance | - | - |
| (f) Unpaid dividends | - | - |
| (g) Application money received for allotment of | - | - |
| (h) Unpaid matured deposits and interest accrued | - | - |
| (i) Unpaid matured debentures and interest accrued | - | - |
| (j) Other payables (specify nature) | - | - |
| Creditors for Expenses | 6,02,783 | 18,22,014 |
| CGST Payable | 5,259 | 21,093 |
| SGST Payable | 5,316 | 21,094 |
| TDS Payable | 25,957 | 84,631 |
| Audit Fees Payable | 1,08,900 | 1,08,900 |
| Total | 7,48,215 | 20,57,732 |



Schedule -6
Property, Plant and Equipment

Fixed Asset Schedule as per Schedule II of Companies Act, 2013.

| | Gross Block | | | Accumulated Depreciation | | | Net Block | | | |
|-----------------------------------|----------------------------------|----------|----------|----------------------------------|----------------------------------|----------|-----------|----------------------------------|-----------------------------|-----------------------------|
| | Opening Balance as on 01.04.2019 | Addition | Deletion | Closing Balance as on 31.03.2020 | Opening Balance as on 01.04.2019 | Addition | Deletion | Closing Balance as on 31.03.2020 | Net Amount as on 31.03.2020 | Net Amount as on 01.04.2019 |
| Tangible assets Mobile Handset | 2,41,785.00 | - | 47,946 | 1,93,839 | 15,780 | 69,100 | 10,475 | 74,405 | 1,19,434 | 2,26,005 |
| Grand total | 2,41,785 | - | 47,946 | 1,93,839 | 15,780 | 69,100 | 10,475 | 74,405 | 1,19,434 | 2,26,005 |





Note 7 : Investments

| Particulars | As at 31st March 2020 | As at 31st March 2019 |
|---|-----------------------|-----------------------|
| (a) Investment in Equity Instruments | - | - |
| (b) Investments in preference shares | - | - |
| (c) Investments in Government or Trust securities | - | - |
| (d) Investments in Debentures or Bonds | - | - |
| (e) Investments in Mutual Funds (Liquid Fund) | 1,51,27,437 | 1,40,51,552 |
| (f) Investments in partnership firms | - | - |
| (g) Other non-current investments (specify nature) | - | - |
| Total (A) | - | - |
| Less : Provision for diminution in the value of Investments | - | - |
| Total | 1,51,27,437 | 1,40,51,552 |

| Particulars | As at 31st March 2020 | As at 31st March 2019 |
|--|-----------------------|-----------------------|
| Aggregate amount of unquoted investments (Market Value Rs. 1,80,16,881.54) | 1,51,27,437 | 1,40,51,552 |
| Aggregate amount of quoted investments | - | - |

| Sr. No. | Name of the Body (Corporate) | Subsidiary / Associate / JV/ Controlled Special Purpose Entity | No. of Shares / Units | | Quoted / Unquoted | Partly Paid / Fully paid | Extent of Holding (%) | | Amount (₹) | | Basis of Valuation |
|---------|--|--|-----------------------|-----------|-------------------|--------------------------|-----------------------|------|-------------|-------------|--------------------|
| | | | 2020 | 2019 | | | 2020 | 2019 | 2020 | 2019 | |
| (a) | Investments in Mutual Funds | | | | | | | | | | |
| | ICBI Liquid Fund - Direct Plan - Growth (Market Value Rs. 1,35,14,881.49) | | 6,342.137 | 8,454.793 | Unquoted | | | | 1,06,27,437 | 1,40,51,552 | |
| | ICBI Liquid Fund - Direct Plan - Monthly Dividend (Market Value Rs.45,01,000.05) | | 4,469.7 | | Unquoted | | | | 45,00,000 | | |
| | Total | | | | | | | | 1,51,27,437 | 1,40,51,552 | |



Note 8 :

| Long term loans and advances | As at 31st March 2020 | As at 31st March 2019 |
|--|--------------------------|--------------------------|
| (Unsecured, considered good except otherwise stated) | | |
| Advance Income Tax less provision | | |
| FY 2019-20 (Net of Provision Rs. 1,87,840) | 2,77,567 | - |
| FY 2018-19 (Net of Provision Rs. 2,03,589) | - | 7,18,986 |
| FY 2017-18 (Net of Provision Rs. 7,79,016) | - | 1,67,270 |
| MAT Credit Entitlement | 7,471 | |
| Total | 2,85,038 | 8,86,256 |

Note 9 :

| Trade Receivables | As at 31st March 2020 | As at 31st March 2019 |
|--|--------------------------|--------------------------|
| Trade receivables outstanding for a period less than six months from the date they are due for payment | | |
| Secured, considered good | - | - |
| Unsecured, considered good | 3,49,509 | 6,97,683 |
| Unsecured, considered doubtful | - | - |
| | 3,49,509 | 6,97,683 |
| Less: Provision for doubtful debts | - | - |
| | 3,49,509 | 6,97,683 |
| six months from the date they are due for payment | | |
| Secured, considered good | - | - |
| Unsecured, considered good | - | - |
| Unsecured, considered doubtful | - | - |
| Less: Provision for doubtful debts | - | - |
| | - | - |
| | - | - |
| Total | 3,49,509 | 6,97,683 |

Note 10 :

| Cash and cash equivalents | As at 31st March 2020 | As at 31st March 2019 |
|--|--------------------------|--------------------------|
| a. Balances with banks in current account | 33,454 | 1,47,981 |
| This includes: | | |
| Earmarked Balances (eg/- unpaid dividend accounts) | - | - |
| Margin money | - | - |
| Security against borrowings | - | - |
| Guarantees | - | - |
| Other Commitments | - | - |
| Bank deposits with more than 12 months maturity | - | - |
| b. Cheques, drafts on hand | - | - |
| c. Cash on hand | - | - |
| d. Others (specify nature) | - | - |
| Total | 33,454 | 1,47,981 |

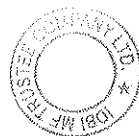
Note 11 :

| Other Current Assets | As at 31st March 2020 | As at 31st March 2019 |
|----------------------|--------------------------|--------------------------|
| a. GST Receivable | 5,06,048 | 7,09,114 |
| b. Prepaid Expenses | 2,500 | - |
| c. Deposit | 10,000 | - |
| Total | 5,18,548 | 7,09,114 |



Notes to Profit & Loss Account

| | For the period ended 31st March 2020 | For the period ended 31st March 2019 |
|---|---|---|
| Note 12 : Revenue From Operations | | |
| Rendering of Services | | |
| Trusteeship Fees | 46,54,093 | 81,56,166 |
| | 46,54,093 | 81,56,166 |
| Note 13: Other Income | | |
| Interest on IT Refund | 44,080 | - |
| Profit on Sale of Investments | 10,75,886 | - |
| | 11,19,966 | - |
| Note 14 : Other Expenses | | |
| Secretarial and Accounts Services Fees | 19,12,221 | 32,62,692 |
| Travel & Halting Expenses | 9,50,570 | 11,39,581 |
| Statutory Levies and Interest | 12,826 | 928 |
| Bank Charges, Commission & Fee | 661 | - |
| Audit Fees | 1,31,000 | 1,21,000 |
| Printing and stationery | 25,924 | 14,213 |
| Professional Charges | 2,17,758 | 3,38,505 |
| Other Expenses | 11,502 | - |
| Repairs & Maintenance Expenses | 11,819 | - |
| Director Sitting Fees | 11,90,000 | 26,10,000 |
| Loss on sale of Fixed Asset | 36,578 | - |
| | 45,00,859 | 74,86,919 |
| Prior Period Expenses (included above) | | |
| Statutory Levies and Interest | 10,000 | - |



IDBI MF TRUSTEE COMPANY LIMITED
(CIN: U65991MH2010PLC199326)

Notes forming part of the financial statements:

For the year ended 31st March 2020
(Currency: Indian rupees)

1 Background

IDBI MF Trustee Company Limited was incorporated on 25th Jan, 2010 as a Public limited company. The principle activity of the Company is to act as Trustee for the schemes of the Mutual Fund ("the Fund") by devising various mutual fund schemes for raising funds and deploying them to earn reasonable returns.

2 Significant Accounting Policies

2.1 Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") and the relevant provisions of the Act. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year. All assets and liabilities are classified as current if it is expected to realise or settle within 12 months after the Balance Sheet date.

2.2 Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles ("GAAP") in India requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results may differ from the estimates used in preparing the accompanying financial statements. Any revision to accounting estimates is recognized prospectively for current and future periods.

2.3 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid time deposits that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.4 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit/ (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.



2.5 Revenue Recognition

Trusteeship fees:

Trusteeship fees is recognized on accrual basis as a percentage of the average daily net assets of the schemes of IDBI Mutual funds, such that it does not exceed the rates prescribed by the Securities and Exchange Board of India ('SEBI') (Mutual Fund) Regulations, 1996 (the 'Regulations') and any other amendments or offer document of the respective schemes.

Other income:

Income from Investments is accounted on accrual basis. Dividend income is recognized when the right to receive dividend is established. Profit/loss on the sale of investments is recognized in the statement of Profit and Loss on the trade date using the FIFO method for arriving at purchase cost.

2.6 Scheme/other Expenses

Expenses of the scheme of IDBI Mutual Fund in excess of the limits prescribed by the Securities and Exchange Board of India (Mutual Fund) Regulations Act 1996 can be borne by the Company. However, during the period under review no such expenses are charged to profit and loss account. IDBI Asset Management Limited has apportioned a part of the Secretarial and other charges attributable to the IDBI MF trustee company Limited on a reasonable and equitable basis and such expenses are charged to the Profit and Loss account.

2.7 Property, plant and equipment

Owned Asset:

Assets held for own use are stated at original cost less accumulated depreciation and impairment loss, if any. Cost of Property, plant and equipment comprises purchase price, duties, levies and any directly attributable costs of bringing the assets to its working condition of the intended use.

Depreciable amount for asset is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

The estimated useful life of Property, plant and equipment which is in line with schedule II to the Companies Act 2013 and the method of depreciation is set out herein below:

| <u>Assets</u> | <u>Useful Life</u> | <u>Method of Depreciation</u> |
|------------------------|--------------------|-------------------------------|
| Plant & Equipment's | 15 Years | Straight Line Method |
| Furniture and Fittings | 10 Years | Straight Line Method |
| Electrical Equipment's | 10 Years | Straight Line Method |
| Vehicles | 8 Years | Straight Line Method |
| Office Equipment's | 5 Years | Straight Line Method |
| Computers | 3 Years | Straight Line Method |
| Mobile Phones | 3 Years | Straight Line Method |

Intangible Assets

Intangible Assets are stated at cost of acquisition, less accumulated amortization and impairment losses. An intangible asset is recognized, where it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can



be reliably measured. The amortizable amount of intangible assets is allocated over the best estimate of its useful life on a straight-line basis.

2.8 Impairment of Assets

An asset is considered as impaired in accordance with Accounting Standard 28 on Impairment of Assets when at the balance sheet date there are indications of impairment and the carrying amount of asset, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the asset's net selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

2.9 Earnings per share

The company reports Basic Earnings Per Share (EPS) in accordance with Accounting Standard 20 on Earnings Per Share. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

2.10 Foreign currency transactions

Transactions in foreign currencies are accounted for at the prevailing rates of exchange on the date of transaction. Foreign currency monetary items are restated at the prevailing rates of exchange as at the Balance Sheet date. All gains and losses arising out of fluctuations in exchange rates are accounted for in the Statement of Profit and Loss.

2.11 Investments:

Investments are classified into non-current and current investments. Securities and other financial assets acquired and held for earning income by way of dividend and interest and for the purpose of capital appreciation are classified as non-current investments and are valued at their cost of acquisition. Decline in their value other than temporary, if any, is recognized. Current investments are carried at lower of cost or market value

2.12 Employee benefits

Compensation to employees for services rendered is accounted for in accordance with Accounting Standard 15 on Employee Benefits.

2.13 Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets, as defined in Accounting Standard 16 on Borrowing Costs, are capitalized as part of the cost of the asset upto the date when the asset is ready for its intended use. Other borrowing costs are recognized as an expense in the period in which they are incurred.



2.14 Segment Reporting

The Company is primarily in a single segment i.e. in the business of Trusteeship. The Company identifies primary segments based on the dominant source, nature and returns, the internal organization and management structure.

2.15 Taxation

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law), deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

Current taxes

Provision for current income-tax is recognized in accordance with the provisions of Indian Income-tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowances and exemptions.

Deferred taxes

Deferred tax assets and liabilities are recognized for future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantively enacted by the balance sheet date. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in the period that includes the enactment date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reassessed for the appropriateness of their respective carrying values at each balance sheet date.

Minimum Alternate Tax ('MAT')

Minimum Alternate 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, the said asset is created by way of a credit to the statement of profit and loss. 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 Company will pay normal income-tax during the specified period

2.16 Provisions and Contingencies

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

Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.



Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognized in the period in which the change occurs.



Additional information to the financial statements and disclosures under Accounting Standards

15. Earnings per share has been computed as under:

In Accordance with Accounting Standard 20 on Earnings per share, the computation of earnings per share is set out below:

| Earnings per share | 31 st March 2020 | 31 st March 2019 |
|---|-----------------------------|-----------------------------|
| Net (Loss)/ Profit after tax attributable to equity shareholders(A) Rs. | 10,43,134 | 4,49,266 |
| Calculation of weighted average number of equity shares(B) : | 2,00,000 | 2,00,000 |
| - No. of shares at the beginning of the period | 2,00,000 | 2,00,000 |
| - No. of shares issued during the period | NIL | NIL |
| - Total No. of shares outstanding at the period | 2,00,000 | 2,00,000 |
| - Nominal Value of the equity share - Rs. per share | 10/- | 10/- |
| - Paid up value of the equity share - Rs. Per share | 10/- | 10/- |
| Basic (loss)/ earnings per share of the face value of Rs.10/- for the period(A)/(B)-Rs. | 5.22 | 2.25 |

16. In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic, which continues to spread throughout India. While the disruption is currently expected to be temporary, there is uncertainty around the duration. Management is currently evaluating the impact of the COVID-19 pandemic on the industry. The Company's business may be impacted due to decrease in the NAV of the underlying funds on which the trustee fees for the Company is calculated. Business continuity plans have been invoked to maintain business operations following lockdowns across India which will help to ensure business resilience. The situation is changing so rapidly that the full impact cannot yet be understood, but the Company will continue to monitor the situation closely.

17. The Company is primarily engaged in the business of providing Trusteeship Fees to Mutual Fund. As such, there are no separate reportable segments as per the Accounting Standard (AS-17) "Segment Reporting". The Company has no office or assets outside India.

18. Related party disclosures:

As required under Accounting Standard 18 (AS-18) -"Related Party Disclosure" the related parties of the Company are as follows:

List of related parties and relationship:

| I | Individuals having control with relatives & associates |
|---|--|
| | NIL. |



| | | |
|----|--------------------------|-------------------------------------|
| II | Key Management Personnel | |
| | Shri Samuel Joseph | Chairman / Deputy Managing Director |

| | | |
|-----|---------------------------------------|-------------------|
| III | Holding Company and Fellow subsidiary | |
| | IDBI Bank Limited | Holding Company |
| | IDBI Asset Management Limited | Fellow Subsidiary |

Transactions with related parties:

| | 31 st March 2020 | 31 st March 2019 |
|--|-----------------------------|-----------------------------|
| IDBI Bank Limited | | |
| Deposits Placed with IDBI Bank | NIL | NIL |
| Deposits matured with IDBI Bank | NIL | NIL |
| Contribution to capital of the Company | NIL | NIL |
| Transactions with IDBI Bank | NIL | NIL |
| Amount outstanding | NIL | NIL |
| IDBI Asset Management Limited | | |
| Expenses Debited | 19,12,221 | 32,62,692 |
| Trustee Fee Received | 46,54,093 | 81,56,166 |
| Shri Samuel Joseph | | |
| Sitting Fees paid | NIL | NIL |
| Reimbursement of Expenses | NIL | NIL |

Balance with related parties:

| Particulars | 31 st March 2020 | 31 st March 2019 |
|---|-----------------------------|-----------------------------|
| 1. IDBI Bank Limited (Holding Company) | 20,00,000 | 20,00,000 |
| 2. IDBI Asset Management Company (Payable) | 4,67,200 | 16,54,423 |
| 3. IDBI Asset Management Company (Receivable) | 3,49,509 | 6,97,683 |
| 4. IDBI Bank Limited (Holding Company)-Bank Bal | 33,454 | 1,47,981 |

Note:

1. The capital contributed by IDBI Bank Limited (the Holding Company) at the time of inception was 2,00,000 equity shares of Rs.10/- each fully paid up.
19. Earnings in foreign exchange: NIL
20. Expenditure in foreign exchange: NIL
21. Dues to Micro, Small and Medium Enterprises:



On the basis of information and records available with the management, there are no dues payable to Micro, Small and Medium enterprises that are registered with the competent authorities.

22. Income Tax:

In accordance with Notified Accounting Standard 22 (AS-22), Accounting for taxes on Income, the major components of deferred tax as at 31st March 2020 are as follows:


| Deferred Tax asset / (Liability) | 31 st March 2020 (Rs) | 31 st March 2019 (Rs) |
|---|-------------------------------------|-------------------------------------|
| Temporary Difference | NIL | NIL |
| Timing Difference on account of depreciation | 18,789 | (612) |
| Closing Balance of DTA/(DTL) as at 31 st March | 18,177 | (612) |

23. Details of Audit Fees Paid (excluding GST)

| Particulars | 31 st March 2020 | 31 st March 2019 |
|------------------------|-----------------------------|-----------------------------|
| Statutory Audit | Rs. 1,21,000 | Rs. 1,21,000 |
| Other Services | Rs. 10,000 | NIL |
| Out of pocket expenses | NIL | NIL |

24. Balance of Sundry creditors, loans and advances and payables are subject to confirmation and reconciliation/consequential adjustments if any.
25. Figures have been rounded off to the nearest rupee.
26. Figures have been regrouped wherever necessary to correspond with those of the current year.

For U. G. Devi & Company
Chartered Accountants
FRN: 102427 W



(V. U. Devi)
Partner
M.No.038973

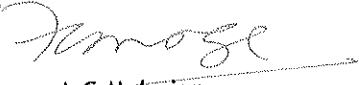
Place: Mumbai;

Date: 22.5.20



For IDBI MF Trustee Company Limited


Samuel Joseph
Chairman
DIN: 02262530


A-C Mahajan
Director
DIN: 00041661



