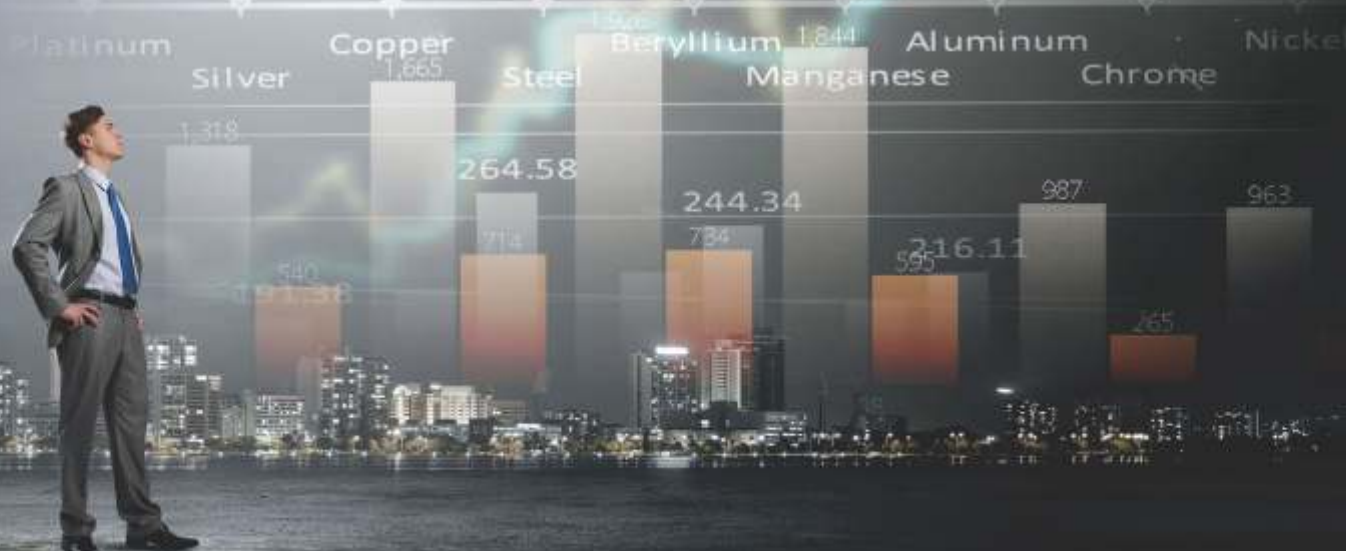


# ANNUAL REPORT 2020-21

delivered solid results in a challenging



Date of AGM : July 30, 2021



**IDBI MF TRUSTEE COMPANY LIMITED**  
**CIN: U65991MH2010PLC199326**

# **ANNUAL REPORT**

## **2020-21**

**Date of AGM : July 30, 2021**

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

**CIN: U65991MH2010PLC199326**

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

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# **IDBI MF TRUSTEE COMPANY LIMITED**

CIN: U65991MH2010PLC199326

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## **BOARD OF DIRECTORS**

*(as on March 31, 2021)*

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**

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## **AUDIT COMMITTEE**

*(as on March 31, 2021)*

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

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

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

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## **Registered office**

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

Tel : (22) 6655 2800

Website : [www.idbimutual.co.in](http://www.idbimutual.co.in)

Email : [corp.secretarial@idbimutual.co.om](mailto:corp.secretarial@idbimutual.co.om)

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## **Statutory Auditors**

SGCO & Co., LLP

4A, Kaledonia, 2<sup>nd</sup> Floor, Sahar Road,

Near Andheri Station, Andheri (E), Mumbai 400 069

Email : [info@sgco.co.in](mailto:info@sgco.co.in)

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NOTICE  
OF  
ANNUAL  
GENERAL  
MEETING

## NOTICE

**NOTICE** is hereby given that the Eleventh Annual General Meeting of the member of IDBI MF Trustee Company Limited will be held on Friday, July 30, 2021 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, 2021 including audited Balance Sheet as at March 31, 2021, 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 authorise the Board of Directors to fix the remuneration of the Statutory Auditors as may be 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 for the financial year 2021-22.

### 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 an 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 : July 28, 2021**

**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 statement 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 fees for 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]*

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

I/We hereby record my/our presence at the the Eleventh Annual General Meeting of the member of IDBI MF Trustee Company Limited which will be held \_\_\_\_\_ day, \_\_\_\_\_ day of \_\_\_\_\_, 2021 at \_\_\_ a.m./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]*

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

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

I/We, being the members(s) of the Company holding \_\_\_ 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	:	

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 \_\_\_\_\_ day, \_\_\_\_ day of \_\_\_\_\_, 2021 at \_\_\_ a.m./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.....2021

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

Signature of shareholder.....

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

***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.***

# DIRECTOR'S REPORT

## DIRECTOR'S REPORT

Dear Members,

The Board of Directors takes pleasure to present the **Eleventh Annual Report** on the affairs of IDBI MF Trustee Company Limited along with the audited accounts for the financial year ended March 31, 2021

### HIGHLIGHTS OF FINANCIAL SUMMARY

The company's financial performance for the year ended March 31, 2021 is summarized as below:-

Particulars	<i>(Rs.in Lakh)</i>	
	2020- 21	2019 - 20
Total Income	36.01	57.74
Total Expenses	31.25	45.70
Profit/(Loss) before Tax	4.76	12.04
Tax expenses:		
Current Tax	(1.31)	(1.88)
Deferred Tax	0.12	0.19
Tax Adjustment in respect of earlier year	0.00	0.01
MAT Credit Entitlement	(0.07)	0.07
Profit/(Loss) for the year	<b>3.49</b>	<b>10.43</b>
Earnings per equity share:		
Basic	1.75	5.22
Diluted	1.75	5.22

The total Asset under Management (AUM) of IDBI Mutual Fund has increased to Rs. 4,242 crore as on March 31, 2021 as against Rs. 3,396 crore as on March 31, 2020. The total income of your company has decreased from Rs.57.74 Lakhs during financial year 2019-20 to Rs. 36.01 Lakhs during financial year 2020-21 due to decrease in Assets under Management (AUM). Consequently, the Net profit has decreased from Rs.10.43 Lakhs during the financial year 2019-20 to Rs. 3.49 Lakhs during the financial year 2020-21.

### SHARE CAPITAL

During the year under review, the company's Authorised Share 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 on 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 2020-21 is the eleventh 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, 2021 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, 2021 was Rs. 4,102 crore.

The trustee fee income for the company YoY decreased by 23.06% from Rs. 46.54 Lakhs for the year ended March 31, 2020 to Rs.35.81 Lakhs for the year ended March 31, 2021.

There were no new Schemes launched in the financial year 2020-21.

### **Business Environment:**

Financial Year 2020-21 started with global pandemic. The spread of Covid-19 virus profoundly affected global markets. Equities suffered steep declines and government bond yields fell as investors favoured their perceived safety. Governments and central banks announced measures to support businesses and households and reduce borrowing costs. The Covid-19 recession has seen the fastest, steepest downgrades in consensus growth projections among all global recession since 1990. The global economy contracted by 3.3% during this period. Global fiscal stimulus reached US\$18.6 trillion by March 2021 (23% of GDP) while the monetary stimulus by global central banks reached US\$16.6 trillion (21% of GDP).

The growth in India's real GDP is estimated to decline by 8% in FY 2020-21 as compared to the growth rate of 4% in 2019-2020, the first year of contraction since 1980. The external sector exhibited resilience as current account turned surplus for the first time since 2004, on weaker domestic demand, falling oil prices and strength in India's services exports. FDI flows were strong, driving India's forex reserves to an all time high of US\$580 billion by the end of FY 2020-21, against US\$475 billion by the end of FY 2019-20. The Reserve Bank of India (RBI), and the central and state governments provided critical support to the economy during the crisis. RBI maintained supportive monetary policy, cutting repo rates by 40 bps from 4.4% to 4%. RBI maintained liquidity surplus through various monetary measures to keep funding market easy.

Indian Equity markets have given their best financial year performance in a decade in FY21 with Nifty 50 rallied 71% y-o-y. The rally has been partly on account of strong foreign inflows

on expectation of improvement in the economy after a stringent pandemic-triggered lockdown for a few months in FY21. FPIs pumped in a record \$37 billion into Indian equities, which is the highest since FY13. On the other hand, domestic mutual funds recorded a net outflow of Rs. 1.22 trillion and became net sellers for the first time since FY13.

IIP contracted by 8.6% in FY21 vs 0.8% contraction in FY20. CPI inflation remained above 6% for 8 consecutive months on account of supply chain disruption, higher crude oil, labor scarcity (uneven), higher commodity prices. Average CPI for FY21 was at 6.2%. Global crude oil prices have recovered in 2021 as economies begin reopening amidst vaccine roll out. Oil prices averaged US\$43/bbl during this period. US treasury yield touched 1.7% as on 31<sup>st</sup> March'21 from low of 0.5% in August'20. India's 10 year Govt. Bond yield saw high of 6.49% and low of 5.76%, ending 12bps lower than FY20.

### **Mutual Fund Industry**

Financial Year 2020-21 was a good year for Mutual Fund Industry, even though the year had begun with the national lockdown announced to curb the spread of Covid-19 pandemic. AUM as on 31<sup>st</sup> March 2020 was Rs.22,26,203 Crore which was down by almost 6.5% than its previous year's AUM.

Equity markets had started touching fresh highs by the end of 2020 as the lockdown restrictions were removed gradually amid signs of recovery in the economy. Similarly Mutual Fund industry too had seen a sharp rise in its AUM. Industry had recorded AUM of Rs. 31,42,764 Crore as on 31<sup>st</sup> March 2021 and witnessed a y-o-y growth of 41% in its AUM

Average Assets Under Management (AAUM) of Indian Mutual Fund Industry for the month of March 2021 stood at Rs. 32,10,593 Crore.

During FY 2020-21, Mutual Fund Industry transformed its mode of operation and had shifted to digital. As AMCs were busy in servicing their investors while working from home due to the restrictions imposed on movement by government, everything including MF transactions, meetings, events, trainings etc. was handled virtually through Digital Mode.

Over the years, the regulatory operating framework has undergone various changes in order to bring more transparency in operation and safeguard the Investors' interest. In FY 2020-21, Regulator has introduced new norms for Mutual Fund Industry. Key changes are mentioned below :

- **Name change for Distributors-** MF distributors are no longer allowed to use nomenclatures like "Advisors", 'Independent Financial Advisers' (IFAs) and 'Wealth Managers'. Further, with SEBI's new regulations on investment advisors, individuals can now either become RIAs to offer fee based services or opt for a mutual fund distribution model to charge commission.
- **Uniformity in applicability of Net Asset Value (NAV) across various schemes upon realization of funds-** The regulator came out with framework for uniformity in applicability

of NAV for purchase across various mutual fund schemes (except liquid and overnight schemes) based on the realisation of funds (available for utilization), irrespective of the size and time of receipt of application. This change is applicable from 1<sup>st</sup> April 2021.

- **Change in Risk-o-meter-** SEBI introduced detailed guidelines for determining risk level of mutual fund using risk-o-meter tool. The new system introduced a fresh category of ‘very high’ risk. It replaced the old model which was based simply on a scheme’s category without adequately considering its actual portfolio. Mutual Funds need to update the risk-o-meter on a monthly basis on their websites and the AMFI website, within 10 days from the end of the month. In case of a change in risk-o-meter position, they have to send out communications to investors. Mutual Funds are required to publish a history of risk-o-meter changes every year.
- **Rename of Dividend Options/ sub options-** SEBI prescribed the need for clearly communicating to the investors that under dividend option of a Mutual Fund Scheme, certain portion of their capital (Equalization Reserve) can be distributed as dividend. Accordingly dividend options and its sub-options are renamed as below w.e.f 1<sup>st</sup> April 2021

Option / Plan	Name Change as
Dividend Pay-out	Pay-out of Income Distribution cum Capital withdrawal option / Pay-out of IDCW
Dividend Re-investment	Reinvestment of Income Distribution cum Capital Withdrawal option / Reinvestment of IDCW
Dividend Transfer Plan	Transfer of Income Distribution cum Capital Withdrawal plan / Transfer of IDCW

- **Scheme re-categorisation-** SEBI introduced a new fund category in the MF industry - Flexi Cap Funds in line with the erstwhile multi cap fund. Schemes under Flexi cap category can now invest at least 65% of net assets across market capitalisation without any market cap bias. However under Multi Cap Fund, SEBI mandated Schemes to invest at least 75% of the total fund corpus across market capitalisation with at least 25% exposure each to large cap, mid cap and small cap stocks. With this change proposed, many schemes falling under multi cap category got themselves re-categorised as Flexi Cap Funds.
- **TDS on mutual funds-** As per Budget 2020-21, fund houses are required to deduct 10% of TDS from IDCW (earlier known as dividend) income exceeding Rs 5000 from mutual funds. This has made IDCW (dividend) options for investors less attractive.

**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 2020-21 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. 3.49 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 that occurred in between the financial year ended March 31, 2021 and the date of the report, affecting the financial position of your company.

## **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, 2021 was as under: -

<b>S. No.</b>	<b>Name of the Director</b>	<b>Designation</b>	<b>Date of Appointment</b>	<b>Date of Resignation/ Retirement</b>
1.	Shri J. Samuel Joseph (DIN : 02262530)	Chairman	September 26, 2019	N.A.
2.	Shri Avinash Chander	Independent Director	September 26,	September 25,

S. No.	Name of the Director	Designation	Date of Appointment	Date of Resignation/ Retirement
	Mahajan*(DIN: 00041661)		2019	2024
3.	Shri Jagadeesan Jayaraman (DIN: 02423487)	Independent Director	September 26, 2019	September 25, 2024
4.	Shri Parthasarathy Krishnamurthy (DIN: 05336749)	Independent Director	September 26, 2019	September 25, 2024

### **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 Nine 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 30, 2020	4	4
May 22, 2020	4	4
June 29, 2020	4	4
July 21, 2020	4	4
August 27, 2020	4	4
September 25, 2020	4	4

October 21, 2020	4	4
December 28, 2020	4	3
January 21, 2021	4	4

### **ATTENDANCE OF DIRECTORS AT BOARD MEETINGS**

(Leave of Absence – LoA)

Name of the Director	Attendance at the Board Meeting held on								
	30-Apr-20	22-May-20	29-Jun-20	21-Jul-20	27-Aug-20	25-Sep-20	21-Oct-20	28-Dec-20	21-Jan-21
Shri J. Samuel Joseph (DIN : 02262530)	Present	Present	Present	Present	Present	Present	Present	LoA	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

### **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 line 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.

The Composition of the Audit Committee as on March 31, 2021 was as under: -

S. No.	Name of the Director	Particulars	Date of Appointment	Date of Resignation / Retirement
1.	Shri Jagadeesan Jayaraman (DIN:02423487)	Independent Director	September 26, 2019	September 25, 2024
2.	Shri Avinash Chander Mahajan (DIN: 00041661)	Independent Director	September 26, 2019	September 25, 2024
3.	Shri Parthasarathy Krishnamurthy (DIN: 05336749)	Independent Director	September 26, 2019	September 25, 2024

During the year under review the Committee met Eight times, the detail of the same has been summed up as under: -

Dates on which Audit Committee Meetings were held	Total strength of the Committee	Director's present
April 30, 2020	3	3
May 22, 2020	3	3
June 29, 2020	3	3
July 21, 2020	3	3
August 27, 2020	3	3
September 25, 2020	3	3
October 21, 2020	3	3
January 21, 2021	3	3

### **ATTENDANCE OF DIRECTORS AT AUDIT COMMITTEE MEETINGS**

(Leave of Absence – LoA)

Name of the Director	Attendance at the Audit Committee Meeting held on							
	30-Apr-20	22-May-20	29-Jun-20	21-Jul-20	27-Aug-20	25-Sep-20	21-Oct-20	21-Jan-21
Shri Avinash Chander Mahajan (DIN: 00041661)	Present	Present	Present	Present	Present	Present	Present	Present
Shri Parthasarathy Krishnamurthy (DIN: 05336749)	Present	Present	Present	Present	Present	Present	Present	Present
Shri Jagadeesan Jayaraman (DIN: 02423487)	Present	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, 2021, the composition of the Committee of Independent Directors was as under: -

<b>S. No.</b>	<b>Name of the Director</b>	<b>Particulars</b>	<b>Date of Appointment</b>	<b>Date of Resignation / Retirement</b>
1.	Shri Parthasarathy Krishnamurthy (DIN: 05336749)	Chairperson & Independent Director	September 26, 2019	September 25, 2024
2.	Shri Avinash Chander Mahajan (DIN:00041661)	Independent Director	September 26, 2019	September 25, 2024
3.	Shri Jagadeesan Jayaraman (DIN:02423487)	Independent Director	September 26, 2019	September 25, 2024

The Committee met once during the financial year 2020-21 on March 26, 2021 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:-

- a. In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures.
- b. 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.
- c. 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.
- d. The Directors have prepared the annual accounts on a going concern basis;
- e. 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
- f. 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](http://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 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 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**

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. However, the Auditors are not appointed by the CAG and hence, the Board need to be authorised to fix the remuneration of the Auditors as and when the appointment is advised by the CAG. Accordingly, the Notice of the Annual General Meeting includes an item pertaining to authorizing the Board to fix remuneration of the Auditors for the year 2021-22.

**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 2020-21.

**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**

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*

**Samuel Joseph Jebaraj**  
**DIN:02262530**

**Place: Mumbai**  
**Date: July 20, 2021**

**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: -

<b>S. No.</b>	<b>Particulars</b>	<b>Details</b>
<b>1.</b>	<b>Name(s) of the related party and nature of relationship.</b>	IDBI Asset Management Limited – Group company.
<b>2.</b>	<b>Nature of contracts/arrangements/transactions.</b>	To pay fees for Secretarial & Accounting services.
<b>3.</b>	<b>Duration of the contracts/arrangements/transactions.</b>	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.
<b>4.</b>	<b>Salient terms of the contracts or arrangements or transactions including the value, if any.</b>	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 roll. 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 <sup>st</sup> October, 2019. Recently, one of the AMC official has been deputed as Trustee Officer for administrative assistance to the Trustees as per the SEBI Circular dated 10Aug20.
<b>5.</b>	<b>Date of approval by the Board.</b>	October 22, 2013
<b>6.</b>	<b>Amount paid as advances, if any.</b>	NIL
<b>7.</b>	<b>Justification for entering into the contracts/arrangements/transactions.</b>	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***

**Samuel Joseph Jebaraj  
DIN:02262530**

**Place: Mumbai  
Date: July 20, 2021**

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	<b>IDBI MF TRUSTEE COMPANY LIMITED</b>
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, Ph. No. (022) 66442800; Fax: (022) 66442801 Website: www.idbimutual.co.in
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	
<b>A. Promoter(s)</b>									
<b>(1) Indian</b>									
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
<b>Sub-total (A)(1):-</b>	<b>0</b>	<b>2,00,000</b>	<b>2,00,000</b>	<b>100</b>	<b>0</b>	<b>2,00,000</b>	<b>2,00,000</b>	<b>100</b>	<b>Nil</b>
<b>2) Foreign</b>									
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
<b>Sub-total(A)(2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding (A)= (A)(1)+(A)(2)</b>	<b>0</b>	<b>2,00,000</b>	<b>2,00,000</b>	<b>100</b>	<b>0</b>	<b>2,00,000</b>	<b>2,00,000</b>	<b>100</b>	<b>Nil</b>

<b>iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): NIL</b>					
S. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the	
		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
<b>v. Shareholding of Directors and Key Managerial Personnel: NIL</b>					
S. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the	
		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)	-	-	-	-
<b>V. INDEBTEDNESS:</b>					
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness	
<b>Indebtedness at the beginning of the financial year</b>	-	-	-	-	
i)Principal Amount	-	-	-	-	
ii)Interest due but not paid	-	-	-	-	
iii)Interest accrued but not due	-	-	-	-	
<b>Total(i+ii+iii)</b>	-	-	-	-	
<b>Change in Indebtedness during the financial year</b>					
Addition	-	-	-	-	
Reduction	-	-	-	-	
<b>Net Change</b>	-	-	-	-	
<b>Indebtedness at the end of the financial year</b>					
i)Principal Amount	-	-	-	-	
ii) Interest due but not paid	-	-	-	-	
iii) Interest accrued but not due	-	-	-	-	
<b>Total (i+ii+iii)</b>	-	-	-	-	



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	-	-	-	-
	<b>Total(A1)</b>			-	
	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	-	-		
	<b>Total (1)</b>				
2	<b>Other Non-Executive Directors:-</b>	N.A.	-		
	Fee for attending board committee meetings				
	Commission				
	Others, please specify				
	<b>Total(2)</b>		-		
	<b>Total(B) =(1)+(2)</b>				
<b>Total Managerial Remuneration(A+B)</b>			<b>0</b>		
<b>Overall Ceiling as per the Act</b>			<b>Not more than Rs. 1 Lakh per meeting of Board or Committee</b>		
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	-	-	-	-
	<b>Total</b>	-	-	-	-

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)
<b>A.COMPANY</b>					
Penalty					
Punishment		NONE			
Compounding					
<b>B.DIRECTORS</b>					
Penalty					
Punishment		NONE			
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment		NONE			
Compounding					

*For and on behalf of the Board of Directors*

Date :  
Place : Mumbai

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



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
<b>Sub-total(B)(2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>Nil</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>Nil</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	Nil
<b>Grand Total (A+B+C)</b>	<b>0</b>	<b>2,00,000</b>	<b>2,00,000</b>	<b>100</b>	<b>0</b>	<b>2,00,000</b>	<b>2,00,000</b>	<b>100</b>	<b>Nil</b>

### 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
	<b>Total</b>	<b>2,00,000</b>	<b>100</b>	<b>0</b>	<b>2,00,000</b>	<b>100</b>	<b>0</b>	<b>0</b>

\* 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

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration					Total Amount
		Shri.A.C. Mahajan	Shri.J. Jayaraman	Shri. P. Krishnamurthy	Shri T.M. Nagarajan	
1	<b>Independent Directors</b>					
	• Fee for attending Board/ Committee Meetings	6,95,000.00	7,50,000.00	7,05,000.00	50,000.00	22,00,000.00
	• Commission	0	0	0	0	0
	• Others, please specify	0	0	0	0	0
	Total (1)	6,95,000.00	7,50,000.00	7,05,000.00	50,000.00	22,00,000.00
2	<b>Other Non-Executive Directors</b>					
	• Fee for attending Board/ Committee Meetings	0	0	0	0	0
	• Commission	0	0	0	0	0
	• Others, please specify	0	0	0	0	0
	Total (2)	0	0	0	0	0
	Total (B) = (1 + 2)	6,95,000.00	7,50,000.00	7,05,000.00	50,000.00	22,00,000.00
	Total Managerial Remuneration	6,95,000.00	7,50,000.00	7,05,000.00	50,000.00	22,00,000.00

Sitting Fees paid to the Independent Directors includes the arrears for the period Jul 19 to Aug 20 (due to increase in Sitting Fees)

The details are as under -

**(Arrears of July 19 to Aug 20)**

IDBI MFT Director's Name	Amount
Jayaraman Jagadeesan	2,85,000.00
Mr. A C Mahajan	2,55,000.00
P Krishnamurthy	2,60,000.00
<b>Grand Total</b>	<b>8,00,000.00</b>

AUDITOR'S

REPORT

&

FINANCIAL

STATEMENTS



गोपनीय/शीघ्र डाक

संख्या: जीए/सीए 111/आयडीबीआयएमएफट्रस्टी/लेखा/2020-21/19

07 JUN 2021

सेवा में,

निदेशक,

आयडीबीआय एमएफ ट्रस्टी कंपनी लिमिटेड,  
4 माला, आयडीबीआय टॉवर, डब्ल्यूटीसी कॉम्प्लेक्स,  
कफ परेड, कोलाबा,  
मुंबई -400005

**विषय: 31 मार्च 2021 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 2021 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 दे।

भवदीय,

*(Handwritten signature)*

(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 2021**

The preparation of financial statements of IDBI MF Trustee Company Limited for the year ended 31 March 2021 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 26 April 2021.

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 decided not to conduct the supplementary audit of the financial statements of IDBI MF Trustee Company Limited for the year ended 31 March 2021 under section 143(6)(a) 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: 07.06.2021



**INDEPENDENT AUDITOR'S REPORT**

**To the Members of IDBI Mutual Fund Trustee Company Limited**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **IDBI Mutual Fund Trustee Company Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2021, the statement of Profit and Loss and the statement of Cash Flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and profit, and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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.

**Other Matters**

1. Attention is drawn to note no. 17 of the financial statements, where the Company describes uncertainties arising from Covid – 19 pandemic. In view of these uncertainties, the impact on the Company's financial statement is dependent on future developments.
2. Due to Covid – 19 pandemic, lockdown and other restrictions imposed by the government and local administration, the audit process was carried out based on the remote access to the extent feasible and necessary records made available by the management through digital medium.
3. The financial statements of the Company for the year ended 31<sup>st</sup> March, 2020 were audited by another auditor who expressed an unmodified opinion on 22<sup>nd</sup> May, 2020.

4A, Kaledonia,  
2<sup>nd</sup> Floor, Sahar Road,  
Near Andheri Station,  
Andheri (East),  
Mumbai – 400 069

Tel. +91 22 6625 6363  
Fax. +91 22 6625 6364  
E-mail: info@sgco.co.in  
www.sgco.co.in

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

The Company's Board of Directors is 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 auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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 communicate the matter to those charged with governance.

The annual report is expected to be made available to us after the date of auditor's report. Hence, we are not commenting in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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) Amendments Rules, 2016. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

**Auditor's Responsibilities for the Audit of the Financial Statements**

1. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
2. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also :
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal 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.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 3. 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.
- 4. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters Specified in paragraphs 3 and 4 of the Order.
2. With respect to the matter to be included in the Auditors Report under section 197 read with Schedule V of the Act, we have nothing to report as no remuneration has been paid to the Directors.
3. As required by section 143(3) of the Act, we further 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 purpose of our audit;
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid Financial Statements comply with the applicable 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;

# **SGCO & Co.LLP**

## **Chartered Accountants**

- e) On the basis of written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of subsection 2 of Section 164 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 our separate report in Annexure “B” 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 litigation which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. The company is not required to transfer any amounts as required by the law to Investor Education and Protection Fund.

### **Report on Directions /Sub directions issued by the Comptroller & Auditor General of India under sub – section (5) of section 143 of the Act.**

In terms of directions issued by the Comptroller & Auditor General of India under sub – section (5) of section 143 of the Act and on the basis of such checks of the books and records of the company, as we consider appropriate and according to the information and explanation given to us, we give in “Annexure C”, a statement on the matter specified in the said directions.

**For S G C O & Co. LLP**  
Chartered Accountants  
**FRN. 112081W/W100184**



**Amit Hundia**  
Partner  
**Membership No. 120761**  
**UDIN No:- 21120761AAAAAZ6149.**

Place: Mumbai Date:  
26<sup>th</sup> April, 2021

# **SGCO & Co.LLP**

## **Chartered Accountants**

**Annexure “A” to the Independent Auditors Report of IDBI Mutual Fund Trustee Company Limited for the year ended 31<sup>st</sup> March 2021 (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 hold 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) Since the company business does not have any inventory, the provision of clause of 3 (ii) of the said order is not applicable to the company .
- (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 partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the order are not applicable.
- (iv) In our opinion and according to the information and explanation given to us, the company has not given / made loans, investments, guarantees and security . The issue of compliance with the provision of section 185 & 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 section148(1) of the Companies Act, 2013 for any of the products of the Company.

# **SGCO & Co.LLP**

## **Chartered Accountants**

- (vii) a) According to the information and explanations given to us and the records of the company examined by us, the undisputed statutory dues including Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess, Goods & Service Tax to the extent applicable to the Company have been regularly deposited with the appropriate authorities. The provisions relating to provident fund, employees state insurance are not applicable to the company. There are no undisputed amount payable in respect of such statutory dues which have remained outstanding as at 31st March, 2021 for a period more than six months from the date they became payable except in case of TDS, detail of which is given below:

<b>Name of the Statute</b>	<b>Nature of dues</b>	<b>Amount (Rs)</b>	<b>Period to which amount relates</b>	<b>Due Date</b>	<b>Date of payment</b>
Income Tax Act, 1961	TDS	8,600	Prior years	Prior years	20-04-2021
	Interest	1,320			
	<b>Total</b>	<b>9,920</b>			

- b) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Service Tax, Goods & Service Tax, Duty of Custom, Duty of Excise, and Value Added Tax which have not been deposited on account of disputes with the related authorities:
- (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) According to the information & explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the year.
- (xi) No managerial remuneration has been paid or provided for.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable.

# **SGCO & Co.LLP**

## **Chartered Accountants**

- (xiii) In our opinion and according to the information and explanations given to us, all transactions with 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) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with him.
- (xvi) In our opinion and according to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For S G C O & Co. LLP**  
Chartered Accountants  
**Firm's Registration No. 112081W/W100184**



**Amit Hundia**  
Partner  
**Membership No. 120761**  
**UDIN No:- 21120761AAAAZ6149**

Place : Mumbai  
Date: 26<sup>th</sup> April, 2021



**ANNEXURE "B" 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, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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.

# **SGCO & Co.LLP**

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## **Chartered Accountants**

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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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.

# **SGCO & Co.LLP**

## **Chartered Accountants**

### **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, 2021, 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 S G C O & Co. LLP**  
Chartered Accountants  
**FRN. 112081W/W100184**



**Amit Hundia**  
Partner  
**Membership No. 120761**  
**UDIN No:- 21120761AAAAAZ6149.**

Place: Mumbai  
Date: 26<sup>th</sup> April, 2021

# **SGCO & Co.LLP**

**Chartered Accountants**

**Annexure “C” to the Independent Auditors Report of IDBI Mutual Fund Trustee Company Limited for the year ended 31<sup>st</sup> March 2021 (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.**

<b>Sr No</b>	<b>Directions</b>	<b>Observations of the Auditor</b>	<b>Financial Implications / Impact</b>
1	Whether the company has system in place to process all the accounting transactions through IT system? 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 system. In our opinion and as per the records examined by us there are no accounting transaction 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 the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (in case, lender is a Government company, then its direction is also applicable for statutory auditor of lender company).	Not applicable, as the Company has no borrowing.	NIL
3	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/ State Government or its agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation	Not applicable, as the Company has not received any funds for specific schemes from central / state government.	NIL

**For S G C O & Co. LLP Chartered**

**Accountants**

**FRN. 112081W/W100184**

**Amit Hundia**

**Partner**

**Membership No. 120761**

**UDIN No:- 21120761AAAAAZ6149**

**Place: Mumbai**

**Date: 26<sup>th</sup> April, 2021**



**IDBI MF TRUSTEE COMPANY LIMITED**  
(CIN:U65991MH2010PLC199326)  
Balance Sheet as at 31st March 2021

Amount in Rs

Particulars	Note No.	As at 31st March 2021	As at 31st March 2020
<b>I EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	3	20,00,000	20,00,000
(b) Reserves and surplus	4	1,40,52,820	1,37,03,382
(c) Money received against share warrants		-	-
		1,60,52,820	1,57,03,382
<b>2 Share application money pending allotment</b>		-	-
<b>3 Non-current liabilities</b>			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities		-	-
(d) Long-term provisions		-	-
<b>4 Current liabilities</b>			
(a) Short-term borrowings		-	-
(b) Trade payables	5	1,11,925	1,08,900
Dues of Micro enterprises and small enterprises		-	-
Dues of creditors other than micro enterprises and small enterprises		2,13,688	6,02,783
(c) Other current liabilities	6	36,987	36,531
(d) Short-term provisions		-	-
		3,62,600	7,48,215
<b>TOTAL</b>		1,64,15,420	1,64,51,597
<b>II ASSETS</b>			
<b>Non-current assets</b>			
<b>1 (a) Property, Plant and Equipment</b>			
(i) Tangible assets	7	44,036	1,19,434
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	8	1,51,30,649	1,51,27,437
(c) Long term loans and advances	9	3,36,635	2,85,038
(d) Deferred Tax Assets(Net)		30,396	18,177
		1,55,41,716	1,55,50,086
<b>2 Current assets</b>			
(a) Current investments	8	-	-
(b) Trade receivables	10	1,32,928	3,49,509
(c) Cash and cash equivalents	11	3,35,979	33,454
(d) Other current assets	12	4,04,797	5,18,548
		8,73,704	9,01,511
<b>TOTAL</b>		1,64,15,420	1,64,51,597
Significant accounting policies	1-2		
Notes forming part of the financial statements	16-27		

In terms of our report attached  
For SGCO & Co. LLP  
Chartered Accountants  
FRN. 112081W/W100184

For IDBI MF Trustee Company Limited

Amit Hundia  
Partner  
Mem. No. 120761

Samuel Joseph  
Chairman  
DIN: 02262530

Jayaraman Jagadeesan  
Director  
DIN: 02423487

Place: Mumbai  
Date: 26 April 2021

Amit Hundia  
CFA & Co. of IDBI AMC  
Date: 20 April 2021

Raj K Singh  
MD & CEO of IDBI AMC  
DIN: 08654156

Profit and loss statement for the year ended 31st March 2021

Amount in RS

Particulars	Refer Note No.	For the year ended 31st March 2021	For the year ended 31st March 2020
I. Revenue From Operations	13	35,81,026	46,54,093
II. Other income	14	19,862	11,19,966
<b>III. Total Revenue (I + II)</b>		<b>36,00,888</b>	<b>57,74,059</b>
IV. Expenses:			
Employee benefits expense		-	-
Finance Cost		-	-
Other Expenses	15	30,79,033	45,00,859
Depreciation & Amortisation		46,157	69,100
<b>V. Total Expenses</b>		<b>31,25,190</b>	<b>45,69,959</b>
<b>VI. Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>4,75,698</b>	<b>12,04,100</b>
VII. Exceptional Items		-	-
<b>VIII. Profit before extraordinary items and tax (V - VI)</b>		<b>4,75,698</b>	<b>12,04,100</b>
IX. Extraordinary Items		-	-
<b>X. Profit before tax (VII- VIII)</b>		<b>4,75,698</b>	<b>12,04,100</b>
XI. Tax expense:			
(1) Current tax		1,31,009	1,87,839.58
(2) Deferred tax		(12,219)	(18,789)
(3) Tax adjustment in respect of earlier years		-	(614)
(4) MAT credit Entitlement / Utilised		7,471	(7,471)
<b>Profit (Loss) for the period from continuing operations (X-XI)</b>		<b>3,49,437</b>	<b>10,43,134</b>
XIII Profit/(loss) from discontinuing operations		-	-
XIV Tax expense of discontinuing operations		-	-
<b>Profit/(loss) from Discontinuing operations (after tax) (XIII-XIV)</b>			
<b>XVI Profit (Loss) for the period (XII + XV)</b>		<b>3,49,437</b>	<b>10,43,134</b>
Earnings per equity share: Basic and diluted	16	1.75	5.22
Nominal value per share		10	10
Significant accounting policies	1-2		
Notes forming part of the financial statements	16-27		

In terms of our report attached  
For SGCO & Co. LLP  
Chartered Accountants  
FRN. 112081W/W100184

For IDBI MF Trustee Company Limited

Amit Hundia  
Partner  
Mem. No. 120761

Samuel Joseph  
Chairman  
DIN: 02262530

Jayaraman Jagadeesan  
Director  
DIN: 02423487

Place: Mumbai  
Date: 26 April 2021

Amit Bhavsar  
CFO & COO of IDBI AMC  
Date: 20 April 2021

Raj K Singh  
MD & CEO of IDBI AMC  
DIN: 08654156

<b>Cash Flow Statement for the year ended 31.03.2021</b>			
Ref No	Particulars	31 March' 2021	31 March' 2020
(A)	<b>Cash Flow from Operating Activities :</b>		
	Profit for the year	4,75,698	12,04,100
	<b>Adjustments-</b>		
	Depreciation	46,157	69,100
	Profit on sale of investments	(3,212)	(10,75,886)
	Loss From Sale of Fixed Asset	29,241	36,578
	Interest on IT Refund	(16,650)	(44,080)
	<b>Operating Profit/(Loss) before Working Capital changes</b>	<b>5,31,234</b>	<b>1,89,813</b>
	<b>Adjustments for (increase)/decrease in operating assets</b>		
	(Increase)/Decrease in Trade Receivables	2,16,581	3,48,175
	(Increase)/Decrease in Other Current Assets	1,13,751	1,90,567
	(Increase)/Decrease in Long Term Loans & Advances	(51,597)	6,01,218
	<b>Adjustments for (increase)/decrease in operating liabilities</b>		
	Increase/(Decrease) in Current Liabilities	456	(90,286)
	Increase/(Decrease) in Trade Payable	(3,86,070)	(12,19,231)
	Increase/(Decrease) in Short Term Provisions	-	-
	<b>Cash generated from operating activities</b>	<b>4,24,354</b>	<b>20,255</b>
	<b>Net Income tax (paid)/refunds</b>	<b>(1,38,480)</b>	<b>(1,79,755)</b>
	<b>Net Cash from Operating activities (A)</b>	<b>2,85,875</b>	<b>(1,59,500)</b>
(B)	<b>Cash Flow from Investing activities</b>		
	Proceeds from sale of Investment	45,00,000	34,24,114
	Purchase of Investment	(45,03,212)	(45,00,000)
	Profit on sale of investments	3,212	10,75,886
	Sale of Fixed Assets	-	893
	Interest Income	16,650	44,080
	<b>Net Cash used in Investing Activities (B)</b>	<b>16,650</b>	<b>44,974</b>
(C)	<b>Cash Flow from Financing activities</b>		
	Increase in Share Capital		
	<b>Net Cash from Financing Activities (C)</b>		
	<b>Cash &amp; Cash Equivalents for the year</b>	<b>3,02,525</b>	<b>(1,14,526)</b>
	<b>Cash &amp; Cash Equivalents at the Beginning of the year</b>	<b>33,454</b>	<b>1,47,981</b>
	<b>Cash &amp; Cash Equivalents at the End of the year</b>	<b>3,35,979</b>	<b>33,454</b>
	<b>Cash &amp; Cash Equivalents Comprise of :</b>		
	Cash on hand	-	-
	Bank Accounts	3,35,979	33,454

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 SGCO & Co. LLP  
Chartered Accountants  
FRN. 112081W/W100184

For IDBI MF Trustee Company Limited

Amit Hundia  
Partner  
Mem. No. 120761

Samuel Joseph  
Chairman  
DIN: 02262530

Jayaraman Jagadeesan  
Director  
DIN: 02423487

Place: Mumbai  
Date: 26 April 2021

Amit Bhowjar  
CFO & COO of IDBI AMC  
date: 20 April 2021

Raj K Singh  
MD & CEO of IDBI AMC  
DIN: 08654156



**Note 3:**

Share Capital	Amount in Rs	
	As at 31st March 2021	As at 31st March 2020
<b>Authorised</b>		
5,00,000 Equity shares of Rs. 10/- each	50,00,000	50,00,000
<b>Issued</b>		
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
<b>Subscribed &amp; fully Paid up</b>		
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
<b>Subscribed but not fully Paid up</b>	-	-
<b>Total</b>	<b>20,00,000</b>	<b>20,00,000</b>

**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 2021		As at 31.03.2020	
	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	-	-	-	-
<b>Number of Shares at the end</b>	<b>2,00,000</b>	<b>20,00,000</b>	<b>2,00,000</b>	<b>20,00,000</b>

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 2021		As at 31.03.2020	
	No	% held	No	% held
IDBI Bank (the holding company)*	2,00,000	100%	2,00,000	100%

\* Includes beneficial ownership of 6 Shares, where nominee shareholders are different.



## Note 4 :

Amount in Rs

<u>Reserves &amp; Surplus</u>	As at 31st March 2021	As at 31st March 2020
<b>a. Capital Reserves</b>		
Opening Balance		
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-
<b>b. Capital Redemption Reserve</b>		
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-
<b>c. Securities Premium Account</b>		
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	-	-
<b>d. Debenture Redemption Reserve</b>		
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-
<b>e. Revaluation Reserve</b>		
Opening Balance		
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-
<b>f. Share Options Outstanding Account</b>		
Opening Balance	-	-
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	-	-
<b>g. Profit &amp; Loss</b>		
Opening balance	1,37,03,382	1,26,60,248
(+) Net Profit/(Net Loss) For the current year	3,49,437	10,43,134
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Income Tax Provision of Last Year Transfer	-	-
(-) Deferred Tax Provision of Last Year Transfer	-	-
Closing Balance	1,40,52,820	1,37,03,382
<b>Total</b>	<b>1,40,52,820</b>	<b>1,37,03,382</b>

**Note 5 :**

Amount in Rs

Trade payable	As at 31st March 2021	As at 31st March 2020
<b>dues of Micro enterprises and small enterprises</b>		
Audit Fees Payable	1,11,925	1,08,900
<b>dues of creditors other than micro enterprises and small enterprises</b>		
Creditors for Expenses	2,13,688	6,02,783
	<b>3,25,613</b>	<b>7,11,683</b>

**Note 6 :**

Other Current Liabilities	As at 31st March 2021	As at 31st March 2020
(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 securities	-	-
(h) Unpaid matured deposits and interest accrued thereon	-	-
(i) Unpaid matured debentures and interest accrued	-	-
(j) Other payables (specify nature)	-	-
CGST Payable	4,051	5,259
SGST Payable	4,051	5,316
Interest on TDS payable	1,320	-
TDS Payable	27,567	25,957
<b>Total</b>	<b>36,988</b>	<b>36,531</b>

Schedule -7  
Property, Plant and Equipment

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

Amount in Rs

	Gross Block				Accumulated Depreciation				Net Block	
	Opening Balance as on 01.04.2020	Addition	Deletion	Closing Balance as on 31.03.2021	Opening Balance as on 01.04.2020	Addition	Deletion	Closing Balance as on 31.03.2021	Net Amount as on 31.03.2021	Net Amount as on 01.04.2020
Tangible assets										
Mobile Handset	1,93,839	-	47,946	1,45,893	74,405	46,157	18,705	1,01,857	44,036	1,19,434
Grand total	1,93,839	-	47,946	1,45,893	74,405	46,157	18,705	1,01,857	44,036	1,19,434



Note 8 : Investments

Particulars	Amount in Rs	
	As at 31st March 2021	As at 31st March 2020
(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)	1,51,30,649	1,51,27,437
(f) Investments in partnership firms	-	-
(g) Other non-current investments (specify nature)	-	-
<b>Total (A)</b>	-	-
Less : Provision for diminution in the value of Investments	-	-
<b>Total</b>	<b>1,51,30,649</b>	<b>1,51,27,437</b>

Particulars	As at 31st March 2021	As at 31st March 2020
Aggregate amount of unquoted investments (Market Value Rs. 1,87,12,811.57) (P.Y Market value 1,80,16,881.54)	1,51,30,649	1,51,27,437
Aggregate amount of quoted investments	-	-

Details of Non- Current 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
			2021	2020			2021	2020	2021	2020	
(a)	Investments in Mutual Funds										
	IDBI Liquid Fund - Direct Plan - Growth (Market Value CY :- Rs.1,87,12,811.57, PY Rs 13514881.49)		8,454.793	6,342.137	Unquoted				1,51,30,649	1,06,27,437	
	IDBI Liquid Fund- Direct Plan - Monthly Dividend (Market value CY :- Rs Nil, PY Rs 45,02,000.05)			4,469.7	Unquoted					45,00,000	
	<b>Total</b>								<b>1,51,30,649</b>	<b>1,51,27,437</b>	

Details of Current Investments											
Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Special Purpose Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (₹)		Basis of Valuation
			2021	2020			2021	2020	2021	2020	
(a)	Investments in Mutual Funds										
	<b>Total</b>								-	-	

**Note 9 :**

Amount in Rs

Long term loans and advances	As at 31st March 2021	As at 31st March 2020
(Unsecured, considered good except otherwise stated)		
Advance Income Tax less provision		
FY 2020-21 (Net of Provision Rs 1,31,009)	3,36,634	-
FY 2019-20 (Net of Provision Rs.1,87,840)	-	2,77,567
MAT Credit Entitlement	-	7,471
<b>Total</b>	<b>3,36,634</b>	<b>2,85,038</b>

**Note 10 :**

Trade Receivables	As at 31st March 2021	As at 31st March 2020
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	1,32,928	3,49,509
Unsecured, considered doubtful	-	-
	1,32,928	3,49,509
Less: Provision for doubtful debts	-	-
	1,32,928	3,49,509
months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	-	-
Unsecured, considered doubtful	-	-
Less: Provision for doubtful debts	-	-
	-	-
<b>Total</b>	<b>1,32,928</b>	<b>3,49,509</b>

**Note 11 :**

Cash and cash equivalents	As at 31st March 2021	As at 31st March 2020
a. Balances with banks in current account	3,35,979	33,454
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)	-	-
<b>Total</b>	<b>3,35,979</b>	<b>33,454</b>

**Note 12 :**

Other Current Assets	As at 31st March 2021	As at 31st March 2020
a. GST Receivable	3,94,796	5,06,048
b. Prepaid Expenses	-	2,500
c. Deposit	10,000	10,000
<b>Total</b>	<b>4,04,796</b>	<b>5,18,548</b>



**IDBI MF TRUSTEE COMPANY LIMITED**

Accompanying Notes to the Financial Statement for the year ended 31st March 2021

Amount in Rs

	For the year ended 31st March 2021	For the year ended 31st March 2020
<b>Note 13 : Revenue From Operations</b>		
<b>Rendering of Services</b>		
Trusteeship Fees	35,81,026	46,54,093
	<b>35,81,026</b>	<b>46,54,093</b>
<b>Note 14: Other Income</b>		
Interest on IT Refund	16,650	44,080
Profit on Sale of Investments	3,212	10,75,886
	<b>19,862</b>	<b>11,19,966</b>
<b>Note 15 : Other Expenses</b>		
Administration cost	5,59,555	19,12,221
Travel & Lodging Expenses	73,533	9,50,570
Statutory Levies and Interest	3,604	12,826
Bank Charges, Commission & Fee	236	661
Audit Fees	1,31,000	1,31,000
Printing and stationery	6,025	25,924
Professional Charges	47,700	2,17,758
Other Expenses	28,139	11,502
Repairs & Maintenance Expenses	-	11,819
Director Sitting Fees	22,00,000	11,90,000
Loss on sale / discard of Fixed Asset	29,241	36,578
	<b>30,79,033</b>	<b>45,00,859</b>

## IDBI MF TRUSTEE COMPANY LIMITED

### Accompanying Notes to the Financial Statement for the year ended 31st March, 2021

#### 1. Background

IDBI MF Trustee Company Limited was incorporated on 25<sup>th</sup> 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 realize 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 & Cash Equivalent (for purpose of Cash Flow Statements)

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, Salary 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 & equipment

### Owned Asset:

Assets held for own uses 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 except as stated hereunder is in line with schedule II to the Companies Act 2013 and the method of depreciation is set out herein below:

For mobile phone the useful life is prescribed of 5 years under Companies Act, 2013, whereas it is depreciated for a period of 3 years based on the technical advice internally obtained by the company

<u>Assets</u>	<u>Useful Life</u>	<u>Method of Depreciation</u>
Plant & Equipment's	15 years	Straight Line Method
Furniture & 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 recognized 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 recognized 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 recognized.

### **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 recognized 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 recognized 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.

## IDBI MF TRUSTEE COMPANY LIMITED

Additional information to the financial statements and disclosures under Accounting Standards

For the year ended 31<sup>st</sup> March 2021

16. **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 <sup>st</sup> March 2021	31 <sup>st</sup> March 2020
Net (Loss)/ Profit after tax attributable to equity shareholders(A) Rs.	3,49,437	10,43,134
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.	1.75	5.22

17. 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. The situation is changing so rapidly that the full impact cannot yet be understood, but the Company will continue to monitor the situation closely.

18. 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.

19. **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

## IDBI MF TRUSTEE COMPANY LIMITED

Additional information to the financial statements and disclosures under Accounting Standards

For the year ended 31<sup>st</sup> March 2021

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:

(Amount in Rs)

	31 <sup>st</sup> March 2021	31 <sup>st</sup> March 2020
<b>IDBI Bank Limited</b>		
<b>Transactions with IDBI Bank</b>		
In flow in Current account held with IDBI Bank	52,03,392	71,21,397
Outflow from Current account held with IDBI Bank	49,00,867	72,35,924
Amount outstanding	NIL	NIL
<b>IDBI Asset Management Limited</b>		
Expenses Debited	5,59,555	19,12,221
Usage of accounting software (transaction is of non-monetary consideration)	Nil	Nil

### Balance with related parties:

Particulars		31 <sup>st</sup> March 2021	31 <sup>st</sup> March 2020
1.	IDBI Bank Limited (Holding Company) - (refer note below)	20,00,000	20,00,000
2.	IDBI Asset Management Company (Payable)	1,76,688	4,67,200
3.	IDBI Bank Limited (Holding Company)-Bank Bal	3,35,979	33,454

### 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.
20. Earnings in foreign exchange: NIL
21. Expenditure in foreign exchange: NIL

## IDBI MF TRUSTEE COMPANY LIMITED

Additional information to the financial statements and disclosures under Accounting Standards

For the year ended 31<sup>st</sup> March 2021

### 22. Dues to Micro, Small and Medium Enterprises:

On the basis of information and records available with the management, the required disclosure for dues payable to Micro, Small and Medium enterprises that are registered with the competent authorities is given below

Amount in Rs

Particulars	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
The principal amount remaining unpaid to any supplier as at the end of accounting year ;	1,11,925	1,08,900
Interest due thereon remaining unpaid at the end of accounting year;	---	---
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the due date during each accounting year;	---	---
The amount of interest accrued and remaining unpaid at the end of accounting year; and	---	---
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	---	---

Note:- Interest paid / payable by the company on the aforesaid principle amount has been waived by the concerned supplier.

### 23. Income Tax:

In accordance with Notified Accounting Standard 22 (AS-22), Accounting for taxes on Income, the major components of deferred tax as at 31<sup>st</sup> March 2021 are as follows:

Deferred Tax asset /(Liability)	31 <sup>st</sup> March 2021 (Rs)	31 <sup>st</sup> March 2020 (Rs)
Opening balance - Deferred Tax Assets / (Liability)	18,177	(612)
Timing Difference on account of depreciation	12,219	18,789
Closing Balance of DTA/(DTL) as at 31 <sup>st</sup> March	30,396	18,177

### 24. Details of Audit Fees Paid (excluding GST)

Particulars	31 <sup>st</sup> March 2021	31 <sup>st</sup> March 2020
Statutory Audit	Rs. 1,21,000	Rs. 1,21,000
Other Services	Rs. 10,000	Rs. 10,000
Out of pocket expenses	NIL	NIL

**IDBI MF TRUSTEE COMPANY LIMITED**

Additional information to the financial statements and disclosures under Accounting Standards

For the year ended 31<sup>st</sup> March 2021

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

For SGCO & Co.LLP  
Chartered Accountants  
FRN. 112081W/W100184

For IDBI MF Trustee Company Limited



Samuel Joseph  
Chairman  
DIN: 02262530



Jayaraman Jagadeesan  
Director  
DIN: 02423487

(Amit Hundia)  
Partner  
M.No. 120761

Place: Mumbai;

Date: 26 April 2021



Amit Bhavsar  
CFO & COO OF IDBI AMC

Date: 20 April 2021



Raj K Singh  
MD & CEO OF IDBI AMC  
DIN: 08654156