

Annual Report

2017-2018



Date of AGM: September 28, 2018

IDBI MF TRUSTEE COMPANY LIMITED

CIN: U65991MH2010PLC199326

Regd. Off.: IDBI Tower, WTC Complex, Cuffe Parade, Colaba, Mumbai - 400 005



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IDBI MF TRUSTEE COMPANY LIMITED

CIN: U65991MH2010PLC199326

CORPORATE INFORMATION

BOARD OF DIRECTORS

(as on September 27, 2018)

Shri. Gurudeo M. Yadwadkar (01432796)	Chairman
Shri. Thirukkurugavoor M. Nagarajan (00518074)	Independent Director
Shri. Avinash Chander Mahajan (00041661)	Independent Director
Shri. Jagadeesan Jayaraman (02423487)	Independent Director
Shri. Parthasarathy Krishnamurthy (05336749)	Independent Director

AUDIT COMMITTEE

(as on September 27, 2018)

Shri. Thirukkurugavoor M. Nagarajan (00518074)	Independent Director (Chairperson)
Shri. Avinash Chander Mahajan (00041661)	Independent Director
Shri. Jagadeesan Jayaraman (02423487)	Independent Director
Shri. Parthasarathy Krishnamurthy (05336749)	Independent Director

REGISTERED OFFICE

IDBI Tower, WTC Complex, Cuffe Parade, Mumbai 400 005.

Tel: (022) 6655 3355

Website: www.idbimutual.co.in

Email: corp.secretarial@idbimutual.co.in

STATUTORY AUDITORS

M/s. U. G. Devi & Co.

7/10, Botawala Building,

Horniman Circle, Fort, Mumbai- 400 023

Email: ugdevi@hotmail.com

NOTICE OF ANNUAL GENERAL MEETING

NOTICE

NOTICE is hereby given that the Eighth Annual General Meeting of the members of IDBI MF Trustee Company Limited will be held on Friday, 28th day of September, 2018 at 12.00 noon in the Small Conference Room, 24th floor, IDBI Tower, WTC Complex, Cuffe Parade, Colaba Mumbai - 400 005, to transact the following business:-

ORDINARY BUSINESS

Item no 1: Adoption of Financial Statement

To receive, consider and adopt the Audited Financial Statement of the Company consisting of Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, Cash Flow Statement for the year ended on that date and the reports of the Board of Directors' and the Statutory Auditors' and the Comptroller & Auditor General of India thereon.

Item no 2: To fix the remuneration of the Statutory Auditors

To consider and, if thought fit, to pass the following Resolution, as an **Ordinary Resolution**:-

“RESOLVED THAT the Board of Directors of the Company be and are hereby authorized to decide, negotiate and finalise the remuneration of the Statutory Auditors of the Company as appointed by the office of 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, up to an amount as may be recommended by the Audit Committee and at the discretion of the Board, for the year 2018-19.”

SPECIAL BUSINESS

Item no 3: Authorisation for Related Party Transactions

To consider and, if thought fit, to pass the following Resolution, as an **Ordinary Resolution**:-

“RESOLVED THAT in terms of provisions of Section 188 and other applicable provisions of the Companies Act, 2013 (“*The Act*”) 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 approves 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 Act, for a value not exceeding Rs.6 crore or each contract and/or arrangement 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.”

“RESOLVED FURTHER THAT the Board shall have the authority and power to accept any modification 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, additions 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 the 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 Resolutions.”

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

Sd/-
(Gurudeo M. Yadwadkar)
Chairman
DIN: 01432796

**Place: Mumbai
Date: September 27, 2018**

NOTES:

- **MEMBER ENTITLED TO ATTEND AND TO VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ON HIS BEHALF AND THAT THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORMS IN ORDER TO BE EFFECTIVE, SHOULD BE DULY COMPLETED & AFFIXED WITH REVENUE STAMP AND MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
- Members/Proxies Should bring the Attendance Slip duly filled in for attending the meeting.
- The relevant explanatory statements pursuant to Section 102(1) of the Companies Act, 2013 in respect of business under item no. 2 and item no. 3 are attached herewith.
- Members/Proxies/Representatives are requested to bring the attendance slip enclosed to the annual report/notice for attending the meeting.
- Corporate members intending to send their authorized representative(s) to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102

Item no 2:

The office of Comptroller and Auditor General of India (C&AG) *vide* letter no. CA. V/COY/CENTRAL GOVERNMENT, IDBITR(1)/27 dated July 17, 2018 has continued the appointment of M/s. U. G. Devi & Co., Chartered Accountants as Statutory Auditor of the Company for the financial year 2018-19.

As per the Section 139 of the Companies Act, 2013, the remuneration of Auditors appointed by the office of C&AG, shall be fixed by the Company in the Annual General Meeting. Accordingly, the Notice of the Annual General Meeting includes an item pertaining to remuneration of the Auditors for the year 2018-19.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested, in the resolution mentioned in Item No. 2 for the approval of members.

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 accorded approval to the ACB of IDBI MFT to grant omnibus approval for two transactions namely Trusteeship fees and Secretarial, Accounting and Administration Services.

IDBI MF Trustee Company Limited currently has the following contracts entered with the related parties:-

A	B	C	D	E	
Sr. No	Name of the party	Name of Director or Key Managerial Personnel who is related of any	Nature of Relationship	Nature, material terms, monetary value and particulars of the contract or arrangement	Whether in ordinary course of business and at arm's length price
1	IDBI Asset Management Limited	-	Group Company	<p>Secretarial, Accounting and administration service expenses Certain common Expenses incurred by AMC such as Rent, Electricity, Maintenance relating to Mumbai office premises and also a portion of salary expenses for the services rendered by AMC.</p> <p>Out of the above common expenses we charge 5% to MFT.</p> <p>These AMC officials take care of the work relating to secretarial matters, conducting of meetings, ROC work, accounts/tax matters, SEBI compliance etc.</p> <p>IDBI AMC is charging 1% of salary expenses.</p>	In ordinary course of business.
2	IDBI Mutual Fund through IDBI Bank Limited by way of Trust Deed dated February 19, 2010.	-	Group Company	<p>Trusteeship Fees.</p> <p>The Trustee shall be entitled to receive a fee not exceeding 0.01% per annum of the daily/net assets of the Mutual Fund.</p> <p>The Trustee shall also be entitled for reimbursement of all costs, charges and expenses incurred in the course of the administration and execution of the Fund.</p>	In ordinary course of business and in lines with the SEBI regulations.

The above contracts or arrangements have been entered into by the Company in the ordinary course of business and at competitive rates. The contracts referred to above are existing contracts and are continuing in nature.

None of the Directors of the Company or their respective relatives are concerned or interested in the Resolution mentioned in Item no. 3 for approval of the members.

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

Place: Mumbai
Date: September 27, 2018

Sd/-
(Gurudeo M. Yadwadkar)
Chairman
DIN: 01432796

Attendance Slip

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

I/We hereby record my/our presence at the Eighth Annual General Meeting of IDBI MF Trustee Company Limited to be held on Friday, 28th day of September, 2018 at 12.00 noon in the Small Conference Room, 24th floor, IDBI Tower, WTC Complex, Cuffe Parade, Colaba Mumbai - 400 005.

.....
Member's Folio

.....
Member's/Proxy Name

.....
Member's/Proxy Signature

Form No. MGT-11

Proxy Form

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

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

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

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

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

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

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Eighth Annual General Meeting of IDBI MF Trustee Company Limited to be held on Friday 28th day of September, 2018 at 12.00 noon in the Small Conference Room, 24th floor, IDBI Tower, WTC Complex, Cuffe Parade, Colaba Mumbai - 400 005 and at any adjournment thereof in respect of such resolutions set out in the Notice convening the meeting, as are indicated below:

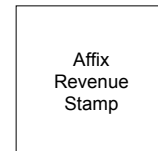
Resolution No.

- 1.....
- 2.....
- 3.....

Signed this..... day of2018

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.

Route map for the venue of AGM (from Churchgate Station)



Route map for the venue of AGM (from CST Station)



DIRECTOR'S REPORT

DIRECTOR'S REPORT

Dear Members,

The Board of Directors takes pleasure to present the **Eighth Annual Report** on the affairs of IDBI MF Trustee Company Limited along with the audited accounts for the financial year ended March 31, 2018.

HIGHLIGHTS OF FINANCIAL SUMMARY

The Company's financial performance for the year ended March 31, 2018 is summarized as below:-

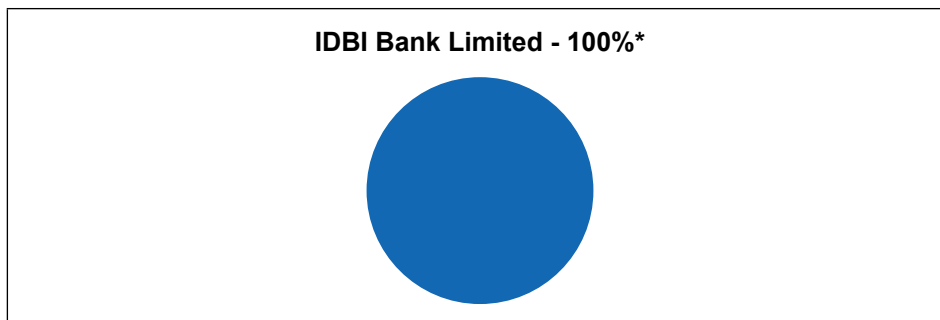
Particulars	2017 - 18	2016 - 17
Total Income	81.80	66.32
Total Expenses	52.17	48.24
Profit/(Loss) before Tax	29.63	18.08
Tax expenses:		
Current Tax	7.79	5.56
Deferred Tax	—	—
Tax Adjustment in respect of earlier year	0.14	—
Profit/(Loss) for the year	21.98	12.52
Earnings per equity share:		
Basic	10.99	6.26
Diluted	10.99	6.26

The total Asset Under Management (AUM) of IDBI Mutual Fund has grown to Rs.7241.43 crore as on March 31, 2018 as against Rs.4697.51 as on March 31, 2017 due to increase in Equity and Liquid AUM. The total income of your Company has increased from Rs.66.32 lakh during financial year 2016-17 to Rs.81.80 lakh during financial year 2017-18. Further, the Net profit has increased from Rs.12.52 lakh during the financial year 2016-17 to Rs.21.98 lakh during the financial year 2017-18.

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.

The shareholding pattern of the Company as on March 31, 2018 was as under:-



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

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. 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" managed eight equity oriented schemes, six debt fund schemes, two hybrid funds, FOF (Gold) and Gold ETF scheme of IDBI Mutual Fund. The year 2017-18 is the eighth year of operation of your company. The Average Assets Under Management (AAUM) of IDBI AMC during the quarter ended March 31, 2018 was Rs.10,770 crores.

The trustee fee income for the Company YoY has increased by 23.36% from Rs.66.32 lakh for the year ended March 31, 2017 to Rs.81.80 lakh for the year ended March 31, 2018.

In order to widespread the operations and to offer more investment option to the investors, IDBI AMC had launched following schemes under IDBI Mutual Fund during the financial year 2017-18:-

IDBI Small Cap Fund:-

It is open-ended equity scheme predominantly investing in small cap stocks. The Investment objective of the Scheme is to provide investors with the opportunities for long-term capital appreciation by investing predominantly in Equity and Equity related instruments of Small Cap companies. However there can be no assurance that the investment objective under the Scheme will be realized.

The New Fund Offer (NFO) was open from June 01, 2017 to June 15, 2017 and the fund mobilized during NFO period was Rs.207 crores.

IDBI Focused 30 Equity Fund:

It is an open ended equity scheme investing in maximum 30 stocks (predominantly large cap). The investment objective of the Scheme is to provide long term capital appreciation by investing in concentrated portfolio of large cap focused equity and equity related instruments of up to 30 companies and balance in debt and money market Instruments.

The New Fund offer was open from October 30, 2017 to November 13, 2017 and fund mobilized during the NFO period was Rs.279 crores.

Business Environment

The year 2018 saw GDP growth moderate to 6.7% as against 7.1% in the previous year (*source: mospi.nic.in*). Uncertainty around GST rates and initial glitches in implementation saw consumers and wholesalers delaying spending leading to a slowdown in the first two quarters (Q1 and Q2). Growth however has revived strongly from Q3 onwards (7% in Q3 and 7.7% in Q4). The economy in the long run is expected to benefit as a shift takes place from the unorganized to the organized sector and a single indirect tax replacing a plethora of central and state taxes, substantially easing business.

During the financial year 2017-18, CPI inflation showed an uptick to 4.3%, from 3.9% in financial year 2016-17 (*source: mospi.nic.in*). WPI however saw a weakening (led by lower food inflation), recording 2.5% in March 2018 as compared to 5.1% at the end of financial year 2017 (*source: eaindustry.nic.in*). During financial year 2017-18, RBI further reduced the spread between repo & reverse repo rates to 25 bps from 50 bps while the Statutory Liquidity Ratio (SLR) was reduced to 19.5%. The year also saw repo rate cuts of 25 bps, taking the repo rate to 6.0% at the end of the year, while the reverse repo rate ended at 5.75%.

India also revised its fiscal deficit target to 3.5% of GDP for financial year 2017-18, necessitated by lower than expected GST collections & higher spending on pension & subsidies. The government has guided to a target of 3.3% in financial year 2018-19 & 3.0 % in financial year 2019-20. Foreign Institutional Investors (FIIs) were net buyers in financial year ended 2018 of Rs.144,682 crore versus being net buyers of Rs.48,411 crore in financial year ended 2017 (*source: fpi.nsd.co.in*). The rupee remained stable throughout the year depreciating mildly by 0.5% ending at Rs.65.18 per dollar as against 64.85 per dollar at the start of the year (*source: Bloomberg*).

Mutual Fund Industry

The mutual fund industry witnessed another year of growth, at the end of March 2018, the Assets Under Management of the Mutual Fund industry stood at Rs.21.36 lakh crore (US\$ 331.42 billion).

During the year, SEBI came up with a regulation on categorization and rationalization of mutual fund schemes. It is an effort to bring about uniformity in the functioning of Asset Management Companies (AMC's) and to standardize attributes of mutual fund schemes across specific categories. As per the new rules, the AMCs will not be allowed to offer two schemes under different names with identical investment mandates. One category of mutual fund will be permitted to sell only one mutual fund scheme. As a result of this mandate, the fund houses had to realign their schemes and portfolio to classify them under the newly formed categories.

Also, SEBI has mandated all the all fund houses to benchmark their equity and balanced funds to Total Returns Index (TRI) instead of the current practice of benchmarking against Price Return Index (PRI).

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 2017 -18.

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 retain the entire amount of profits in the statement of profit and loss and accordingly no amount has been transferred to the reserves.

V. **FOREIGN EXCHANGE EARNINGS AND OUTGO**

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

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

There are no material changes occurred in between the financial year ended March 31, 2018 and the date of the report affecting the financial position of your company.

VII. **BOARD OF DIRECTORS**

Changes in Board of Directors:-

During the year under review, there were no changes in the composition of Board of Director of your company.

The composition of the Board, as on March 31, 2018 was as under:-

Sr. No.	Name of the Director	Designation	Date of Appointment	Date of Resignation
1.	Shri Gurudeo Madhukar Yadwadkar (DIN: 01432796)	Chairperson	October 28, 2016	N.A.
2.	Shri Thirukkurugavoor Muthiah Nagarajan* (DIN: 00518074)	Independent Director	June 28, 2014	N.A.
3.	Shri Avinash Chander Mahajan* (DIN: 00041661)	Independent Director	June 28, 2014	N.A.
4.	Shri Jagadeesan Jayaraman* (DIN: 02423487)	Independent Director	June 28, 2014	N.A.
5.	Shri Parthasarathy Krishnamurthy* (DIN: 05336749)	Independent Director	June 28, 2014	N.A.

***Appointed for a period of five years at the 04th Annual General Meeting of the Company held on June 28, 2014 in compliance with Section 149 of the Companies Act, 2013.**

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 four independent directors as on the date of the Annual General Meeting.

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

VIII. **BOARD MEETINGS HELD DURING THE YEAR**

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

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

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

Dates on which Board Meetings were held	Total strength of the Board	Director's present
April 25, 2017	5	2
June 28, 2017	5	4
August 31, 2017	5	4
October 26, 2017	5	5
December 04, 2017	5	5
February 01, 2018	5	5
March 23, 2018	5	4

ATTENDANCE OF DIRECTORS AT BOARD MEETINGS

Name of the Director	Attendance at the Board Meeting held on						
	April 25, 2017	June 28, 2017	August 31, 2017	October 26, 2017	December 04, 2017	February 01, 2018	March 23, 2018
Shri Gurudeo Madhukar Yadwadkar (DIN: 01432796)	Leave of absence	✓	✓	✓	✓	✓	Leave of absence
Shri Avinash Chander Mahajan (DIN: 00041661)	Leave of absence	Leave of absence	✓	✓	✓	✓	✓
Shri Jagadeesan Jayaraman (DIN: 02423487)	✓	✓	✓	✓	✓	✓	✓
Shri Parthasarathy Krishnamurthy (DIN: 05336749)	✓	✓	✓	✓	✓	✓	✓
Shri Thirukkurgavoor Muthiah Nagarajan* (DIN: 00518074)	Leave of absence	✓	Leave of absence	✓	✓	✓	✓

AUDIT COMMITTEE OF THE BOARD:

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

The Composition of the Audit Committee as on March 31, 2018 was as under:-

Sr. No.	Name of the Director	Particulars	Date of Appointment
1.	Shri Thirukkurgavoor Muthiah Nagarajan (DIN: 00518074)	Chairperson & Independent Director	June 28, 2014
2.	Shri Avinash Chander Mahajan (DIN: 00041661)	Independent Director	June 28, 2014
3.	Shri Parthasarathy Krishnamurthy (DIN: 05336749)	Independent Director	June 28, 2014
4.	Shri Jagadeesan Jayaraman (DIN:02423487)	Independent Director	June 28, 2014

All the aforementioned Directors have been appointed for a period of five years at the 04th Annual General Meeting held on June 28, 2014 in compliance with Section 149 of the Companies Act, 2013.

During the year under review the Committee met six 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 25, 2017	4	2
June 28, 2017	4	3
August 31, 2017	4	3
October 26, 2017	4	4
February 01, 2018	4	4
March 23, 2018	4	4

ATTENDANCE OF DIRECTORS AT AUDIT COMMITTEE MEETINGS

Name of the Director	Attendance at the Audit Committee Meeting held on					
	April 25, 2017	June 28, 2017	August 31, 2017	October 26, 2017	February 01, 2018	March 23, 2018
Shri Thirukkurugavoor Muthiah Nagarajan (DIN: 00518074)	Leave of absence	✓	Leave of absence	✓	✓	✓
Shri Avinash Chander Mahajan (DIN: 00041661)	Leave of absence	Leave of absence	✓	✓	✓	✓
Shri Parthasarathy Krishnamurthy (DIN: 05336749)	✓	✓	✓	✓	✓	✓
Shri Jagadeesan Jayaraman (DIN: 02423487)	✓	✓	✓	✓	✓	✓

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, 2018, the composition of the Committee of Independent Directors was as under:-

Sr. No.	Name of the Director	Particulars	Date of Appointment
1.	Shri Parthasarathy Krishnamurthy (DIN: 05336749)	Chairperson & Independent Director	June 28, 2014
2.	Shri Avinash Chander Mahajan (DIN: 00041661)	Independent Director	June 28, 2014
3.	Shri Jagadeesan Jayaraman (DIN:02423487)	Independent Director	June 28, 2014
4.	Shri Thirukkurugavoor Muthiah Nagarajan (DIN: 00518074)	Independent Director	June 28, 2014

All the aforementioned Directors have been appointed for a period of five years at the 04th Annual General Meeting held on June 28, 2014 in compliance with Section 149 of the Companies Act, 2013.

The Committee met once during the financial year 2017-18 on March 23, 2018 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.

XII. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS

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

XIII. DIRECTOR'S APPOINTMENT AND REMUNERATION POLICY

The Company has devised and adopted the Director's Appointment and Evaluation Policy.

XIV. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY

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

XV. CORPORATE SOCIAL RESPONSIBILITY POLICY

The Provisions of Corporate Social Responsibility (CSR) are not applicable to your company during the year under review. However your company has formulated and adopted a policy for the CSR in lines with the CSR policy of the IDBI Bank Limited ("Holding Company"), the same will be available on the website of IDBI Mutual Fund at www.idbimutual.co.in.

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

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

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

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

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

XVIII. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

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

(A) Conservation of energy:-

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

(B) Technology absorption:-

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

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

XIX. STATUTORY AUDITOR

The office of Comptroller and Auditor General of India (C&AG) vide letter no. CA. V/COY/CENTRAL GOVT., IDBITR (1)/527 dated August 03, 2017 has continued the appointment of M/s. U. G. Devi & Co., Chartered Accountants, Mumbai as Statutory Auditor of the Company for the financial year 2017-18 in terms of Section 139 & 141 of the Companies Act, 2013 read with Rule 4 of the Companies (Audit and Auditors) Rules, 2014 as amended from time to time.

Further, the office of C&AG vide letter no. CA. V/COY/CENTRAL GOVT., IDBITR(1)/27 dated July 17, 2018 has again appointment M/s. U. G. Devi & Co., Chartered Accountants, Mumbai as Statutory Auditor of the Company for the financial year 2018-19.

As per the Section 139 of the Companies Act, 2013, the remuneration of Auditors appointed by the office of C&AG, shall be fixed by the Company in the Annual General Meeting. Accordingly, the Notice of the Annual General Meeting includes an item pertaining to remuneration of the Auditors for the year 2017-18.

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 2017-18.

XXIII. PARTICULARS OF EMPLOYEES

No employee(s) of your Company was covered by 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 during the year under review.

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

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

XXV. PERFORMANCE EVALUATION OF THE DIRECTORS ETC.

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

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

XXVI. DETAILS OF SUBSIDIARY/JOINT VENTURE/ASSOCIATE COMPANIES

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

XXVII. DEPOSITS

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

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

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

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

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

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

The Company acts as a Trustee to IDBI Mutual Fund. The Trustees have been appointed by the Sponsor ("IDBI Bank Limited") vide Trust deed dated February 19, 2010. Further the Company has appointed IDBI Asset Management Limited ("IDBI AMC") as Investment Manager to IDBI Mutual Fund vide Investment Management Agreement dated February 26, 2010. Thus the Company has the function more of a supervisory on the management of operations by IDBI Asset Management Limited which are guided by the SEBI Regulations and Directives and AMFI guidelines issued from time to time. Since, the operations of the IDBI Mutual Fund are managed by IDBI AMC; the Company has only one male employee Mr. Lloyd Serrao, Company Secretary 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 explain their gratitude for the continued support and co-operation extended by the Securities and Exchange Board of India as well as Reserve Bank of India, IDBI Bank Limited, the Registrars & Transfer Agents, the Custodians, the Bankers, Market Intermediaries and Distributors, Government Agencies, Auditors, Association of Mutual Funds in India.

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

Sd/-
(Gurudeo M. Yadwadkar)
Chairman
DIN: 01432796

Place: Mumbai
Date: September 24, 2018

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:-

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

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

Sd/
(Gurudeo M. Yadwadkar)
Chairman
DIN: 01432796

Place: Mumbai
Date: September 24, 2018

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:

Sr. No.	Particulars	Details
1.	Name(s) of the related party and nature of relationship.	IDBI Mutual Fund constituted by IDBI Bank Limited – Holding Company
2.	Nature of contracts/arrangements/ transactions.	To obtain Trusteeship Fees
3.	Duration of the contracts/arrangements/ transactions.	Entered into Trust Deed dated February 19, 2010 with the Company. The settlor (<i>IDBI Bank Limited</i>) has constituted a Trust in the name of IDBI Mutual Fund. The Settlor has appointed IDBI MF Trustee Company Limited as (“Trustees”) to the Mutual Fund. The Trustees are responsible for the management of Mutual Fund, to hold Trust property, to provide information to Unit Holders, SEBI, Settlor, to ensure compliance by Mutual Fund, to protect interest of the unit holders, to frame, formulate and launch Schemes. The Settlor had contributed Rs. 20 lakhs in the equity capital of the Company.
4.	Salient terms of the contracts or arrangements or transactions including the value, if any.	Trusteeship fees: The Trustee shall be entitled to receive a fee not exceeding 0.01% per annum of the daily/net assets of the Mutual Fund subject to maximum fee not exceeding Rs.10 lakhs per annum. The Trustee shall also be entitled for reimbursement of all costs, charges and expenses incurred in the course of the administration and execution of the Fund. Such reimbursement would always be to the extent permitted under the Regulations.
5.	Date of approval by the Board.	February 11, 2010
6.	Amount paid as advances, if any.	NIL
7.	Justification for entering into the contracts/ arrangements/transactions.	Schedule III of SEBI (Mutual Funds) Regulations 1996 allows IDBI MF Trustees Company Limited to recover from the schemes Trusteeship fees for supervising the operations of the schemes of IDBI Mutual Fund as per the Trust deed dated February 19, 2010 entered into with IDBI Bank Limited (Sponsor to IDBI Mutual Fund)

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

Sd/-
(Gurudeo M. Yadwadkar)
Chairman
DIN: 01432796

Place: Mumbai
Date: September 24, 2018

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:-

Sr. No.	Particulars	Details
1.	Name(s) of the related party and nature of relationship.	IDBI Asset Management Limited – Group Company.
2.	Nature of contracts/arrangements/ transactions.	To pay Secretarial & Accounting service expenses.
3.	Duration of the contracts/arrangements/ transactions.	The arrangement shall be in existence till the IDBI Asset Management Limited acts as investment manager to IDBI Mutual Fund in terms of Investment Management agreement entered into with the Company.
4.	Salient terms of the contracts or arrangements or transactions including the value, if any.	<p>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.</p> <p>Secretarial & accounting service expenses: Certain common expenses incurred by IDBI AMC such as Rent, Electricity, Maintenance relating to Mumbai office premises and also a portion of salary expenses for the services rendered by IDBI AMC. Out of the above common expenses IDBI AMC charges 5% to MF Trustee Co. The Services of around 12 officials are being used for MF Trustee Co related work as MF Trustee Co. does not have any employee on its roles. These AMC officials take care of the work relating to secretarial matters, conducting of meetings, ROC work, accounts/tax matters, SEBI compliance etc. IDBI AMC is charging 1% of salary expenses which would work out to Rs. 12 lakh p.a.</p>
5.	Date of approval by the Board.	October 22, 2013
6.	Amount paid as advances, if any.	NIL
7.	Justification for entering into the contracts/ arrangements/transactions.	The secretarial and account services of the Company are managed by the employees of the IDBI AMC (Investment Manager to IDBI Mutual Fund), since the Company has no employees on roll. Also since the Company also shares premises due to above services, it is prudent to also share other expense with IDBI AMC. Thus with approval of Board a percentage share was arrived at so as to cover the expenses and services and a policy in this regard was formulated and put in place.

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

Sd/
(Gurudeo M. Yadwadkar)
Chairman
DIN: 01432796

Place: Mumbai
Date: September 24, 2018

STATUTORY AUDITOR'S REPORT AND FINANCIAL STATEMENT



Independent Auditor's Report

To
The Members of IDBI Mutual Fund Trustee Company Limited

Report on the standalone financial statements

We have audited the accompanying standalone financial statements of **IDBI Mutual Fund Trustee Company Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the standalone financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, its profit and its cash flows for the year ended on that date.

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 section 143 (11) of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

3. As per directions under section 143(5) of The Companies Act, 2013 we further report as under.

Sr. No.	Directions	Observations of Auditor
1	Whether the company has clear title/lease deeds for freehold and leasehold land respectively? If not please state the area of freehold and leasehold land for which title/lease deeds are not available.	The company does not own any freehold or leasehold land, hence no reporting is required under this clause.
2	Please report whether there are any cases of waiver/write off of debts/loans/interest etc., if yes, the reason there for and the amount involved.	There are no cases of waiver/write off of debts/loans/interest etc.
3	Whether proper records are maintained for inventories lying with third parties and assets received as gift from government or other authorities.	The company does not own any inventory hence no reporting is required under this clause.
4	Whether there are any cases of waiver of fees/reversal of accounted fees which was due but not received/written off. If yes, the reason therefore and amount involved case wise.	During the financial year 2017-18 there has been no instance of waiver or write off of fees which was charged/due.

For **U. G. Devi & Company**

Chartered Accountants

FRN. No. 102427-W

Vinay U. Devi

Partner

Membership No. 038973

Mumbai, Dated: April 23, 2018

Annexure to the Independent Auditors' Report of IDBI Mutual Fund Trustee Company Limited for the year ended 31st March, 2018 (referred to in our report of even date).

We report that

- (i) (a) The Company did not have any fixed assets and accordingly provisions of clauses 3 (i) (a) to (c) of the Order related to fixed assets are not applicable.
- (ii) The company's business does not involve inventories and accordingly provisions of clause 3 (ii) of the Order are not applicable.
- (iii) According to the information and explanations given to us, the company has not granted any loans secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clauses 3 (iii) (a) to (c) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the company has not given/made loans, investments, guarantees, and security. The issue of compliance with the provisions of section 185 and 186 of the Companies Act, 2013, therefore does not arise.
- (v) The Company has not accepted any deposits from the public to which the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules framed there under apply.
- (vi) The Central Government has not prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013 for any of the products of the Company.
- (vii) (a) According to the information and explanations given to us and the records of the company examined by us, the company has been regular in depositing undisputed statutory dues including income-tax, sales-tax, service tax, custom duty, excise duty, value added tax, cess and any other material statutory dues applicable to it, with the appropriate authorities. The provisions relating to provident fund, employees' state insurance, are not applicable to the Company. We are informed that there are no undisputed amounts payable in respect of income-tax, sales-tax, service tax, custom duty, excise duty, value added tax, cess and any other material statutory dues outstanding as at 31st March, 2018 for period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us there are no dues in respect of income tax, sales tax, service tax, customs duty, excise duty, value added tax which have not been deposited on account of dispute.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not borrowed any amounts from financial institutions, banks, government or by issue of debentures.
- (ix) The Company has neither raised money by way of initial public offer or further public offer (including debt instruments) nor taken any term loans.
- (x) To the best of our knowledge and according to the information and explanations given to us no fraud by the Company and no fraud on the Company by its officers and employees has been noticed or reported during the year.
- (xi) No managerial remuneration has been paid or provided for .
- (xii) The company is not a Nidhi Company accordingly clause 3 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review
- (xv) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) In our opinion and according to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For U. G. Devi & Company

Chartered Accountants
Firm Reg. No. 102427-W

Vinay U. Devi

Partner
M. No. 038973

Mumbai, Dated: April 23, 2018

ANNEXURE “A” 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, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

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

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Vinay U. Devi
Partner
Membership No. 038973
Mumbai, Dated: April 23, 2018

BALANCE SHEET AS AT 31ST MARCH 2018

Particulars	Note No.	As at 31st March 2018	As at 31st March 2017
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	2,000,000	2,000,000
(b) Reserves and surplus	4	12,210,982	10,013,234
		14,210,982	12,013,234
2 Non-current liabilities		-	-
		-	-
3 Current liabilities			
(a) Other current liabilities	5	1,399,635	451,100
(b) Short-term provisions	6	5,000	7,733
		1,404,635	458,833
TOTAL		15,615,617	12,472,067
II. ASSETS			
1 Non-current assets			
(a) Non Current investments	7	14,051,552	10,851,552
(b) Long Term loans and advances	8	167,270	393,837
		14,218,822	11,245,389
2 Current assets			
(a) Current investments		-	-
(b) Trade receivables	9	843,744	529,775
(c) Cash and cash equivalents	10	306,176	642,910
(d) Other current assets	11	246,875	53,993
		1,396,795	1,226,678
TOTAL		15,615,617	12,472,067

See accompanying notes forming part of the financial statements

In terms of our report attached

For **U. G Devi & Company**

Chartered Accountants

Firm Regn No 102427

Sd/-
(Vinay U. Devi)
Partner
M.No. 038973

Place: Mumbai
Date: April 23, 2018

For **IDBI MF Trustee Company Limited**

Sd/-
(Gurudeo M. Yadwadkar)
Chairman
DIN: 01432796

Sd/-
(A C Mahajan)
Director
DIN: 00041661

Sd/-
Lloyd Serrao
Company Secretary
ACS 48842

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

Particulars	Refer Note No.	For the period ended 31st March 2018	For the period ended 31st March 2017
I. Revenue From Operations	12	8,158,666	6,631,842
II. Other income		21,477	-
III. Total Revenue (I+II)		8,180,143	6,631,842
IV. Expenses:			
Employee benefits expense		-	-
Finance Cost	13	450	
Other Expenses	14	5,216,646	4,823,698
V. Profit before exceptional and extraordinary items and tax (III-IV)		2,963,048	1,808,144
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V-VI)		2,963,048	1,808,144
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII-VIII)		2,963,048	1,808,144
X. Tax expense:			
(1) Current tax		779,016	556,299
(2) Deferred tax		-	-
(3) Tax adjustment in respect of earlier years		(13,716)	-
XI Profit (Loss) for the period from continuing operations (IX-X)		2,197,748	1,251,845
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV Profit (Loss) for the year (XI+XIV)		2,197,748	1,251,845
Earnings per equity share: Basic and diluted	16	10.99	6.26
Nominal value per share		10	10

See accompanying notes forming part of the financial statements

In terms of our report attached

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

Sd/-
(Vinay U. Devi)
Partner
M.No. 038973

Place: Mumbai
Date: April 23, 2018

For **IDBI MF Trustee Company Limited**

Sd/-
(Gurudeo M. Yadwadkar)
Chairman
DIN: 01432796

Sd/-
(A C Mahajan)
Director
DIN: 00041661

Sd/-
Lloyd Serrao
Company Secretary
ACS 48842

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2018

Ref No	Particulars	31 March' 2018	31 March' 2017
(A)	Cash Flow from Operating Activities :		
	Profit/(Loss) before Tax	2,963,048	1,808,144
	Adjustments-		
	Deferred tax	-	-
	Profit on sale of investments	-	-
	Dividend Income	-	-
	Other Income	21,477	-
	Operating Profit/(Loss) before Working Capital changes	2,941,571	1,808,144
	Adjustments for (increase)/decrease in operating assets		
	(Increase)/Decrease in Trade Receivables	(313,968)	(58,305)
	(Increase)/Decrease in Other Assets	(192,883)	81,867
	Adjustments for (increase)/decrease in operating liabilities		
	Increase/(Decrease) in Current Liabilities	948,535	(459,187)
	Increase/(Decrease) in Short Term Provisions	(2,733)	-
	Cash generated from operating activities	3,380,522	1,372,519
	Net Income tax (paid)/refunds	(538,733)	(742,286)
	Net Cash from Operating activities (A)	2,841,789	630,233
(B)	Cash Flow from Investing activities		
	Purchase of Fixed Assets	-	-
	(Increase)/Decrease in Investments	-	-
	Investment in Mutual Fund	(3,200,000)	-
	Profit on sale of investments	-	-
	Sale of Fixed Assets	-	-
	Dividend Income	-	-
	Interest Income	21,477	-
	Other Income	-	-
	Net Cash used in Investing Activities (B)	(3,178,523)	-
(C)	Cash Flow from Financing activities		
	Increase in Share Capital	-	-
	Net Cash from Financing Activities (C)		-
	Cash & Cash Equivalents for the year	(336,734)	630,233
	Cash & Cash Equivalents at the Beginning of the year	642,910	12,677
	Cash & Cash Equivalents at the End of the year	306,176	642,910
	Cash & Cash Equivalents Comprise of :		
	Cash on hand	-	-
	Bank Accounts	306,176	642,910

See accompanying notes forming part of the financial statements

In terms of our report attached

For **U. G Devi & Company**

Chartered Accountants

Firm Regn No 102427

Sd/-

(Vinay U. Devi)

Partner

M.No. 038973

Place: Mumbai

Date: April 23, 2018

For **IDBI MF Trustee Company Limited**

Sd/-

(Gurudeo M. Yadwadkar)

Chairman

DIN: 01432796

Sd/-

Lloyd Serrao

Company Secretary

ACS 48842

Sd/-

(A C Mahajan)

Director

DIN: 00041661

NOTES FORMING PART OF THE FINANCIAL STATEMENTS:

For the year ended 31st March 2018

(Currency: Indian rupees)

1 Background

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

2 Significant Accounting Policies

2.1 Basis of preparation of financial statements

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

2.2 Use of estimates

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

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

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

2.4 Cash Flow Statement

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

2.5 Revenue Recognition

Trusteeship fees:

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

Other income:

Income from Investments is accounted on accrual basis. Dividend income is recognized when the right to receive dividend is established.

2.6 Scheme/other Expenses

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

2.7 Property, plant and equipment

Owned Asset:

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

Assets	Useful Life	Method of Depreciation
Plant & Equipment's	15 Years	Straight Line Method
Furniture and Fittings	10 Years	Straight Line Method
Electrical Equipment's	10 Years	Straight Line Method
Vehicles	8 Years	Straight Line Method
Office Equipment's	5 Years	Straight Line Method
Computers	3 Years	Straight Line Method

Intangible Assets

Intangible Assets are stated at cost of acquisition, less accumulated amortization and impairment losses. An intangible asset is recognized, where it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. The amortizable amount of intangible assets is allocated over the best estimate of its useful life on a straight-line basis.

2.8 Impairment of Assets

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

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

2.9 Earnings per share

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

2.10 Foreign currency transactions

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

2.11 Investments

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.

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.

2.16 Provisions and Contingencies

The Company created 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.

Note 3 :

Share Capital	As at 31st March 2018	As at 31st March 2017
Authorised 5,00,000 (5,00,000) Equity shares of Rs.10/- each	5,00,000	5,00,000
Issued 2,00,000 (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.	2,00,000	2,00,000
Subscribed & fully Paid up 2,00,000 (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.	2,00,000	2,00,000
Subscribed but not fully Paid up	-	-
Total	2,00,000	2,00,000

Terms/rights attached to equity shares

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

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

Particulars	As at 31.03.2018		As at 31.03.2017	
	No	Amount	No	Amount
Number of shares at the beginning	200,000	2,00,000	200,000	2,00,000
Add: Shares issued	-	-	-	-
Number of Shares at the end	200,000	2,00,000	200,000	2,00,000

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

Name of Shareholder	As at 31.03.2018		As at 31.03.2017	
	No	% held	No	% held
IDBI Bank the holding company	200,000	100%	200,000	100%

Note 4 :

Reserves & Surplus	As at 31st March 2018	As at 31st March 2017
a. Capital Reserves		
Opening Balance		
(+) Current Year Transfer		-
(-) Written Back in Current Year		-
Closing Balance		-
b. Capital Redemption Reserve		
Opening Balance		-
(+) Current Year Transfer		-
(-) Written Back in Current Year		-
Closing Balance		-
c. Securities Premium Account		
Opening Balance		-
Add : Securities premium credited on Share issue		-
Less : <u>Premium Utilised for various reasons</u>		-
Premium on Redemption of Debentures		-
For Issuing Bonus Shares		-
Closing Balance		-

Reserves & Surplus	As at 31st March 2018	As at 31st March 2017
d. Debenture Redemption Reserve		
Opening Balance		-
(+) Current Year Transfer		-
(-) Written Back in Current Year		-
Closing Balance		-
e. Revaluation Reserve		
Opening Balance		
(+) Current Year Transfer		-
(-) Written Back in Current Year		-
Closing Balance		-
f. Share Options Outstanding Account		
Opening Balance		-
(+) Current Year Transfer		-
(-) Written Back in Current Year		-
Closing Balance		-
g. Profit & Loss		
Opening balance	10,013,234	8,761,389
(+) Net Profit/(Net Loss) For the current year	2,197,748	1,251,845
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Income Tax Provision of Last Year Transfer	-	-
(-) Deferred Tax Provision of Last Year Transfer	-	-
Closing Balance	12,210,982	10,013,234
Total	12,210,982	10,013,234

Note 5 :

Other Current Liabilities	As at 31st March 2018	As at 31st March 2017
(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 and due for refund	-	-
(h) Unpaid matured deposits and interest accrued thereon	-	-
(i) Unpaid matured debentures and interest accrued thereon	-	-
(j) Other payables (specify nature)	-	-
Creditors for Expenses	1,055,172	319,884
GST Payable	-	-
TDS Payable	240,963	32,216
Payable to Parent Company	-	-
Audit Fees Payable	103,500	99,000
Total	1,399,635	451,100

Note 6 :

Short Term Provisions	As at 31st March 2018	As at 31st March 2017
(a) Provision for employee benefits	-	-
(b) Others		
Provision For Other Liabilities	5,000	7,733
Total	5,000	7,733

Note 7 : Investments

Particulars	As at 31st March 2018	As at 31st March 2017
(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-Growth)	14,051,552	10,851,552
(f) Investments in partnership firms		-
(g) Other non-current investments (specify nature)		-
Total (A)		-
Less : Provision for diminution in the value of Investments		-
Total	14,051,552	10,851,552

Particulars	As at 31st March 2018	As at 31st March 2017
Aggregate amount of quoted investments (Market value Rs. 15,729,993.57)	14,051,552	10,851,552
Aggregate amount of unquoted investments		-

Details of Non 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 (Rs.)		Basis of Valuation
			2018	2017			2018	2017	2018	2017	
(a)	Investments in Mutual Funds										
	IDBI Liquid Fund - Direct Plan - Growth (Market Value Rs.15,729,993.57)		8,454.793	6,695.335	Quoted				14,051,552	10,851,552	
	Total								14,051,552	10,851,552	

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 (Rs.)		Basis of Valuation
			2018	2017			2018	2017	2018	2017	
	Total								-	-	

Note 8 :

Long Term loans and advances	As at 31st March 2018	As at 31st March 2017
Other loans and advances		
Advance tax and tax deducted at source (net of provision for tax)		
FY 2017-18	167,270	
FY 2016-17	-	185,987
FY 2014-15	-	15,360
FY 2015-16	-	192,490
Total	167,270	393,837

Note 9:

Trade Receivables	As at 31st March 2018	As at 31st March 2017
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	843,744	529,775
Unsecured, considered doubtful	-	-
Less: Provision for doubtful debts	-	-
	843,744	529,775
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	-	-
Unsecured, considered doubtful	-	-
Less: Provision for doubtful debts	-	-
Total	843,744	529,775

Note 10 :

Cash and cash equivalents	As at 31st March 2018	As at 31st March 2017
a. Balances with banks in current account	306,176	642,910
This includes:		
Earmarked Balances (eg/- unpaid dividend accounts)		-
Margin money		-
Security against borrowings		-
Guarantees		-
Other Commitments		-
Bank deposits with more than 12 months maturity		-
b. Cheques, drafts on hand		-
c. Cash on hand		-
d. Others (specify nature)		-
Total	306,176	642,910

Note 11 :

Other Current Assets	As at 31st March 2018	As at 31st March 2017
a. Loans & Advances		-
b. GST Receivable	246,875	-
c. Service Tax Receivable	-	53,993
d. Deferred Tax Asset	-	-
e. Interest Receivable	-	-
Total	246,875	53,993

NOTES TO PROFIT & LOSS ACCOUNT

Note 12 : Revenue From Operations

	For the period ended 31st March 2018	For the period ended 31st March 2017
Rendering of Services		
Trusteeship Fees	8,158,666	6,631,842
Profit on Sale of Investments	-	-
Dividend Income	-	-
	8,158,666	6,631,842
Other Income		
Interest Income	21,477	-
	21,477	-

Note 13 : Finance Cost

	For the period ended 31st March 2018	For the period ended 31st March 2017
Interest		
Others		
On delayed payment of Service tax	450	-
	450	-

Note 14 : Other Expenses

	For the period ended 31st March 2018	For the period ended 31st March 2017
Secretarial and Accounts Services Fees	2,876,292	3,300,640
Travel & Halting Expenses	483,184	729,053
Statutory Levies and Interest	3,979	68,013
Bank Charges, Commission & Fee	115	460
Audit Fees	115,000	110,000
Printing and stationery	546,027	-
Postage and Courier Charges	650,025	-
Professional Charges	64,500	-
Other Expenses	7,023	2,482
Director Sitting Fees	470,500	613,050
	5,216,646	4,823,698

Additional information to the financial statements and disclosures under Accounting Standards

15 Investments are classified as Long Term Investments and Current investments. Long term Investments are those which are held for a fairly long period to earn Income by way of Dividend and Gain. Long term Investments are stated at cost and provision for diminution in value is made if the fall in market value is permanent.

Investments other than Long Term are Current and are carried at lower of cost or net realizable value.

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 st March 2018	31 st March 2017
Net (Loss)/Profit after tax attributable to equity shareholders(A) Rs.	21,97,748	12,51,845
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.	10.99	6.26

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

18 Related party disclosures:

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

List of related parties and relationship:

I	Individuals having control with relatives & associates	
	Dilip Kumar Mandal	Managing Director and Chief Executive Officer of IDBI Asset Management Limited
II	Key Management Personnel	
	Dilip Kumar Mandal	Managing Director and Chief Executive Officer of IDBI Asset Management Limited
III	Entities owned or significantly influenced by Directors and/or key management personnel or their relative and with whom Company has entered into transactions during the period under review	
	IDBI Bank Limited	Holding Company
	IDBI Asset Management Limited	Fellow Subsidiary

Transactions with related parties:

IDBI Bank Limited:	31 st March 2018	31 st March 2017
Deposits Placed with IDBI Bank	NIL	NIL
Deposits matured with IDBI Bank	NIL	NIL
Contribution to capital of the Company	NIL	NIL
Transactions with IDBI Bank	NIL	NIL
Amount outstanding	NIL	NIL
IDBI Asset Management Limited:		
Expenses Debited	28,76,292	33,00,640
Trustee Fee Received	81,58,666	66,31,842

Balance with related parties:

Particulars	31 st March 2018	31 st March 2017
1. IDBI Bank Limited (Holding Company)	20,00,000	20,00,000
2. IDBI Asset Management Company (Payable)	3,53,144	3,19,884
3. IDBI Asset Management Company (Receivable)	8,43,743	5,29,775
4. IDBI Bank Limited (Holding Company)-Bank Bal	3,06,176	6,42,910

Note:

- The capital contributed by IDBI Bank Limited (the Holding Company) at the time of inception was 2,00,000 equity shares of Rs.10/- each fully paid up.

19 Earnings in foreign exchange: NIL
20 Expenditure in foreign exchange: NIL
21 Dues to Micro, Small and Medium Enterprises:

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

22 Income Tax:

In accordance with Notified Accounting Standard 22 (AS-22), Accounting for taxes on Income, the major components of deferred tax as at 31st March 2018 are as follows:

Deferred Tax asset	31 st March 2018 (Rs)	31 st March 2017 (Rs)
Temporary Difference	NIL	NIL
Timing Difference	NIL	NIL
DTA Provision	NIL	NIL
Current Year Reversal	NIL	NIL
Previous Year Reversal	NIL	NIL
Closing Balance of DTA as at 31 st March	NIL	NIL

23 Details of Audit Fees Paid (excluding service tax)

Particulars	31 st March 2018	31 st March 2017
Statutory Audit	Rs. 1,15,000	Rs. 1,10,000
Other Services	NIL	NIL
Out of pocket expenses	NIL	NIL

- Balance of Sundry creditors, loans and advances and payables are subject to confirmation and reconciliation/consequential adjustments if any.

- Figures have been rounded off to the nearest rupee.

- Figures have been regrouped wherever necessary to correspond with those of the current year.

For U. G Devi & Company

Chartered Accountants
Firm Regn No 102427

Sd/-
(Vinay U. Devi)
Partner
M.No. 038973

Place: Mumbai
Date: April 23, 2018

For IDBI MF Trustee Company Limited

Sd/-
(Gurudeo M. Yadwadkar)
Chairman
DIN: 01432796

Sd/-
(A C Mahajan)
Director
DIN: 00041661

Sd/-
Lloyd Serrao
Company Secretary
ACS 48842



IDBI MF Trustee Company Limited

CIN: U65991MH2010PLC199326

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

Website: www.idbimutual.co.in