

# ANNUAL REPORT 2020-2021



IDBI ASSET MANAGEMENT LIMITED



Date of AGM : July 29, 2021

IDBI Asset Management Limited (Investment Manager to IDBI Mutual Fund) CIN: U65100MH2010PLC199319

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

Corp. Off.: 4th Floor, IDBI Tower, WTC Complex, Cuffe Parade, Colaba, Mumbai - 400 005



**IDBI ASSET MANAGEMENT LIMITED**  
**CIN: U65100MH2010PLC199319**

# **ANNUAL REPORT**

## **2020 - 21**

**Date of AGM : July 29, 2021**

**IDBI Asset Management Limited (Investment Manager to IDBI Mutual Fund)**

**CIN: U65100MH2010PLC199319**

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

**Corporate office:** 4<sup>th</sup> Floor, IDBI Tower, WTC Complex, Cuffe Parade, Colaba, Mumbai - 400 005.

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# **IDBI ASSET MANAGEMENT LIMITED**

CIN: U65100MH2010PLC199319

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## **BOARD OF DIRECTORS**

*(as on March 31, 2021)*

Shri Rakesh Sharma (DIN:06846594) – **Chairman**  
Shri Jorty M. Chacko (DIN:08307961) – **Nominee Director**  
Shri Annavarapu Venkat Rammurthy (DIN:00050455) – **Independent Director \***  
Shri Arvind Kumar Jain (DIN:07911109) – **Independent Director**  
Shri Raj K. Singh (DIN:08654156) – **Managing Director & CEO**

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## **AUDIT COMMITTEE**

*(as on March 31, 2021)*

Shri Annavarapu Venkat Rammurthy (DIN:00050455) – **Independent Director \***  
Shri Arvind Kumar Jain (DIN:07911109) – **Independent Director**

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## **NOMINATION AND REMUNERATION COMMITTEE**

*(as on March 31, 2021)*

Shri Arvind Kumar Jain (DIN:07911109) – **Independent Director (Chairman)**  
Shri Jorty M. Chacko (DIN:08307961) – **Nominee Director**  
Shri. Annavarapu Venkat Rammurthy (DIN:00050455) – **Independent Director \***

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## **CORPORATE SOCIAL RESONSIBILITY COMMITTEE**

*(as on March 31, 2021)*

Shri Jorty M. Chacko (DIN:08307961) – **Nominee Director (Chairman)**  
Shri. Annavarapu Venkat Rammurthy (DIN:00050455) – **Independent Director \***  
Shri. Arvind Kumar Jain (DIN:07911109) – **Independent Director**

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*\* Shri. Annavarapu Venkat Rammurthy (DIN:00050455) has retired as Independent Director on April 19, 2021*

## **KEY MANAGERIAL PERSONNEL**

Shri. Raj K. Singh (DIN:08654156) – **Managing Director & CEO**  
Shri Amit R. Bhavsar (FCA 108590) - **Chief Financial Officer & COO**  
Shri Ajit Joshi (ACS22359) - **Company Secretary & Compliance Officer**

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

**Corporate office:** 4th Floor, IDBI Tower, WTC Complex, Cuffe Parade, Colaba, Mumbai – 400 005.

**Statutory Auditors:** MGB & Co. LLP, Peninsula Business Park, Tower B, 19<sup>th</sup> Floor, Lower Parel, Mumbai -400013

**Secretarial Auditors :** Vipin Tiwari & Co. Company Secretaries, F/262/1, First Floor, Dreams The Mall, L.B.S. Marg, Bhandup (W), Mumbai-400078

**Internal Auditors:** Shah Gupta & Co., 38 Bombay Mutual Building, 2<sup>nd</sup> Floor, Dr. D.N. Road, Fort, Mumbai-400 001

NOTICE  
OF  
ANNUAL  
GENERAL  
MEETING

## NOTICE

**NOTICE** is hereby given that the Eleventh Annual General Meeting of the member of IDBI Asset Management Limited will be held Thursday, July 29, 2021 at 3.00 p.m. through Video Conferencing/other Audio Video Means, to transact the following business:

### ORDINARY BUSINESS –

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

To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2021 including audited Balance Sheet as at March 31, 2021, Profit & Loss Account for the year ended on that date and the reports of the Board of Directors, Statutory Auditors and Comptroller and Auditor General of India thereon.

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

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

**‘RESOLVED THAT** approval of the members of IDBI Asset Management Limited is hereby accorded to authorise the Board of Directors to fix the remuneration of the Statutory Auditor as may be appointed by the Comptroller and Auditor General of India (C&AG) pursuant to the provisions of Section 139(5) and other applicable provisions, if any, of the Companies Act, 2013 for the financial year 2021-22.

### SPECIAL BUSINESS –

#### **Item No. 3 – Appointment of Independent Director**

Approval for appointment of Ms. Gita Narasimhan (DIN : 09069088) as an Independent director of the Company for a period of Five years from April 09, 2021 to April 08, 2026 as recommended by the Board of Directors and in this regard to consider and if thought fit, pass, with or without modification(s), the following resolution as a **Special Resolution** :

**‘RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 [including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force] read with Schedule IV of the Companies Act, 2013 and other applicable provisions, if any, as amended from time to time and based on the recommendation of the Nomination & Remuneration Committee and approval of Board of Directors of the Company, the approval of members of the Company be and is hereby

accorded for appointment of Ms. Gita Narasimhan (DIN : 09069088), being eligible, as an Independent Director of the Company, not liable to retire by rotation, to hold office for a period of five years from April 09, 2021 to April 08, 2026, as recommended by the Board of Directors.

**RESOLVED FURTHER THAT** the Board of Directors and Company Secretary of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

**Item No. 4 – Appointment of Independent Director**

Approval for appointment of Shri R.K. Gurusurthy (DIN : 07264185) as an Independent director of the Company for a period of five years from April 09, 2021 to April 08, 2026 as recommended by the Board of Directors and in this regard to consider and if thought fit, pass , with or without modification(s), the following resolution as a **Special Resolution** :

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 [including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force] read with Schedule IV of the Companies Act, 2013 and other applicable provisions, if any, as amended from time to time and based on the recommendation of the Nomination & Remuneration Committee and approval of Board of Directors of the Company, the approval of members of the Company be and is hereby accorded for appointment of Shri R.K. Gurusurthy (DIN : 07265185), being eligible, as an Independent Director of the Company, not liable to retire by rotation, to hold office for a period of five years from April 09, 2021 to April 08, 2026, as recommended by the Board of Directors.

**RESOLVED FURTHER THAT** the Board of Directors and Company Secretary of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

**Item No. 5 – Authorization of related party transactions.**

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

‘**RESOLVED THAT** in terms of the provisions of Section 188 and other applicable provisions of the Companies Act,2013, read with Rule 15 of the Companies (Meeting of the Board and its powers) Rules, 2014 and other applicable rules notified under the act, as amended form time to time, the members of the Company hereby approve the continuation of existing contracts of the Company and further hereby authorise the Board/Audit Committee of the Board of Directors to approve and enter into contracts and arrangements with related

parties including sub-delegation thereof to a Director/Committee of Directors, as it may think fit including granting of omnibus approval in compliance with the provisions of Section 177 of the Companies Act, 2013, for an aggregate value not exceeding Rs. 50 Crores for all the contracts and/or arrangements whether entered into in ordinary course of business or not and/or whether at arm's length price or not or at such price with the recommendation and approval of the Audit Committee to the Board of Directors of the Company for their approval, without any further reference to the shareholders of the Company.

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

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

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

**By the order of the Board of Directors**  
**Sd/-**  
**(Ajit Joshi)**  
**Company Secretary**

Place: Mumbai

Date: July 28, 2021

Registered office:

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

**NOTES :**

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

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

2. Members/Proxies/Representatives should bring the attendance slip duly filled in for attending the meeting. Only Members carrying the attendance slips or holders of valid proxies registered with the Company will be permitted to attend the meeting. In case of shares held in joint names or shares held under different registered folios wherein the name of the sole holder/first joint-holder is same, only the first joint-holder/sole holder or any proxy appointed by such holder, as the case may be, will be permitted to attend the meeting
3. The relevant explanatory statements pursuant to section 102(1) of the Companies Act,2013 in respect of business under item no.2 to 5
4. Corporate members intending to depute their authorized representative(s) to attend the meeting are requested to send certified true copy of the Board resolution authorizing the representative to attend and vote on their behalf in the Meeting.

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

**Item no. 3 & Item No. 4**

The Board of Directors of the Company appointed Ms. Gita Narasimhan (DIN : 09069088) and Shri R.K. Gurumurthy (DIN : 07264185) as Additional Independent Directors on the Board of IDBI AMC. Their appointment was upto the date of the Annual General Meeting.

The Board of Directors in its meeting held on July 26, 2021 approved appointment of Ms. Gita Narasimhan (DIN : 09069088) and Shri R.K. Gurumurthy (DIN : 07264185) as Independent Directors of the Company for five years from April 09, 2021 to April 08, 2026, subject to approval of the Shareholders of the Company.

Ms. Gita Narasimhan and Shri R.K. Gurumurthy, being eligible for appointment, have given their consents as well as requisite disclosures along with a declaration to the Board that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. In the opinion of the Board of Directors of the Company, each of the said Director fulfil the conditions specified in the Companies Act, 2013 & Rules framed there under and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended for appointment of Independent Director.

The Board of Directors considers that Ms. Gita Narasimhan and Shri R.K. Gurumurthy have requisite expertise, versatility, extensive and enriched experience that will be of benefit to the Company and hence considered their appointment as Independent Directors for five years.

None of the other Directors (Other than Ms. Gita Narasimhan and Shri R.K. Gurumurthy), Key Managerial Personnel or their relatives are in any way, concerned or interested in the said Resolutions.

The Board recommends the Special Resolution set out at Item No. 3 and 4 of the Notice for approval by the members.

**Item No. 5**

IDBI Asset Management Limited ('IDBI AMC') is a subsidiary of IDBI Bank Limited. IDBI AMC has been appointed as 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 scheme(s) investment objective on behalf of Mutual Fund, to declare and pay dividend, calculation of NAV, appointment of intermediaries.

Thus, in order to ensure smooth operations of the Company, IDBI AMC has entered into various contracts which includes contracts entered into with related parties prior to the commencement of the Companies Act, 2013 as well as the contracts entered during the year with the approval of the ACB/Board as per the authorization given by the members in the last Annual General Meeting which are in the ordinary course of business and to support the operations of the Company.

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

The Company was not required to seek approval of the shareholders under the erstwhile Companies Act, 1956 for contracts entered into ordinary course of business. However, with the applicability of the Companies Act, 2013 with effect from April 01, 2014 such contracts come under purview of the Related Party Transactions and require approval of the shareholders on and from the Financial Year 2014-15 in terms of the limits prescribed under the rules as a percentage of net worth/Turnover of the Company.

Hence, it is proposed to the members to authorize the Audit Committee/Board of the Company to approve the proposals for entering into further contracts as may be required and to authorize the Board of Directors with powers to enter into contracts for an aggregate value not exceeding Rs.50 Crores whether in ordinary course of business or not and/or at arm's length or not and 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 including sub delegating the authority to a Committee of Directors and/or to authorize Managing Director & CEO or any other Director as it may deem fit to enter into such contracts and arrangements with prior approval of the Board.

None of the Directors a Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned in Item no. 5 for approval of the members.

**PROXY FORM**

**Form No. MGT-11**

**Proxy Form**

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

<b>CIN</b>	<b>:</b>	<b>U65100MH2010PLC199319</b>
<b>Name of the Company</b>	<b>:</b>	<b>IDBI ASSET MANAGEMENT LIMITED</b>
<b>Registered Office</b>	<b>:</b>	<b>IDBI Tower, WTC Complex, Cuffe Parade, Colaba, Mumbai - 400 005.</b>

I/We hereby record my/our presence at the Eleventh Annual General Meeting of the member of IDBI Asset Management Limited will be held on \_\_\_\_\_ day, \_\_\_\_ Day of \_\_\_\_\_, 2021 at \_\_\_\_ a.m./p.m.through Video conferencing.

.....  
Member's Folio

.....  
Member's/Proxy Name

.....  
Member's/Proxy Signature

**Proxy Form****Form No. MGT-11****Proxy Form**

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

<b>CIN</b>	:	<b>U65100MH2010PLC199319</b>
<b>Name of the Company</b>	:	<b>IDBI ASSET MANAGEMENT LIMITED</b>
<b>Registered Office</b>	:	<b>IDBI Tower, WTC Complex, Cuffe Parade, Colaba, Mumbai - 400 005.</b>

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

I/We, being the members(s) of IDBI Asset Management Limited, holding \_\_\_\_\_ shares of the Company, hereby appoint

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

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

3	Name	:	
	Address	:	
	E-mail Id	:	
	Signature	:	

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the Eleventh Annual General Meeting of the member of IDBI Asset Management Limited which will be held on \_\_\_\_day, \_\_\_\_\_ day of \_\_\_\_\_, 2021 at \_\_\_\_\_ a.m./p.m.and at any adjournment thereof in respect of such resolutions set out in the Notice convening the meeting, as are indicated below:

**Resolution No.**

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

Signed this.....day of.....2021

Signature of shareholder.....

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

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

DIRECTOR'S  
REPORT



**IDBI ASSET MANAGEMENT LIMITED**  
CIN: U65100MH2010PLC199319

## **DIRECTOR'S REPORT**

Dear Members,

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

### **FINANCIAL HIGHLIGHTS AND SUMMARY**

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

<b>Particulars</b>	<b>(Rs. in Crores)</b>	
	<b>2020-21</b>	<b>2019-20</b>
Total Income	31.98	36.08
Total Expenses	23.86	31.55
Profit/(Loss) before exceptional and extra-ordinary item and tax	8.12	4.53
Extraordinary item : Add/(Subtract)	(0.90)	8.25
Profit/(Loss) before Taxation	7.22	12.78
Current Taxation	1.26	1.03
Deferred Tax :Asset/(Liability)	(1.43)	(11.00)
Profit/(Loss)	4.53	0.75
Earnings per equity share:		
Basic	0.23	0.04
Diluted	0.23	0.04

The total Asset Under Management (AUM) of IDBI Mutual Fund has increased to Rs.4,244 crore as on March 31, 2021 as against Rs. 3,396 crore as on March 31, 2020. The total income of your company has decreased from Rs.36.08 crore during financial year 2019-20 to Rs.31.98crore during financial year 2020-21. Further, the Net profit has increased from Rs. 0.75 crore during the financial year 2019-20 to Net profit of Rs. 4.53 crore during the financial year 2020-21.

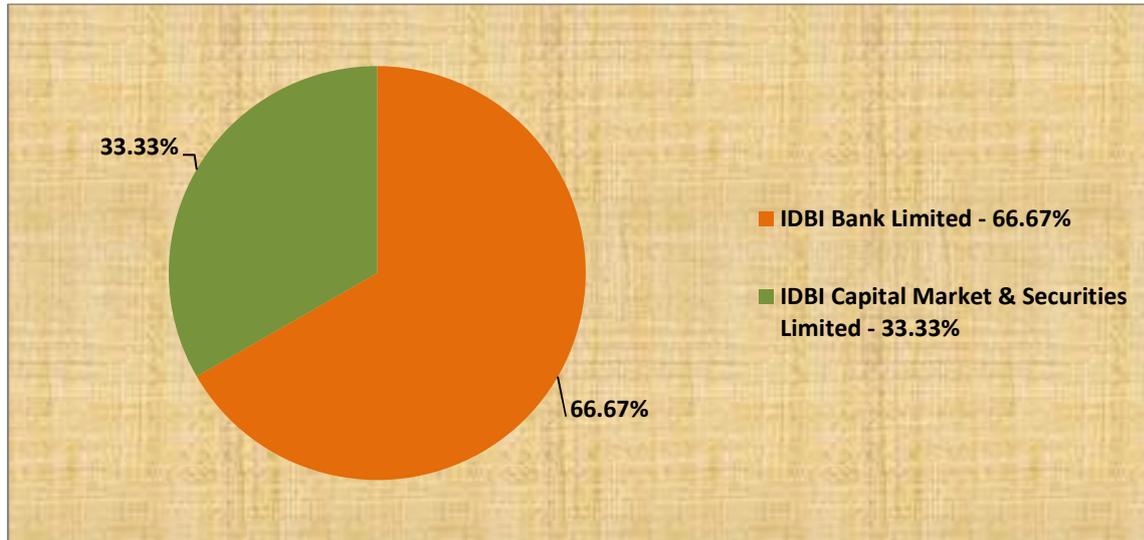
### **SHARE CAPITAL**

During the year under review, the company's Authorised Share Capital was Rs.250 Crores and issued, subscribed &paid up share capital was Rs.200 Crores divided into 20 Crores equity shares of Rs.10 /- each.

The shareholding pattern of the company as on March 31, 2021 was as under:-



**IDBI ASSET MANAGEMENT LIMITED**  
CIN: U65100MH2010PLC199319



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

- 1) Your company was incorporated on January 25, 2010, under the Companies Act, 1956, with the principal activity to act as "Investment Manager" to IDBI Mutual Fund. The Financial Year 2020-21 is the eleventh year of operation of your company. Your company aims to assist the investors in making informed investment choices through mutual funds.
- 2) Your company managed 22 schemes during the year ended March 31, 2021 which consist of 12 equity fund schemes, 6 debt fund schemes, 2 hybrid fund schemes and one each FOF (Gold) and Gold ETF scheme of IDBI Mutual Fund.
- 3) The total Average Assets Under Management (AAUM) during the quarter ended March 31, 2021 was Rs.4,102 crores.
- 4) Your company's revenue from operations has declined from Rs. 29.91crores (financial year 2019-20) to Rs. 24.95crores (financial year 2020-21) i.e. a decrease of 16.58%.
- 5) New scheme launched:-  
No new schemes were launched in financial year 2020-21.

### **Business Environment:**

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



**IDBI ASSET MANAGEMENT LIMITED**  
**CIN: U65100MH2010PLC199319**

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

Indian Equity markets have given their best financial year performance in a decade in FY21 with Nifty 50 rallied 71% yoy. The rally has been partly on account of strong foreign inflows on expectation of improvement in the economy after a stringent pandemic-triggered lockdown for a few months in FY21. FPIs pumped in a record \$37 billion into Indian equities, which is the highest since FY13. On the other hand, domestic mutual funds recorded a net outflow of Rs 1.22 trillion and became net sellers for the first time since FY13.

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

### **Mutual Fund Industry**

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

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



**IDBI ASSET MANAGEMENT LIMITED**  
**CIN: U65100MH2010PLC199319**

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

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

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

- **Name change for Distributors-** MF distributors are no longer allowed to use nomenclatures like “Advisors”, ‘Independent Financial Advisers’ (IFAs) and ‘Wealth Managers’. Further, with SEBI’s new regulations on investment advisors, individuals can now either become RIAs to offer fee based services or opt for a mutual fund distribution model to charge commission.
- **Uniformity in applicability of Net Asset Value (NAV) across various schemes upon realization of funds-** The regulator came out with framework for uniformity in applicability of NAV for purchase across various mutual fund schemes (except liquid and overnight schemes) based on the realisation of funds (available for utilization), irrespective of the size and time of receipt of application. This change is applicable from 1<sup>st</sup> April 2021.
- **Change in Risk-o-meter-** SEBI introduced detailed guidelines for determining risk level of mutual fund using risk-o-meter tool. The new system introduced a fresh category of ‘very high’ risk. It replaced the old model which was based simply on a scheme’s category without adequately considering its actual portfolio. Mutual Funds need to update the risk-o-meter on a monthly basis on their websites and the AMFI website, within 10 days from the end of the month. In case of a change in risk-o-meter position, they have to send out communications to investors. Mutual Funds are required to publish a history of risk-o-meter changes every year.
- **Rename of Dividend Options/ sub options-** SEBI prescribed a need of clearly communicating to the investors that under dividend option of a Mutual Fund Scheme, certain portion of their capital (Equalization Reserve) can be distributed as dividend. Accordingly dividend options and its sub-options are renamed as below w.e.f 1<sup>st</sup> April 2021



**IDBI ASSET MANAGEMENT LIMITED**  
**CIN: U65100MH2010PLC199319**

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

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

**Change in the nature of Business, if any.**

Your Company was incorporated with the principal activity to act as Investment Manager to IDBI Mutual Fund *vide* Investment Management Agreement dated February 20, 2010 entered into by IDBI MF Trustee Company Limited (*Trustees to IDBI Mutual Fund*). Your company has carried on the same business activity during the financial year 2020-21 and there is no change in the nature of the business of the company done during the year.

**II. DIVIDEND**

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

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

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



**IDBI ASSET MANAGEMENT LIMITED**  
**CIN: U65100MH2010PLC199319**

**IV. COMPLIANCE WITH NET WORTH REQUIREMENTS AS PRESCRIBED BY SEBI**

Your company complies with the minimum net worth requirements of Rs.50 Crores as prescribed by the Securities and Exchange Board of India (“SEBI”). The net worth of your company as on March 31, 2021 was Rs. 112.99 Crores.

**V. TRANSFER TO RESERVES**

Your Company has made Net Profit of Rs. 4.53 Crores for the year under review. The Board of Directors has decided to transfer the same to Reserves.

**VI. FOREIGN EXCHANGE EARNINGS AND OUTGO**

During the year under review, your company has not incurred any expense in foreign exchange.

**VII. 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 during the financial year ended March 31, 2021 and the date of the report affecting the financial position of the company.

In accordance with the provisions of Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility) Rules, 2014, a CSR Committee of the Directors of the Company has been constituted. The CSR Committee had constituted Internal Committee consisting of Managing Director & CEO, CFO & COO and Head – HR to take decisions for CSR contributions by the Company.

As per Section 135 of the Companies Act, 2013 the Company was required to spend Rs 13.90 lakhs on CSR activities during the FY 2020-21. The Board is happy that your Company has fully utilised the said amount on CSR activities. The names of institutions/organisations involved in the field of Healthcare, Education and fight against COVID-19, to whom the amount was disbursed is given below.

**IDBI ASSET MANAGEMENT LIMITED**

CIN: U65100MH2010PLC199319

Sr No	Institution	Disbursed Amount (INR)
1	Ravindra Joshi Medical Foundation (RJMF), Mumbai	5,00,000
2	Maharaja Agrasen Jan Kalyan Samiti (MAJKS), New Delhi	6,00,000
3	Jagannath Cancer Aid Foundation (JACAF), Navi Mumbai	1,00,000
4	ISKCON Govardhan Eco Village (GEV), Palghar	1,90,000
	<b>Total</b>	<b>13,90,000</b>

**VIII. BOARD OF DIRECTORS****Changes in Directors and Key Managerial Personnel (KMP): -****Board of Directors**

The Composition of the Board, for the year ended as on March 31, 2021 is as under:

Sr. No.	Name of Director	Director Identification Number	Designation	Date of Appointment	Date of Cessation
1.	Shri Rakesh Sharma	06846594	Chairman	11-Jul-19	--
2.	Shri Jorty Chacko	08307961	Director	11-Jan-19	11-Jan-22
3.	Shri Arvind K. Jain	07911109	Independent Director	22-Mar-18	21-Mar-23
4.	Shri A.V. Rammurthy	00050455	Independent Director	20-Apr-20	19-Apr-21
5.	Shri Raj K. Singh	08654156	Managing Director & CEO	30-Dec-19	29-Dec-22

Ms. Geeta P. Shetti (DIN: 02948958) Independent Director has retired from the Board on 2-Feb-21 after completion of tenure.

**Key Managerial Personnel**

There has been no change in the Key Managerial Personnel during the year under review. The List of Key Managerial Personnel, for the year ended as on March 31, 2021 is as under:

S.No	Name	Designation	Date of Appointment
1.	Shri Raj K. Singh	Managing Director & Chief Executive Officer	30-Dec-19
2.	Shri Amit Bhavsar	Chief Financial Officer & Chief Operating Officer	28-Sep-15
3.	Shri Ajit Joshi	Company Secretary	01-Jan-19

**Retirement by Rotation**





**IDBI ASSET MANAGEMENT LIMITED**

**CIN: U65100MH2010PLC199319**

Shri Annavarapu Venkat Rammurthy (DIN:00050455) - Independent Director	Present						
Ms Geeta Pursappa Shetti * (DIN:0294895) - Independent Director	Present						
Shri Arvind Kumar Jain (DIN:07911109) - Independent Director	Present						
Shri Raj K. Singh (DIN : 08654156) - MD& CEO	Present						

\* Ms. Geeta P. Shetti (DIN: 02948958) Independent Director has retired from the Board on 2-Feb-21 after completion of tenure.

**X. 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, 2021 was as under: -

S. No.	Name of the Director	Particulars	Date of Appointment
1.	Ms. Geeta Purusappa Shetti (DIN : 0294895)	Independent Director	2 February 2020
2.	Shri Annavarapu Venkat Rammurthy (DIN: 00050455)	Independent Director	20 April 2020
3.	Shri Arvind Kumar Jain (DIN: 07911109)	Independent Director	21 April 2018

During the year under review, the Committee held Seven meetings, the detail of the same are summed up as under: -

Dates on which Audit Committee Meetings were held	Total strength of the Committee	Director's present
22 May 2020	3	3
29 June 2020	3	3
21 July 2020	3	3
26 August 2020	3	3



**IDBI ASSET MANAGEMENT LIMITED**  
**CIN: U65100MH2010PLC199319**

24 September 2020	3	3
21 October 2020	3	3
20 January 2021	3	3

**ATTENDANCE OF DIRECTORS AT AUDIT COMMITTEE MEETINGS**

*(Leave of Absence – LoA)*

Name of the Director	Attendance at the Audit Committee Meeting held on						
	22-May-20	29-Jun-20	21-Jul-20	26-Aug-20	24-Sep-20	21-Oct-20	20-Jan-21
Ms Geeta Pursappa Shetti (DIN:02948958)	Present	Present	Present	Present	Present	Present	Present
Shri Annavarapu Venkat Rammurthy (DIN:00050455)	Present	Present	Present	Present	Present	Present	Present
Shri Arvind Kumar Jain (DIN:07911109)	Present	Present	Present	Present	Present	Present	Present

**Vigil Mechanism**

The company's Vigil Mechanism incorporates the whistle blower policy pursuant to the provisions of Section 177(9) of the companies Act, 2013 and companies (Meeting of Board and its Powers) Rules, 2014. The same is also available on our website [www.idbimutual.co.in](http://www.idbimutual.co.in). A Vigilance Officer has been appointed, who shall oversee the Vigil Mechanism of the company and report any Protected Disclosure to the Audit Committee. The protected disclosures can be made by a whistle blower through an e-mail [vigilance@idbimutual.co.in](mailto:vigilance@idbimutual.co.in) or a letter to the Vigilance Officer or to the Chairman of the Audit Committee.

**XI. OTHER COMMITTEES**

**a. Nomination & Remuneration Committee: -**

The Nomination & Remuneration Committee was constituted in the year 2014 and adopted a Charter for its functioning. The Committee was further reconstituted as per the Section 178 of the Companies Act, 2013 and the scope was also redefined in lines with the provisions of the said Act. The Nomination and Remuneration Committee ('NRC') works with the Board to determine the appropriate attributes, skills and experience for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in business, government, education and public service. Characteristics expected of



**IDBI ASSET MANAGEMENT LIMITED**

**CIN: U65100MH2010PLC199319**

all Directors include independence, integrity, high personal and professional ethics, sound business judgment, ability.

The Composition of the Nomination & Remuneration Committee as on March 31, 2021 was as under:-

S. No.	Name of the Director	Particulars	Date of Appointment
1	Ms. Geeta Purusappa Shetti (DIN : 0294895)	Independent Director	2 February 2020
2	Shri Annavarapu Venkat Rammurty (DIN: 00050455)	Independent Director	April 20, 2020
3	Shri Jorty M. Chacko	Director	January 11,2019
4	Shri Arvind Kumar Jain (DIN: 07911109)	Independent Director	April 21, 2018

The meetings of Nomination and Remuneration Committee were held three times during the year under review. The detail of the same has been summed up as under: -

Dates of Nomination and Remuneration Committee Meetings	Total strength of the Committee	Director's present
22 May 2020	4	4
21 July 2020	4	3
25 August 2020	4	4

**Attendance of Directors at Nomination and Remuneration Committee Meetings**

*(Leave of Absence – LoA)*

Name of the Director	Attendance at the Nomination and Remuneration Committee Meetings held on		
	22-May-20	21-Jul-20	25-Aug-20
Shri Jorty M. Chacko DIN:08307961) - Director	Present	LoA	Present
Ms Geeta Pursappa Shetti (DIN: 02948958)	Present	Present	Present
Shri Annavarapu Venkat Rammurty (DIN: 00050455)	Present	Present	Present
Shri Arvind Kumar Jain (DIN: 07911109)	Present	Present	Present



**IDBI ASSET MANAGEMENT LIMITED**  
**CIN: U65100MH2010PLC199319**

**b. Committee of Independent Directors**

The company has Committee of Independent Directors in place as per the provisions of the Companies Act, 2013.

As on March 31, 2021, the composition of the Committee of Independent Directors was as under: -

<b>S. No.</b>	<b>Name of the Director</b>	<b>Particulars</b>	<b>Date of Appointment</b>
1	Ms Geeta Pursappa Shetti (DIN: 02948958)	Independent Director	2 February 2020
2	Shri Annavarapu Venkat Rammurthy (DIN: 00050455)	Independent Director	April 20, 2020
3	Shri Arvind Kumar Jain (DIN: 07911109)	Independent Director	April 21, 2018

The Committee met once during the financial year 2020-21 on February 11, 2021 where all the Directors were present.

**c. Corporate Social Responsibility Committee**

The Company has a Committee for Corporate Social Responsibility in place as required by Section 135 of the Companies Act, 2013. The composition of the CSR Committee as approved by the Board is as under: -

<b>S. No.</b>	<b>Name of the Director</b>	<b>Particulars</b>
1	Shri Jorty Chacko (DIN : 08307961)	Director
2	Shri Annavarapu Venkat Rammurthy (DIN: 00050455)	Independent Director
3	Shri Arvind Kumar Jain (DIN: 07911109)	Independent Director
4	Ms. Geeta Pursappa Shetti (DIN: 02948958)	Independent Director

**XII. DIRECTOR'S RESPONSIBILITY STATEMENT**

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

- In the preparation of the Annual Accounts for the year ended March 31, 2021, the applicable Accounting Standards have been followed along with proper explanation relating to material departures.



**IDBI ASSET MANAGEMENT LIMITED**

**CIN: U65100MH2010PLC199319**

- 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. that proper internal financial controls were laid down and that such internal financial controls are adequate and were operating effectively.
- e. The Directors have prepared the annual accounts on a going concern basis and
- f. 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.

**XIII. 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 available on the website of IDBI Mutual Fund at [www.idbimutual.co.in](http://www.idbimutual.co.in).

**XIV. 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.

During the year, the Non Independent Directors of the company had no pecuniary relationship or transactions with the company, other than the sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the company.

**XV. DIRECTOR'S APPOINTMENT AND REMUNERATION POLICY**

The Company has devised and adopted separate policies for Appointment and Remuneration being:-

- (a) Director's Appointment and Evaluation Policy; and
- (b) Nomination and Remuneration Policy.



**IDBI ASSET MANAGEMENT LIMITED**  
**CIN: U65100MH2010PLC199319**

**XVI. WHISTLE BLOWER POLICY**

Pursuant to the requirements of Section 177 of the Companies Act, 2013 and the SEBI Listing Regulations, the company has established a vigil mechanism (Whistle Blower Policy) for the employees and the Directors as an avenue to voice concerns relating to unethical behaviour, actual or suspected fraud or violation of the company's code of conduct. The mechanism also provides for adequate safeguards against victimization of persons using the mechanism and provides direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. No person was denied access to the Audit Committee.

**XVII. CORPORATE SOCIAL RESPONSIBILITY POLICY**

Your Company's Corporate Social Responsibility (CSR) Policy has been prepared in line with the Section 135 of the Companies Act, 2013 ("the Act") and amendments thereto from time to time and includes the activities as covered under the Schedule VII of the companies act and companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time. IDBI AMC CSR Policy is driven by intent to make a material, visible and lasting difference to the lives of disadvantaged sections of the society and a sustained positive contribution to the welfare of society at large through a dedicated CSR budget carved out of profits for assorted but deserving CSR initiatives on pan-India basis. The said policy is formulated and adopted in lines with the CSR policy of the IDBI Bank Limited (" *Holding Company* ") and the same is available on our website [www.idbimutual.co.in](http://www.idbimutual.co.in).

**XVIII. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

Your company is an Investment Manager to IDBI Mutual Fund. Thus, the operations of the company are guided by the SEBI Regulations and directives and AMFI guidelines issued from time to time. In compliance with the SEBI circular, the company has in place a policy manual on managing risks related to the business being managing the operations of IDBI Mutual Fund as per the Investment Management Agreement and is duly implemented.

**XIX. OTHER POLICIES OF THE COMPANY**

Your company being an Investment Manager to IDBI Mutual Fund, for its business and operations purposes, is guided by the SEBI (Mutual Funds) Regulations, 1996 as amended from time to time which also includes circulars, orders, etc. In accordance with various applicable regulations, the Company has in place, amongst others as mentioned in the report all the necessary policies. The company in the FY 2020-21 introduced Covid-19 Policy and Staff Accountability Policy for its employees. The Staff Accountability Policy is included in the HR Policy.



**IDBI ASSET MANAGEMENT LIMITED**  
**CIN: U65100MH2010PLC199319**

**XX. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186**

The information required under this head which relates to the Section 186 of the Companies Act, 2013 is provided in the Note no. 10 under the heading Non-Current Investments of the Balance Sheet of the company. Members are requested to refer to those notes for the relevant information.

**XXI. 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, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014. The AOC for the year under review is attached as Annexure - "A".

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

**XXII. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION**

The 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**

However, your company has been increasingly using Information Technology systems in its operations.



**IDBI ASSET MANAGEMENT LIMITED**  
**CIN: U65100MH2010PLC199319**

**XXIII. STATUTORY AUDITORS**

As per the Section 139 of the Companies Act, 2013, the remuneration of Auditors appointed by the office of C&AG, shall be fixed by the company in the Annual General Meeting. However, the Auditors are not appointed by the CAG and hence, the Board need to be authorised to fix the remuneration of the Auditors as and when the appointment is advised by the CAG. Accordingly, the Notice of the Annual General Meeting includes an item pertaining to authorizing the Board to fix remuneration of the Auditors for the year 2021-22.

**XXIV. STATUTORY AUDITOR'S REPORT**

There are no qualifications, reservations or adverse remarks made by MGB & Co., Statutory Auditors, in their report for the financial year ended March 31, 2021.

**XXV. SECRETARIAL AUDITOR'S REPORT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Rules made thereunder, Vipin Tiwari & Co., Company Secretaries was appointed to conduct the Secretarial Audit of the company for the year ended March 31, 2021.

The Secretarial Audit report in Form no. MR-3 is attached to the report at Annexure - "B". The same does not contain any qualification, reservation or adverse remarks.

**XXVI. 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.

**XXVII. DECLARATION ON CODE OF CONDUCT**

This is to confirm that the Board has laid down a Code of Conduct for all Board members and Senior Management of the company. Further, all Board members and Senior Management have affirmed compliance with the company's code of conduct for the financial year 2019-20.



**IDBI ASSET MANAGEMENT LIMITED**  
**CIN: U65100MH2010PLC199319**

**XXVIII. PARTICULARS OF EMPLOYEES**

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules is required to be provided as part of Director's report.

Your Directors confirm that there are no employees drawing salaries in excess of the limits set out in the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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

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

**XXX. PERFORMANCE EVALUATION OF THE DIRECTORS ETC.**

Pursuant to the provisions of Section 134, Schedule IV and the Rules made thereunder of the Companies Act, 2013, the evaluation process of the Board as a whole, individual Director and Board Committees for the financial year 2020-21, has been carried out.

A structured questionnaire contained in evaluation sheets covering various aspects of Board's functioning such as Board's structure, governance, dynamics & functioning and financial reporting process, was circulated to Board members. The dully filled and signed evaluation sheets were handed over to Company Secretary & Compliance officer in sealed form from Chairman and all other Directors and he was instructed to maintain the same as a confidential document and store them in a fire proof environment.

As part of the performance evaluation process, the Directors evaluated themselves, other board members, the overall Board as well as functioning of the Board Committees viz., Audit Committee, Nomination & Remuneration Committee etc.on the basis of well-defined evaluation parameters as set out in the questionnaire.

The performance evaluation of non-independent Directors and the Board as a whole was carried out by the Independent Directors at their meeting held on March 11, 2020. The Chairman briefed the Board on the evaluation conducted at the meeting held on June 29, 2020.



**IDBI ASSET MANAGEMENT LIMITED**

**CIN: U65100MH2010PLC199319**

**XXXI. 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.

**XXXII. DEPOSITS**

During the financial year 2020-21, the company has neither accepted nor renewed deposits within the meaning of Section 73 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and other applicable laws and as such no amount of principal or interest was outstanding as on date of the Balance Sheet.

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

There are no 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.

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

No fraud by the company or on behalf of the company by its officers or employees under subsection (12) of Section 143 has been noticed or reported by the Auditors during the period covered by our audit.

**XXXV. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (Prevention, PROHIBITION AND REDRESSAL) ACT, 2013**

Your company has zero tolerance towards sexual harassment at the workplace. Your company firmly believes in providing a safe, supportive, secured and friendly workplace environment - a workplace where our Values come to life through the underlying behaviors. Positive workplace environment and a great employee experience are integral parts of our culture. Your company believes in providing and ensuring a workplace free from discrimination and harassment based on gender. Your company educates its employees as to what may constitute sexual harassment and in the event of any occurrence of an incident constituting sexual harassment your company provides the mechanism to seek recourse and redressal to the concerned individual subjected to sexual harassment.



**IDBI ASSET MANAGEMENT LIMITED**  
**CIN: U65100MH2010PLC199319**

To achieve the same, the company has adopted a policy in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. All employees (permanent, contractual, temporary, trainees) are covered under the said policy. An Internal Complaints Committee has also been set up to redress complaints received on sexual harassment. There was no complaint pending as on March 31, 2021.

#### **XXXVI. INTERNAL CONTROL SYSTEMS**

##### Management approach to Internal Control Systems:

The company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The internal control framework practiced in your company essentially has two elements:

- 1) structures, policies and guidelines designed to achieve efficiency and effectiveness in operations and compliance with laws and regulations; and
- 2) an assurance function provided by Internal Audit.

The company also has documented policies, procedures and manuals for various processes which are periodically reviewed for changes warranted due to business needs/ regulatory prescriptions and Industry Standards.

The Audit Committee of the Board meets regularly to review reports, including significant audit observations and follow-up actions thereon. The Audit Committee also meets the company's Statutory Auditors to ascertain their views on financial statements, compliance to accounting policies and procedures, the adequacy and effectiveness of internal control systems.

The Audit Committee regularly interacts with the Internal Auditors and seeks their views on improvement in the essential controls followed by the company and also regularly interacts with the management to understand the steps taken by the company to address the concerns of the Auditors and ensures that suitable measures are adopted by the company. The Audit committee being a sub-set of the Board places its recommendations to the Board along with the reports of the Auditors.

##### Internal Audit Function -

The Internal Auditors continuously monitors the efficacy and adequacy of the internal controls/compliance with the objective of providing to Audit Committee and the Board of Directors, an independent, objective and reasonable assurance of the adequacy and effectiveness of the organization's operating systems, adherence to company's policies, applicable laws and processes and manner of safeguarding of its assets, prevention and detection of frauds and errors,



**IDBI ASSET MANAGEMENT LIMITED**

**CIN: U65100MH2010PLC199319**

the accuracy and completeness of the accounting records, the timely preparation of reliable financial information, risk management, control and governance processes.

Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. To maintain its objectivity and independence, the Internal Auditors reports to the Audit Committee of the Board. This system of internal control facilitates effective compliance of Section 138 of the Companies Act, 2013.

**Board oversight on the Internal Financial Controls**

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory and Secretarial Auditors and external consultants and the reviews performed by management and the Audit Committee, the Board is of the opinion that the company's internal financial controls were adequate and effective during the year ended March 31, 2021.

**XXXVII. ACKNOWLEDGEMENTS**

The Board takes this opportunity to extend their sincere thanks to 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, Brokers and Distributors, Government Agencies, Auditors, Association of Mutual Funds in India, Board of Directors of IDBI MF Trustee Company Limited and other related organizations that have helped in your company's progress, as partners, through their continued support, guidance and cooperation.

The Board of Directors also wishes to place on record their deep sense of appreciation for the committed services by the company's executive, staff and workers company's consistent growth was made possible by their hard work, solidarity, cooperation and support.

We look forward to the same from all our stakeholders as we build your company to be a frontrunner and role model in the industry.

***For and on behalf of the Board of Directors  
of IDBI Asset Management Limited***

**Place: Mumbai  
Date: July 19,2021**

**Sd/-  
(Raj K. Singh)  
(DIN : 08654156)  
Managing Director & CEO**

**Sd/-  
(Rakesh Sharma)  
(DIN: 06846594)  
Chairman**



**IDBI ASSET MANAGEMENT LIMITED**  
CIN: U65100MH2010PLC199319

**Annexure – “A”**

**FORM NO. AOC 2**

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

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

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

<b>S. No.</b>	<b>Particulars</b>	<b>Details</b>
<b>1.</b>	<b>Name(s) of the related party and nature of relationship.</b>	IDBI Bank Limited (L65190MH2004GOI148838) – Holding Company
<b>2.</b>	<b>Nature of contracts/ arrangements/transactions.</b>	Office space at 9 locations to employees of IDBI AMC on leave and License basis. Office Space is being provided to employees within the office premises of IDBI Bank.
<b>3.</b>	<b>Duration of the contracts/ arrangements/transactions.</b>	The contracts are entered on a perpetual basis subject to termination by either party
<b>4.</b>	<b>Salient terms of the contracts or arrangements or transactions including the value, if any.</b>	Rent payable as and when raised by IDBI Bank Limited for 9 locations for the F.Y. 2020-21 is Rs. 15,96,514/-.
<b>5.</b>	<b>Date of approval by the Board.</b>	April 20, 2015. (in existence prior to commencement of Companies act 2013)
<b>6.</b>	<b>Amount paid as advances, if any.</b>	NIL
<b>7.</b>	<b>Justification for entering into the contracts/ arrangements/ transactions.</b>	IDBI Bank Limited has more than 1800 branches in India. In order to create synergy between the businesses of two Companies The Mission of the Company is to promote Financial inclusion by assisting the common man in making informed investment choices, through mutual funds and thus bring to them, the prosperity of the capital markets. Thus it was felt that operating from the IDBI Bank premises would yield better results and help the Company in increasing its business reach to niche clients of the bank at Arm's length basis. The rent charged by IDBI Bank is as per market valuation done by the Bank.

***For and on behalf of the Board of Directors  
of IDBI Asset Management Limited***

**Sd/-  
(Raj K. Singh)  
Managing Director & CEO  
DIN: 08654156**

**Sd/-  
(Rakesh Sharma)  
Chairman  
DIN: 06846594**



**IDBI ASSET MANAGEMENT LIMITED**  
CIN: U65100MH2010PLC199319

**Annexure – “A”**

**FORM NO. AOC 2**

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

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

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

<b>S. No.</b>	<b>Particulars</b>	<b>Details</b>
<b>1.</b>	<b>Name(s) of the related party and nature of relationship.</b>	IDBI MF Trustee Company Limited (CIN: U65991MH2010PLC199326) – Group Company.
<b>2.</b>	<b>Nature of contracts/arrangements /transactions.</b>	To recover Secretarial accounts and Administration fees.
<b>3.</b>	<b>Duration of the contracts/arrangements /transactions.</b>	The Board of IDBI MFT has approved the said policy in its meeting specifying the percentage and manner of recovering the said service charges.
<b>4.</b>	<b>Salient terms of the contracts or arrangements or transactions including the value, if any.</b>	<p>Certain common expenses incurred by Asset Management Limited (“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.</p> <p>Out of the above common expenses we have charged 5% to MF Trustee Company Limited upto 30<sup>th</sup> September 2019. With effect from 1<sup>st</sup> October 2019 the rate has been revised to 0.25%.</p> <p>The IDBI 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 charged 1% of salary expenses upto 30<sup>th</sup> September 2019. With effect from 1<sup>st</sup> October 2019 the rate has been revised to 0.25%.</p>
<b>5.</b>	<b>Date of approval by the Board.</b>	October 22, 2013.
<b>6.</b>	<b>Amount paid as advances, if any.</b>	NIL
<b>7.</b>	<b>Justification for entering into the</b>	IDBI MF Trustee Company Limited is a group Company within the 3 tier Structure of IDBI Mutual Fund and is a



**IDBI ASSET MANAGEMENT LIMITED**  
**CIN: U65100MH2010PLC199319**

<b>contracts/arrangements /transactions.</b>	wholly owned subsidiary of IDBI Bank Limited. The Company does not have employees on its rolls and hence the day to day operations of the said Company is managed by the employees of IDBI AMC from their office located at 4 <sup>th</sup> Floor, IDBI Tower, Cuffe Parade, Colaba Mumbai 400005. Thus in order to maintain arm's length relationship with the Company, it was felt to recover a certain percentage of expenses as fees for main areas of services.
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***For and on behalf of the Board of Directors  
of IDBI Asset Management Limited***

**Sd/-  
(Raj K. Singh)  
Managing Director & CEO  
DIN: 08654156**

**Sd/-  
(Rakesh Sharma)  
Chairman  
DIN: 06846594**

**VIPIN TIWARI & CO.**  
**Company Secretaries**

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**FORM NO. MR.3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]*

To,  
The Members,  
**IDBI ASSET MANAGEMENT LIMITED**  
IDBI TOWER, WTC Complex, Cuffe Parade,  
Colaba, Mumbai – 400005

I, Vipin Mahendra Kumar Tiwari, Practising Company Secretary have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **IDBI ASSET MANAGEMENT LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I, have examined the books, papers, minute books, forms and returns filed and other records maintained by **IDBI ASSET MANAGEMENT LIMITED** (“the Company”) for the financial year ended on March 31, 2021 according to the provisions of:
  - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
  - (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder; (to the extent applicable)
  - (iii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder; Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the audit

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**Registered Office:** - F/262/1, Dreams The Mall, L.B.S Marg, Bhandup (West), Mumbai – 400078  
**Contact:** - +91 9029955553 / 9892470712  
**E-mail:-** pcsinfo01@gmail.com **Tel:** - 022 4120 1837

period);

- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act).
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - (Not Applicable to the Company during the audit period);
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - (Not Applicable to the Company during the audit period)
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - (Not Applicable to the Company during the audit period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the audit period);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - (Not Applicable to the Company during the audit period) and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - (Not Applicable to the Company during the audit period)
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) Listing Agreement entered with stock exchange (Not Applicable to the Company during the audit period)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards, etc. made thereunder.

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test check basis, the Company has complied with the law specifically applicable to the Company i.e. The Securities and Exchange Board of India (Mutual Fund) Regulations, 1996 and amendment from time to time.

**I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda were sent in advance 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 Meetings and Committee Meetings are carried out either unanimously or majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For Vipin Tiwari & Co.,  
Company Secretaries**

**Date: - 16<sup>th</sup> July, 2021**

**Place: - Mumbai**

**Vipin Mahendra Kumar Tiwari  
Proprietor  
Membership No. A40765,  
CP No. 17328  
UDIN: A040765C000645149**

**Note: -**

- Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit
- The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
- I have also obtained the Management representation / Clarifications, wherever required, about the compliance of laws, rules and regulations and happening of events etc.
- The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management and my examination was limited to the verification of procedures on test basis.
- The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.



**IDBI ASSET MANAGEMENT LIMITED**  
**CIN: U65100MH2010PLC199319**

### **Annual Report on CSR Activities**

**1. Brief outline on CSR Policy of the Company : –**

The IDBI AMC CSR policy has been prepared in line with the Section 135 of the Companies Act, 2013 (“the Act”) and amendments thereto from time to time and would include the activities as covered under the Schedule VII of the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time.

IDBI AMC CSR Policy is driven by intent to make a material, visible and lasting difference to the lives of disadvantaged sections of the society and a sustained positive contribution to the welfare of society at large through a dedicated CSR budget carved out of profits for assorted but deserving CSR initiatives on pan-India basis.

**2. Composition of CSR Committee:**

<b>Sl. No.</b>	<b>Name of the Director</b>	<b>Designation / Nature of Directorship</b>	<b>Number of meetings of CSR Committee held during the year</b>	<b>Number of meetings of CSR Committee attended during the year</b>
1	Jorty Chacko	Director	NIL	NIL
2	Arvind Jain	Independent Director	NIL	NIL
3	Gita Narasimhan*	Independent Director	NIL	N.A.
4	R.K. Gurumurthy*	Independent Director	NIL	N.A.

*\*The Independent Directors joined the Board in April 2021*

**2. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company –**

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

**3. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).- Not Applicable**

**4. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

<b>Sl. No.</b>	<b>Financial Year</b>	<b>Amount available for set-off from preceding financial years (in Rs)</b>	<b>Amount required to be set-off for the financial year, if any (in Rs)</b>
1.	2018-19	Nil	11.92 lacs



**IDBI ASSET MANAGEMENT LIMITED**  
CIN: U65100MH2010PLC199319

5. Average net profit of the company as per section 135(5).- Rs 6.95 Crores
6. (a) Two percent of average net profit of the company as per section 135(5)- Rs 13.90 lakhs  
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years – Rs 11.92 lakhs  
 (c) Amount required to be set off for the financial year, if any- NIL  
 (d) Total CSR obligation for the financial year (7a+7b-7c).- Rs. 25.82 lakhs

7. (a) CSR amount spent or unspent for the financial year:-

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.) – NIL				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Rs. 13.90 Lakhs	--	--	--	--	--

(b) Details of CSR amount spent against ongoing projects for the financial year:- NIL

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project. State. District.	Project duration.	Amount allocated for the project (in Rs.).
NIL						
	(8)	(9)	(10)	(11)		
	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation – Direct (Yes/No).	Mode of Implementation – Through Implementing Agency		
				Name	CSR Registration number.	
NIL						

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl.	Name of	Item from	Local	Location of	Amount	Mode of	Mode of

**IDBI ASSET MANAGEMENT LIMITED**  
**CIN: U65100MH2010PLC199319**

No.	the Project	the list of activities in schedule VII to the Act.	area (Yes/No).	the project.	spent for the project (in Rs.).	implem-entation – Direct (Yes/No).	implementation – Through implementing agency.	
							Name.	CSR registration number.
State. District.								
1.	Ravindra Joshi Medical Foundation (RJMF), Mumbai	Medical	Yes	Mumbai	Rs. 5 Lakhs	Direct	--	--
2.	Maharaja Agrasen Jan Kalyan Samiti (MAJKS), New Delhi	Education	Yes	Delhi	Rs. 6 Lakhs	Direct	--	--
3.	Jagannath Cancer Aid Foundation (JACAF), Navi Mumbai	Medical	Yes	Navi Mumbai	Rs. 1 Lakh	Direct	--	--
4	ISKCON Govardhan Eco Village (GEV), Palghar	Eradication of Poverty	No	Palghar, Maharashtra	Rs. 1.90 Lakhs	Direct	--	--
	<b>Total</b>				<b>Rs. 13.90 Lakhs</b>			

(d) Amount spent in Administrative Overheads- NIL

(e) Amount spent on Impact Assessment, if applicable- Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e)- Rs 13.90 lakhs

(g) Excess amount for set off, if any- NIL



**IDBI ASSET MANAGEMENT LIMITED**  
**CIN: U65100MH2010PLC199319**

Sl. No.	Particulars	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Rs 13.90 lakhs
(ii)	Total amount spent for the Financial Year	Rs 13.90 lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

**8. (a) Details of Unspent CSR amount for the preceding three financial years:**

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer	
1.	FY 2019-20	Rs 11.92 lacs	NIL	--	--	--	Rs 11.92 lakhs

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):** NIL

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project – Completed /Ongoing
NIL								



**IDBI ASSET MANAGEMENT LIMITED**

**CIN: U65100MH2010PLC199319**

- 9.** In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year : NIL  
(asset-wise details).
- (a) Date of creation or acquisition of the capital asset(s).
  - (b) Amount of CSR spent for creation or acquisition of capital asset.
  - (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
  - (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
- 10.** Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). – The Company has spent the 2% of the average net profit for the FY 2020-21 fully.

Sd/-  
(Managing Director & CEO)

Sd/-  
Chairman – CSR Committee

EXTRACT  
OF  
ANNUAL  
RETURN

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**As on the financial year ended on March 31, 2020**  
*[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]*

**I. REGISTRATION AND OTHER DETAILS**

1	CIN	U65100MH2010PLC199319
2	Registration Date	25TH JANUARY, 2010
3	Name of the Company	<b>IDBI ASSET MANAGEMENT LIMITED</b>
4	Category/Sub-Category of Company	PUBLIC COMPANY
5	Address of the Registered office and contact details	IDBI TOWER, WTC COMPLEX, CUFFE PARADE, COLABA, MUMBAI - 400 005, MAHARASHTRA. Tel: (022) 66442800 Fax: (022) 66442801 Website: www.idbimutual.co.in Email: corp.secretarial@idbimutual.co.in
6	Whether listed company	NO
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	Kfintech Technologies Private Limited

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

S.No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the Company
1	The principal activity of the Mutual Fund is to provide Asset Management Services.	66301*	100.00%

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

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

S.No.	Name of the Company	CIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	IDBI BANK LIMITED	L65190MH2004GOI148838	Holding	66.67	2(46)
2	IDBI CAPITAL MARKETS & SECURITIES LIMITED (FORMERLY KNOWN AS IDBI CAPITAL MARKET SERVICES LIMITED)	U65990MH1993GOI075578	Associate	33.33	2(6)



Foreign Holdings (FIIs/FCs/FFIs/NRIs/OCBs)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>Nil</b>
<b>2. Non- Institutions</b>									
a) Bodies Corporates	0	0	0	0	0	0	0	0	0
i. Indian	0	0	0	0	0	0	0	0	0
ii. Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital up to Rs.1lakh	0	0	0	0	0	0	0	0	0
ii)Individual shareholders holding nominal share capital in excess of Rs.1 lakh	0	0	0	0	0	0	0	0	0
c) Others	0	0	0	0	0	0	0	0	0
<b>Sub-total(B)(2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>Nil</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>Nil</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	Nil
<b>Grand Total (A+B+C)</b>	<b>0</b>	<b>0</b>	<b>20,00,00,000</b>	<b>100</b>	<b>0</b>	<b>0</b>	<b>20,00,00,000</b>	<b>100</b>	<b>Nil</b>

ii. Shareholding of Promoters								
S. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share-holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	
1	IDBI Bank Limited (CIN: L65190MH2004GOI148838) along with six other individual nominees.	13,33,40,000	66.67	0	13,33,40,000	66.67	0	0
2	IDBI Capital Markets & Securities Limited (Formerly known as IDBI Capital Market Services Ltd) (CIN: U65990MH1993GOI075578)	6,66,60,000	33.33	0	6,66,60,000	33.33	0	0
<b>Total</b>		<b>20,00,00,000</b>	<b>100</b>	<b>0</b>	<b>20,00,00,000</b>	<b>100</b>	<b>0</b>	<b>0</b>

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

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No of Shares	% of total shares of the company
1	At the beginning of the year	20,00,00,000.00	100.00	20,00,00,000.00	100.00
2	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment sweat equity etc.	-	-	-	-
		-	-	-	-
		-	-	-	-
3	At the end of the year	20,00,00,000.00	100.00	20,00,00,000.00	100.00

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL			
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:			
S. No.	Particulars of Remuneration		
		Shri Dilip Kumar Mandal (DIN: 03313130) (Managing Director & CEO) (For the period from April 1, 2019 to	Shri Raj K. Singh (DIN : 08654156) (Managing Director & CEO) (for the period December 30, 2019 to March 31, 2020)
1	Gross salary		
	(a)Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	27,93,006	20,61,219
	(b)Value of perquisites u/s 17(2)Income-tax Act, 1961	-	1,95,500
	(c)Profits in lieu of salary under section17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit	-	-
	- others specify		
5	Others, please specify	-	-
	<b>Total(A1)</b>	27,93,006	22,56,719
	Ceiling as per the Act	Your Company is a Government Company as provided under Section 2(45) of the Companies Act, 2013 and accordingly as per the Ministry of Corporate Affairs circular dated June 05, 2015 the provisions of Section 197 is not applicable on your Company.	

<b>B. REMUNERATION TO OTHER DIRECTORS:</b>			
<b>S. No.</b>	<b>Particulars of Remuneration</b>	<b>Name of Directors</b>	<b>Total Amount</b>
1	Fee for attending Board/ Committee meetings to Independent Directors	Refer excel sheet	Refer excel sheet
	Commission	-	-
	Others, please specify	-	-
	<b>Total (1)</b>		
2	<b>Other Non-Executive Directors:-</b>	N.A.	
	Fee for attending board committee meetings		
	Commission		
	Others, please specify		
	<b>Total(2)</b>		-
	<b>Total(B) =(1)+(2)</b>		
	<b>Total Managerial Remuneration(A+B)</b>		
	<b>Overall Ceiling as per the Act</b>		<b>Not more than Rs. 1 Lakh per meeting of Board or Committee thereof</b>

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD						
S.No.	Particulars of Remuneration	Key Managerial Personnel				Total
		CFO Amit Bhavsar	Shri. Shri.	Company Secretary Shri. Ajit Joshi		
1	Gross salary		48,78,888	20,71,956		69,50,844
	(a)Salary as per provisions contained in section17(1)of the		-	-		-
	(b)Value of perquisites u/s 17(2)Income-tax Act,1961		-	-		-
	(c)Profits in lieu of salary under section17(3)Income-tax		-	-		-
2	Stock Option		-	-		-
3	Sweat Equity		-	-		-
4	Commission		-	-		-
	- as % of profit		-	-		-
	- others, specify		-	-		-
5	Others, please specify		-	-		-
	<b>Total</b>		48,78,888	20,71,956		69,50,844
<b>VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NONE</b>						
Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding Fees imposed	Authority [RD/ NCLT/ COURT]		Appeal made, if any (give details)
<b>A.COMPANY</b>						
Penalty						
Punishment			NONE			
Compounding						
<b>B.DIRECTORS</b>						
Penalty						
Punishment			NONE			
Compounding						
<b>C. OTHER OFFICERS IN DEFAULT</b>						
Penalty						
Punishment			NONE			
Compounding						

For and on behalf of the Board of Directors

Sd/-  
(Raj K. Singh)  
Managing Director & CEO  
DIN: 08654156

Sd/-  
(Rakesh Sharma)  
Chairman  
DIN: 06846594

**B. REMUNERATION TO OTHER DIRECTORS:**

S. No.	Particulars of Remuneration	Mr. A.V Rammurty	Ms. Geeta Pursappa Shetti	Mr. Arvind Kumar jain	Total Amount
1	<b>Independent Directors</b>				
	• Fee for attending Board/Committee Meetings	5,05,000.00	5,35,000.00	5,15,000.00	15,55,000.00
	• Commission	0	0	0	-
	• Others, please specify	0	0	0	-
	<b>Total (1)</b>	<b>5,05,000.00</b>	<b>5,35,000.00</b>	<b>5,15,000.00</b>	<b>15,55,000.00</b>
2	<b>Other Non-Executive Directors</b>				
	• Fee for attending Board/Committee Meetings	0	0	0	-
	• Commission	0	0	0	-
	• Others, please specify	0	0	0	-
	<b>Total (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>
	<b>Total (B) = (1 + 2)</b>	<b>5,05,000.00</b>	<b>5,35,000.00</b>	<b>5,15,000.00</b>	<b>15,55,000.00</b>
	<b>Total Managerial Remuneration</b>	<b>5,05,000.00</b>	<b>5,35,000.00</b>	<b>5,15,000.00</b>	<b>15,55,000.00</b>

AUDITOR'S

REPORT

&

FINANCIAL

STATEMENTS



गोपनीय/शीघ्रडाक

संख्या:जीए/सीए।।।/आयडीबीआयअसेट/लेखा/2020-21/ 12

22 JUN 2021

सेवा में,

प्रबंध निदेशक एवं मुख्य कार्यकारी अधिकारी,  
आयडीबीआय असेट मैनेजमेंट लिमिटेड,  
4 माला, आयडीबीआय टॉवर, डब्लू टीसी कॉम्प्लेक्स  
कफ परेड, कोलाबा,  
मुंबई 400005

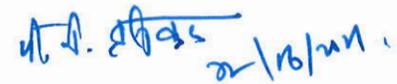
विषय: 31 मार्च 2021 को समाप्त वर्ष हेतु आयडीबीआय असेट मैनेजमेंट लिमिटेड  
लिमिटेड के वित्तीय विवरणों पर कंपनी अधिनियम 2013 की धारा  
143(6)(बी) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ।  
महोदय,

31 मार्च 2021 को समाप्त वर्ष हेतु आयडीबीआय असेट मैनेजमेंट लिमिटेड  
वित्तीय विवरणों पर कंपनी अधिनियम 2013 की धारा 143 (6)(बी) के अंतर्गत  
भारत के नियंत्रक एवं महालेखापरीक्षक के द्वारा दी गई टिप्पणियाँ इस पत्र के साथ  
संलग्न हैं। टिप्पणियों को मुद्रित वार्षिक प्रतिवेदन के विषयसूची में उचित संकेत  
सहित सांविधिक लेखापरीक्षक के प्रतिवेदन के आगे रखा जाये।

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

कृपया इस पत्र एवं संलग्नकों की प्राप्ति की सूचना दें ।

भवदीय,



(पी.वी.हरि कृष्णा)

प्रधान निदेशक लेखापरीक्षा (नौवहन), मुंबई

संलग्न: यथोपरि।

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA  
UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE  
FINANCIAL STATEMENTS OF IDBI ASSET MANAGEMENT LIMITED FOR THE  
YEAR ENDED 31 MARCH 2021**

The preparation of financial statements of IDBI Asset Management Limited for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013(Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 19 April 2021.

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

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of IDBI Asset Management Limited for the year ended 31 March 2021 under section 143(6)(a) of the Act.

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



(P. V. Hari Krishna)  
Principal Director of Audit (Shipping), Mumbai

Place: Mumbai  
Date: 22.06.2021

## Independent Auditor's Report on the audit of financial statements

To the Members of **IDBI Asset Management Limited**

### 1. **Opinion**

We have audited the accompanying financial statements of **IDBI Asset Management Limited** ('the Company'), which comprise the balance sheet as at 31 March 2021, the statement of profit and loss, the statement of cash flows for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "financial statements").

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

### 2. **Basis for opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) prescribed under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### 3. **Emphasis of Matter**

We draw attention to Note 23.15 to the financial statements which describes the extent to which the COVID-19 Pandemic will impact the Company's results will depend on future developments, which are highly uncertain for which the Company will continue to monitor.

Our opinion is not modified in respect of this matter

### 4. **Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors Report along with annexures, and the Secretarial Audit Report but does not include the financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.



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When we read the other information, if we conclude that there is a material misstatement therein, we will communicate the matter to those charged with governance.

#### 5. **Management's responsibility for the financial statements**

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

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

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

#### 6. **Auditor's responsibility for the audit of the financial statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

#### **7. Report on other Legal and Regulatory requirements**

- I. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of Section 143(11) of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A", a statement on the matters specified in the paragraph 3 and 4 of the Order.
- II. We are enclosing report in terms of Section 143(5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, in the "Annexure B" on the directions and sub directions issued by the Comptroller and Auditor General of India.
- III. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The balance sheet, the statement of profit and loss and the statement of cash flows dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016;
  - e) On the basis of written representations received from the directors of the Company and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act;



- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure C”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting; and
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

According to the records of the Company examined by us, and information and explanations given to us, the provisions of Section 197 read with Schedule V to the Act regarding managerial remuneration are not applicable to the Company.

- h) 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 has disclosed the impact of pending litigations on its financial position in its financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts having any material foreseeable losses; and
  - iii. There are no amounts required to be transferred, to the Investor Education and Protection Fund by the Company during the year.

For **MGB & Co. LLP**  
Chartered Accountants  
Firm Registration Number: 101169W/W-100035

**Sanjay Kothari**  
Partner  
Membership Number 048215  
Mumbai, 19 April 2021



UDIN: 21048215AAAADQ7521

**Annexure - A to the Independent Auditor's Report**

**Annexure referred to in paragraph 7(I) under "Report on other Legal and Regulatory requirements" of our report of even date to the members of IDBI Asset Management Limited on the financial statements for the year ended 31 March 2021**

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All the fixed assets have been physically verified by the management during the year. In our opinion the frequency of verification is reasonable having regard to the size of the Company and nature of its assets. According to the information and explanations, given to us, no discrepancies were noticed on such verification.
- (c) The Company does not have any immovable property and hence clause i (c) of the Order is not applicable.
- ii. Considering the nature of business, Clause (ii) of the Order is not applicable.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the Register maintained under Section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us, the Company has neither given any loans/ guarantees nor provided any security. In respect of investments made, the Company has complied with the provisions of Section 186 of the Act.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act.
- vi. According to information and explanation given to us, the Central Government of India has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the activities carried on by of the Company.
- vii. According to the records of the Company examined by us and information and explanations given to us:
  - a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and others as applicable have generally been regularly deposited with the appropriate authorities. There are no undisputed amounts payable in respect of aforesaid dues outstanding as at 31 March 2021 for a period of more than six months from the date they became payable.
  - b) There are no amounts on account of income tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise or value added tax outstanding as at 31 March 2021 which are yet to be deposited on account of any dispute except as stated under:

Name of the Statues	Nature of Dues	Period to which amount relate	Amount in Rs	Forum where dispute is pending
MVAT Act	VAT	FY 2011-12	28,34,456/-	Joint Commissioner of Sales Tax Appeals

- viii. According to the records of the Company examined by us and the information and explanations given to us, the Company has not taken any loans or borrowings from bank / financial institution / Government or issued debentures during the year.
- ix. In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have been informed of any such case by the Management.
- xi. According to the records of the Company examined by us, and information and explanations given to us, the provisions of Section 197 read with Schedule V to the Act regarding managerial remuneration are not applicable to the Company. Accordingly, para 3(xi) of the Order does not apply to the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the records of the Company examined by us, and information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the records of the Company examined by us, and information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him.
- xvi. According to the information and explanations given to us, the Company is in the business of management of various mutual fund schemes of IDBI Mutual Fund and deals or trades in securities for and on behalf of IDBI Mutual Fund and therefore the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **MGB & Co. LLP**  
Chartered Accountants  
Firm Registration Number: 101169W/W-100035



**Sanjay Kothari**  
Partner  
Membership Number 048215  
Mumbai, 19 April 2021



UDIN: 21048215AAAADQ7521

**Annexure B to the Independent Auditors Report**

**Referred to in our report of even date to the members of the IDBI Asset Management Limited on the accounts for the year ended 31 March, 2021**

SI No	Directions u/s 143 (5) of the Companies Act, 2013	Auditors' reply on action taken on the directions	Impact on the financial statement
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	According to the information and explanation given to us, the Company has system in place to process all the accounting transactions through IT system	Nil
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (in case, lender is a Government company, then its direction is also applicable for statutory auditor of lender company)	According to the information and explanations given to us, there are no cases of waiver/ write off of debts/ loans/ interest etc. The Company does not have any loans	Nil
3	Whether funds (grants/ subsidy etc.) received/receivable for specific schemes from Central/ State Government or its agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	According to the information and explanation given to us, the Company has not received any funds for specific schemes from central/ state agencies	Nil

For **MGB & Co. LLP**  
Chartered Accountants  
Firm Registration Number: 101169W/W-100035



**Sanjay Kothari**  
Partner  
Membership Number 048215  
Mumbai, 19 April 2021



UDIN: 21048215AAAADQ7521

## **Annexure - C to the Independent Auditor's Report**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act as referred to in paragraph 7(III)(f) under "Report on other Legal and Regulatory requirements" of our report of even date to the members of IDBI Asset Management Limited on the financial statements for the year ended 31 March 2021**

We have audited the internal financial controls over financial reporting of **IDBI Asset Management Limited** ("the Company") as of 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

#### **Auditor's 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgment, 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 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For **MGB & Co. LLP**

Chartered Accountants

Firm Registration Number: 101169W/W-100035

**Sanjay Kothari**

Partner

Membership Number 048215

Mumbai, 19 April 2021



UDIN: 21048215AAAADQ7521

**IDBI ASSET MANAGEMENT LIMITED**  
(CIN: U65100MH2010PLC199319)  
Balance sheet as at 31 March

Amount in Rupees

	Note	2021	2020
<b>Equity and Liabilities</b>			
<b>Shareholder's funds</b>			
Share capital	1	2,00,00,00,000	2,00,00,00,000
Reserves and surplus	2	(86,62,40,451)	(91,15,20,385)
		<b>1,13,37,59,549</b>	<b>1,08,84,79,615</b>
<b>Non-current liabilities</b>			
Long-term provisions	3	65,32,179	43,92,023
		<b>65,32,179</b>	<b>43,92,023</b>
<b>Current liabilities</b>			
Other current liabilities	4	2,10,45,131	4,43,45,970
Short-term provisions	5	44,84,674	43,22,031
		<b>2,55,29,805</b>	<b>4,86,68,001</b>
<b>Total</b>		<b>1,16,58,21,533</b>	<b>1,14,15,39,639</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6	80,13,036	1,31,66,544
Intangible assets	7	39,01,882	28,50,867
		<b>1,19,14,918</b>	<b>1,60,17,411</b>
Non-current investments	8	41,44,71,028	50,95,79,967
Deferred tax assets (net)	9	2,30,38,805	3,73,93,745
Long-term loans and advances	10	1,45,92,451	17,27,20,126
		<b>45,21,02,284</b>	<b>71,96,93,838</b>
<b>Current assets</b>			
Current investments	11	64,10,23,286	37,76,65,853
Trade receivables	12	1,00,54,815	51,95,829
Cash and bank balances	13	3,06,24,171	58,36,776
Short-term loans and advances	14	88,23,104	1,26,51,186
Other current assets	15	1,12,78,955	44,78,746
		<b>70,18,04,331</b>	<b>40,58,28,390</b>
<b>Total</b>		<b>1,16,58,21,533</b>	<b>1,14,15,39,639</b>

Notes forming part of the financial statements

22 & 23

As per our attached report of even date

**For MGB & Co LLP**

Chartered Accountants

Firm Registration Number 101169W/W-100035

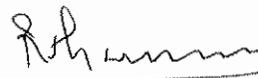



**Sanjay Kothari**

Partner

Membership Number 048215

**For and on behalf of the Board**



**Rakesh Sharma**

Chairman

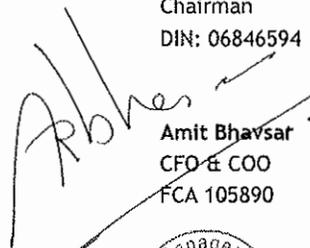
DIN: 06846594



**Raj Kishore Singh**

Managing Director & CEO

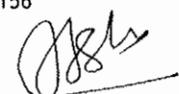
DIN: 08654156



**Amit Bhavsar**

CFD & COO

FCA 105890



**Ajit Joshi**

Company Secretary

ACS 22359

Place: Mumbai

Date: 19 April 2021



**IDBI ASSET MANAGEMENT LIMITED**  
(CIN: U65100MH2010PLC199319)  
Statement of profit and loss for the year ended 31 March

Amount in Rupees

	Note	2021	2020
<b>Income</b>			
Revenue from operations	16	24,94,84,073	29,90,68,568
Other income	17	7,03,48,776	6,17,77,304
<b>Total</b>		<b>31,98,32,849</b>	<b>36,08,45,872</b>
<b>Expenses</b>			
Employee benefits expense	18	11,76,75,151	14,66,29,568
Finance costs	19	25,20,224	85,68,766
Depreciation and amortization expense	20	66,83,033	68,85,389
Other expenses	21	11,16,81,174	15,34,19,180
<b>Total</b>		<b>23,85,59,582</b>	<b>31,55,02,904</b>
<b>Profit before exceptional items and tax</b>		<b>8,12,73,267</b>	<b>4,53,42,969</b>
Exceptional items	23.4	(90,47,228)	8,25,00,000
<b>Profit before tax</b>		<b>7,22,26,039</b>	<b>12,78,42,969</b>
<b>Tax expense</b>	23.7		
Current tax - current year		1,87,84,248	1,02,13,068
- earlier years (short/(excess))		(64,18,091)	1,27,83,993
MAT credit - earlier years (short/(excess))		(2,25,009)	1,26,49,483
Deferred tax expense		(1,43,54,940)	(10,99,61,724)
<b>Net Profit after tax</b>		<b>4,52,79,934</b>	<b>75,33,667</b>
<b>Earnings per equity share (face value of Rs. 10 each)</b>			
(1) Basic	23.6	0.23	0.04
(2) Diluted	23.6	0.23	0.04

Notes forming part of the financial statements

22 & 23

As per our attached report of even date

**For MGB & Co LLP**

Chartered Accountants

Firm Registration Number 101169W/W-100035



**Sanjay Kothari**

Partner

Membership Number 048215

**For and on behalf of the Board**

**Rakesh Sharma**

Chairman

DIN: 06846594

**Raj Kishore Singh**

Managing Director & CEO

DIN: 08654156

**Amit Bhavsar**

CEO & COO

FCA 105890

**Ajit Joshi**

Company Secretary

ACS 22359

Place: Mumbai

Date: 19 April 2021



**IDBI ASSET MANAGEMENT LIMITED**  
(CIN: U65100MH2010PLC199319)  
Cash flow statement for the year ended 31 March

		Amount in Rupees	
		2021	2020
(A)	<b>Cash Flow from Operating Activities :</b>		
	Profit for the year	7,22,26,039	12,78,42,969
	Add: Adjustments		
	(Profit)/Loss on sale of property, plant and equipments	4,801	1,52,584
	Depreciation and amortisation	66,83,033	68,85,389
	Interest on income tax refund/ bank FD/ bonds	(2,87,28,071)	(3,19,26,796)
	Dividend income	(10,65,373)	(12,25,185)
	Other income	(3,68,036)	(22,39,583)
	Provision for diminution in value of investments	4,54,301	4,43,707
	Net gain on sale of investments	(4,01,87,296)	(2,63,85,740)
	Operating profit before Working capital changes	<b>90,19,399</b>	<b>7,35,47,345</b>
	(Increase)/ decrease in trade receivables	(48,58,987)	48,08,545
	(Increase)/ decrease in short-term loans and advances	38,28,082	1,15,73,074
	(Increase)/ decrease in long-term loans and advances	4,23,954	33,07,720
	(Increase)/ decrease in other current assets	(76,347)	1,00,34,716
	Increase/(decrease) in long-term provisions	21,40,156	13,03,973
	Increase/(decrease) in trade payables	-	(35,96,539)
	Increase/(decrease) in other current liabilities	(2,33,00,839)	(3,76,59,630)
	Increase/(decrease) in short-term provisions	1,62,643	(4,72,122)
	<b>Net changes in working capital</b>	<b>(2,16,81,337)</b>	<b>(1,07,00,266)</b>
	Interest on income tax refund	37,47,762	67,10,770
	Direct taxes paid/refund (net)	14,46,24,301	2,52,45,821
	<b>Net Cash from/ (used in) Operating activities (A)</b>	<b>13,57,10,125</b>	<b>9,48,03,670</b>
(B)	<b>Cash Flow from Investing activities</b>		
	Purchase of property, plant and equipment and intangible assets	(21,02,447)	(1,64,22,498)
	(Increase)/decrease in investments (net)	(16,87,02,796)	(12,03,92,471)
	Sale of property, plant and equipment	5,359	21,453
	Net gain on sale of investments	4,01,87,296	2,63,85,740
	Other income	3,68,036	22,39,583
	Dividend income	10,65,373	12,25,185
	Interest income	1,82,56,448	1,73,20,016
	<b>Net Cash from / (used in) Investing Activities (B)</b>	<b>(11,09,22,730)</b>	<b>(8,96,22,994)</b>
(C)	<b>Cash Flow from Financial activities</b>		
	<b>Net Cash from/ (used in) in Financial Activities (C)</b>	-	-
	<b>Net increase in Cash &amp; Cash Equivalents for the year (A+B+C)</b>	<b>2,47,87,395</b>	<b>51,80,676</b>
	<b>Cash &amp; Cash Equivalents at the beginning of the year</b>	<b>58,36,776</b>	<b>6,56,100</b>
	<b>Cash &amp; Cash Equivalents at the end of the year</b>	<b>3,06,24,171</b>	<b>58,36,776</b>

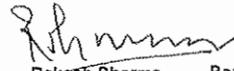
As per our attached report of even date

For MGB & Co LLP  
Chartered Accountants  
Firm Registration Number 101169W/W-100035

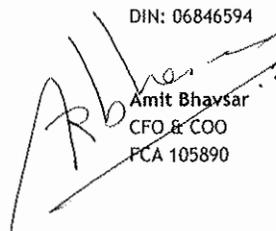
  


Sanjay Kothari  
Partner  
Membership Number 048215

For and on behalf of the Board

  
  
Rakesh Sharma      Raj Kishore Singh  
Chairman      Managing Director & CEO

DIN: 06846594      DIN: 08654156

  
Amit Bhavsar  
CFO & COO  
FCA 105890

  
Ajit Joshi  
Company Secretary  
ACS 22359

Place: Mumbai  
Date: 19 April 2021



Note 1: Share Capital

	Amount In Rupees	
	2021	2020
Authorised		
250,000,000 Equity Shares of Rs. 10 each (250,000,000 Equity shares of Rs.10 each)	2,50,00,00,000	2,50,00,00,000
Issued, Subscribed and Paid up		
200,000,000 Equity Shares of Rs. 10 each (200,000,000 Equity shares of Rs.10 each)	2,00,00,00,000	2,00,00,00,000
<b>Total</b>	<b>2,00,00,00,000</b>	<b>2,00,00,00,000</b>

a) Reconciliation of number of shares outstanding

	Nos. of Shares	
	2021	2020
Shares outstanding at the beginning of the year	20,00,00,000	20,00,00,000
Shares Issued during the year	-	-
Shares outstanding at the end of the year	<b>20,00,00,000</b>	<b>20,00,00,000</b>

b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The final dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

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

c) Details of Shareholding

Name of Shareholder	2021		2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
IOBI Bank Limited ( Holding Company) and its Nominees	13,33,40,000	66.67	13,33,40,000	66.67
IOBI Capital Markets and Securities Limited	6,66,60,000	33.33	6,66,60,000	33.33
<b>Total</b>	<b>20,00,00,000</b>	<b>100.00</b>	<b>20,00,00,000</b>	<b>100.00</b>

d) The Company has not issued any bonus shares, or shares for consideration other than cash or bought back any shares during five years preceding 31 March, 2021

Note 2: Reserves and surplus

	Amount in Rupees	
	2021	2020
Surplus/ (Deficit) in the statement of profit and loss		
Opening balance	(91,15,20,385)	(91,90,54,052)
Add: Profit for the year	4,52,79,934	75,33,667
Closing Balance	<b>(86,62,40,451)</b>	<b>(91,15,20,385)</b>

Note 3: Long-term provisions

	Amount in Rupees	
	2021	2020
Provision for employee benefits		
Gratuity	16,54,906	8,77,809
Leave encashment	48,77,273	35,14,214
<b>Total</b>	<b>65,32,179</b>	<b>43,92,023</b>

Note 4: Other current liabilities

	Amount in Rupees	
	2021	2020
Salary, incentives and reimbursements payable	90,68,004	1,57,53,171
Statutory dues payable		
- Tax deducted at source	9,56,974	25,59,066
- Goods and services tax	12,66,668	15,20,513
- Professional tax	23,196	17,264
- Provident and other funds payable	8,99,600	8,90,720
Other payables (Refer Note 23.11)		
- Micro and small enterprises	-	-
- Other than micro and small enterprises	88,30,690	2,36,05,236
<b>Total</b>	<b>2,10,45,131</b>	<b>4,43,45,970</b>

Note 5: Short-term provisions

	Amount in Rupees	
	2021	2020
Provision for employee benefits		
Gratuity	34,58,195	34,02,396
Leave encashment	10,26,479	9,19,635
<b>Total</b>	<b>44,84,674</b>	<b>43,22,031</b>



Non-current Investments	Face Value	2021		2020	
		Qty/Units/No.	Amount	Qty/Units/No.	Amount
<b>Investment in Equity Shares</b>					
<b>Quoted</b>					
Housing and Urban Development Corporation Limited	10	-	-	7,672	4,60,320
Cochin Shipyard Limited	10	-	-	826	3,56,832
					8,17,152
Less: Provision for diminution in value of investments					4,43,707
					3,73,445
<b>Unquoted</b>					
MF Utility India Private Limited	1	5,00,000	5,00,000	5,00,000	5,00,000
			5,00,000		5,00,000
<b>Investment in Bonds - Quoted</b>					
Punjab National Bank - Bonds	10,00,000	100	10,00,00,000	100	10,00,00,000
Power Finance Corporation Limited - Bonds	10,00,000	100	10,09,57,700	-	-
Rural Electrification Corporation Limited - Bonds	10,00,000	100	10,43,55,306	-	-
6.99% HDFC Series W-009 Bonds	10,00,000	-	-	100	10,01,03,600
8.50% SBI AT1 Series II Bonds	10,00,000	-	-	100	9,99,44,900
			30,53,13,006		30,00,48,500
<b>Investment in Mutual Funds- Quoted</b>					
IDBI Liquid Fund - Direct Plan - Growth *	1000	3,427	50,00,000	3,427	50,00,000
IDBI Dynamic Bond Fund - Direct Plan - Growth *	10	4,07,282	50,00,000	4,07,282	50,00,000
IDBI Diversified Equity Fund - Direct Plan - Growth *	10	3,15,856	50,00,000	3,15,856	50,00,000
IDBI Gold Fund FOF-Direct Plan *	10	5,91,835	50,00,000	5,91,835	50,00,000
IDBI Gift Fund - Direct Plan -Growth *	10	4,15,832	50,00,000	4,15,832	50,00,000
IDBI India Top 100 Equity Fund - Direct Plan - Growth *	10	2,65,252	50,00,000	2,65,252	50,00,000
IDBI Midcap Fund - Direct Plan - Growth *	10	4,97,512	50,00,000	4,97,512	50,00,000
IDBI Equity Savings Fund - Direct Plan -Growth *	10	3,62,337	50,00,000	3,62,337	50,00,000
IDBI Nifty Index Fund - Direct Plan - Growth *	10	3,07,418	50,00,000	3,07,418	50,00,000
IDBI Nifty Junior Index Fund - Direct Plan - Growth *	10	3,37,881	50,00,000	3,37,881	50,00,000
IDBI Credit Risk Fund- Direct Plan - Growth *	10	4,58,552	50,00,000	4,58,552	50,00,000
IDBI Hybrid Equity Fund - Direct Plan - Growth *	10	4,98,659	50,00,000	4,98,659	50,00,000
IDBI Small Cap Fund - Direct Plan - Growth *	10	4,99,002	50,00,000	4,99,002	50,00,000
IDBI Short Term Bond Fund - Direct Plan - Growth *	10	3,58,865	50,00,000	3,58,865	50,00,000
IDBI Equity Advantage Fund - Direct Plan - Growth *	10	2,56,674	50,00,000	2,56,674	50,00,000
IDBI Ultra Short Term Fund - Direct Plan - Growth *	1000	3,442	50,00,000	3,442	50,00,000
IDBI Gold Fund ETF *	100	2,000	50,58,022	2,000	50,58,022
IDBI Focused 30 Equity Fund - Direct Plan - Growth *	10	4,99,501	50,00,000	4,99,501	50,00,000
IDBI Banking & Financial Services Fund - Direct Plan -Growth *	10	4,99,002	50,00,000	4,99,002	50,00,000
IDBI Long Term Value Fund - Direct Plan - Growth *	10	4,99,002	50,00,000	4,99,002	50,00,000
IDBI Dividend Yield Fund - Direct Plan - Growth *	10	4,98,504	50,00,000	4,98,504	50,00,000
IDBI Healthcare Fund - Direct Plan - Growth *	10	3,58,923	36,00,000	3,58,923	36,00,000
Edelweiss Bharat Bond Exchange Traded Fund	1,000	-	-	1,00,000	10,00,00,000
			10,86,58,022		20,86,58,022
<b>Aggregate amount of quoted investments</b>			<b>41,44,71,028</b>		<b>50,95,79,967</b>
<b>Market value /NAV of quoted investments</b>			<b>47,08,87,027</b>		<b>53,71,73,066</b>
<b>Aggregate provision made for diminution in value of investments</b>					<b>-</b>

\* Note: The sponsor or asset management company shall invest not less than one percent of the amount which would be raised in the new fund offer or fifty lakh rupees, whichever is less, in the growth option of the scheme and such investment shall not be redeemed unless the scheme is wound up.

**Note 9: Deferred tax asset/ (liability)**

	Amount In Rupees	
	2021	2020
<b>Deferred tax asset</b>		
Gratuity	14,22,465	11,90,753
Leave encashment	16,42,424	12,33,497
Accumulated losses	1,91,95,800	3,43,27,843
Depreciation	7,78,116	6,41,652
<b>Deferred tax asset at the year end</b>	<b>2,30,38,805</b>	<b>3,73,93,745</b>
<b>Deferred tax liability</b>		
<b>Deferred tax liability at the year end</b>		
<b>Net deferred tax asset / (liability)</b>	<b>2,30,38,805</b>	<b>3,73,93,745</b>



	2021	2020
Capital Advances	5,13,890	10,02,140
Deposits	10,57,402	9,59,096
Balance with government authorities		
- Direct Tax	71,21,008	15,78,33,211
- Advance MAT credit Entitlement	34,29,438	99,32,706
- Indirect Tax- Vat paid under dispute	15,00,000	15,00,000
Prepaid expenses	9,70,713	14,92,973
<b>Total</b>	<b>1,45,92,451</b>	<b>17,27,20,126</b>

**Note 11 Current Investments**

Current Investments	Face Value	Amount in Rupees			
		2021		2020	
		Qty/Units/No.	Amount	Qty/Units/No.	Amount
<b>Investment in IDBI Mutual Fund - Quoted (Valued at lower of cost or market value)</b>					
IDBI Liquid Fund - Direct Plan - Growth	1000	73,999	16,37,56,738	1,40,647	29,86,19,878
IDBI Short Term Bond Fund-Direct Plan-Growth	10	-	-	41,01,639	7,90,45,975
IDBI Equity Savings Fund -Growth	10	23,824	4,99,975	-	-
IDBI Short Term Bond Fund-Direct Plan-Monthly Dividend	10	12,62,898	2,68,87,477	-	-
IDBI Gilt Fund - Direct Plan - Growth	10	26,92,875	4,83,85,034	-	-
IDBI Dynamic Bond Fund - Direct Plan - Growth	10	16,08,300	2,95,54,122	-	-
IDBI Ultra Short Term Fund - Direct Plan - Growth	10	1,64,072	37,19,39,940	-	-
<b>Aggregate amount of quoted investments</b>			<b>64,10,23,286</b>		<b>37,76,65,853</b>
Market value /NAV of quoted investments			<b>64,11,46,234</b>		<b>38,03,74,158</b>
Aggregate provision made for diminution in value of Investments			<b>4,54,301</b>		<b>-</b>

**Note 12: Trade receivables**

	Amount in Rupees	
	2021	2020
Unsecured, considered good		
Trade receivables outstanding for a period exceeding six months		
Trade receivables outstanding for a period less than six months	1,00,54,815	51,95,829
<b>Total</b>	<b>1,00,54,815</b>	<b>51,95,829</b>

**Note 13: Cash and bank balances**

	Amount in Rupees	
	2021	2020
Balances with banks		
- In current accounts	1,23,620	58,13,429
- In deposit accounts	3,05,00,000	-
Cash on hand	551	23,347
<b>Total</b>	<b>3,06,24,171</b>	<b>58,36,776</b>

**Note 14: Short-term loans and advances**

	Amount in Rupees	
	2021	2020
(Unsecured, considered good)		
Deposits	5,49,000	4,82,306
Staff Advances	2,94,562	3,32,812
Advance to vendors	2,00,000	2,08,523
Balance with government authorities - Indirect tax	50,35,135	55,10,587
Prepaid expenses	27,44,407	61,16,958
<b>Total</b>	<b>88,23,104</b>	<b>1,26,51,186</b>

**Note 15: Other current assets**

	Amount in Rupees	
	2021	2020
Interest accrued but not due		
- on Bonds	1,07,32,987	40,11,546
- on deposits with banks	2,420	-
Other Receivables		
- Related parties	1,79,563	4,67,200
- others (Refer note 23.9)	3,63,984	-
<b>Total</b>	<b>1,12,78,955</b>	<b>44,78,746</b>



**IDBI ASSET MANAGEMENT LIMITED**  
**(CIN: U65100MH2010PLC199319)**  
**Notes forming part of the financial statements**

**Note 16: Revenue from operations**

Amount in Rupees

	2021	2020
Management fees (Gross)	29,43,91,206	35,29,00,910
Less : Goods and services tax	4,49,07,133	5,38,32,342
<b>Management fees (Net)</b>	<b>24,94,84,073</b>	<b>29,90,68,568</b>

**Note 17: Other income**

Amount in Rupees

	2021	2020
Interest Income		
- Bonds	2,49,77,889	1,73,87,417
- Deposits with banks	2,420	-
- Income tax refund	37,47,762	1,45,39,379
Dividend income	10,65,373	12,25,185
Net gain/loss on sale of investments	4,01,87,296	2,63,85,740
Other non-operating income	-	3,27,362
Secretarial and accounts services fees	3,68,036	19,12,221
<b>Total</b>	<b>7,03,48,776</b>	<b>6,17,77,304</b>

**Note 18: Employee benefits expense**

Amount in Rupees

	2021	2020
Salary, incentives and reimbursements	10,47,63,777	12,81,48,266
Contributions to provident and other funds	72,63,107	89,72,413
Staff welfare expenses	34,75,516	80,18,928
Staff training expenses	1,04,020	89,041
Leave encashment	20,68,731	14,00,920
<b>Total</b>	<b>11,76,75,151</b>	<b>14,66,29,568</b>



**Note 19: Finance costs**

	Amount in Rupees	
	2021	2020
Interest expense		
- indirect taxes	9,11,848	66,55,833
- others	-	3,21,841
IDL charges/bank Charges	16,08,376	15,91,092
<b>Total</b>	<b>25,20,224</b>	<b>85,68,766</b>

**Note 20: Depreciation and amortization expense**

	Amount in Rupees	
	2021	2020
Property, Plant and Equipment	55,47,796	60,43,495
Intangible assets	11,35,237	8,41,894
<b>Total</b>	<b>66,83,033</b>	<b>68,85,389</b>

**Note 21: Other expenses**

	Amount in Rupees	
	2021	2020
Office rent	2,72,78,728	3,43,05,742
House-keeping, maintenance and others	57,20,030	96,68,547
Electricity and water charges	46,68,999	54,46,326
Telephone expenses	20,89,849	25,95,971
IT and networking expenses	1,92,62,081	1,82,08,938
Professional and consultancy fees	1,83,00,236	2,03,35,976
Printing and stationery	8,64,962	12,44,898
Courier and postage	3,16,506	9,77,651
Travel and conveyance expenses	37,96,527	78,07,512
Rates and taxes	5,98,045	15,24,043
Membership and subscriptions	19,53,723	21,98,192
Director sitting fees	15,55,000	19,50,000
Repairs and maintenance	3,96,157	5,60,150
Loss on sale of property, plant and equipment	4,801	1,52,584
Payment to auditors (Refer Note 24.12)	9,90,000	9,00,000
Miscellaneous expenses	6,88,629	8,57,046
Advertisement expenses	9,36,095	12,27,640
Conference and seminars	58,522	21,23,149
Other sales and distribution costs	20,34,486	27,47,031
Out bound sales expenses	97,13,919	1,33,17,651
Corporate social responsibility expenditure (Refer Note 24.13)	13,90,000	-
Other scheme administrative expenses	86,09,578	2,48,26,426
Provision for diminution in value of non-current investments	4,54,301	4,43,707
<b>Total</b>	<b>11,16,81,174</b>	<b>15,34,19,180</b>



Note 22

1 Background

IDBI Asset Management Company Limited ("the Company") was incorporated on 25 Jan 2010 as a Public limited company. The principal activity of the Company is to act as an Investment manager and advisor to IDBI Mutual Fund ("the Fund"). The Company is registered with Securities and Exchange Board of India (SEBI) under SEBI (Mutual Funds) Regulations, 1996.

2 Significant accounting policies

2.1 Basis of preparation of financial statements

The financial statements are prepared on going concern basis in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) and comply with in all material respect with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statement are consistent with those of previous year.

2.2 Use of estimates

The preparation of the financial statements is in conformity with generally accepted accounting principles ("GAAP") in India which 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 of 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 in current and future periods.

2.3 Current and non-current classification

All assets and liabilities are classified into current and non-current

**Assets**

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realized within 12 months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

**Liabilities**

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within 12 months after the reporting date; or
- d) The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

2.4 Revenue recognition

**Investment management fees**

Investment Management fees are recognized net-off GST on an 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') as amended.

**Other income**

- a) Interest income is accounted for on period proportion basis. Interest on interest bearing securities is accrued on the coupon rate. On purchase of such investments, interest paid for the period from the last interest due date up to the date of purchase is not treated as a cost of purchase but is treated as interest recoverable. Similarly, interest received at the time of sale for the period from the last interest due date up to the date of sale is not treated as part of sale value but is treated as interest recovered.
- b) The profit/loss on the sale of investments is recognized in the statement of Profit and Loss on the trade date using the FIFO method for arriving at purchase cost.
- c) Dividend income is recognized when the right to receive dividend is established.
- d) Service charges are accounted for on accrual basis as per the agreed terms.



## 2.5 Property, plant and equipment and intangible assets

- a) Property, plant and equipment are stated at cost of acquisition / installation and less accumulated depreciation and impairment loss, if any. Cost comprises purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Subsequent expenditure incurred on assets put to use is capitalized only when it increases the future benefit/functioning capability from/of such assets. All expenses on existing assets, including repairs and maintenance and cost of replacement of parts are charged as revenue in the period in which they are incurred
- b) Intangible assets are recognised in the year it is put to use at cost. Intangible assets are carried at cost less accumulated amortization and impairment loss, if any.

## 2.6 Depreciation/ amortization on property, plant and equipment and intangible assets

- a) Depreciation is provided on Straight Line Method (SLM) as prescribed in Schedule II to the Companies Act, 2013. The rates of depreciation of assets have been arrived at after considering the useful life of the asset as per schedule II of the Companies Act 2013. If the management's estimate of the useful life of a property, plant and equipments, at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter, depreciation is provided at a higher rate based on management's estimates of the useful life/remaining useful life. Pursuant to this policy, depreciation has been provided using the following rates:

Description	Useful life (in years)	Percentage of depreciation excluding salvage value (%)
Furniture and Fixtures	10.00	9.50
Office Equipment	5.00	19.00
Computer Hardware	3.00	33.33
Communication Equipment	3.00	33.33

- b) Computer software individually costing more than Rs 2,50,000 is capitalized and depreciated over a period of 5 years, Computer software individually costing less than Rs. 2,50,000 is fully depreciated in the year of purchase/acquisition.
- c) The Company provides pro-rata depreciation from the date the asset is put to use and for any asset sold until the date of sale.
- d) Property, plant and equipments, other than software, individually costing Rs 5,000 or less are fully depreciated in the year of purchase / acquisition.

## 2.7 Impairment of assets

The Company assesses at each Balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

## 2.8 Investments

Investments which are readily realizable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognize a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.

## 2.9 Employee benefits

### Gratuity:

Gratuity liability is a defined benefit obligation and is funded through a Gratuity Fund administered and managed by the Life Insurance Corporation of India. The Company accounts for liability for future gratuity benefits based on the actuarial valuation using Projected Unit Credit Method carried out as at the end of each financial year.

### Provident fund:

The Company contributes to a recognized provident fund. The contributions are accounted for on an accrual basis and are recognized as an expense in the statement of profit and loss.

### Short term employee benefits:

Short term employee benefits are recognized as an expense in the statement of profit and loss of the year in which the services are rendered.

### Compensated absences:

The Company provides for Privilege Leave Encashment subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment as well as availment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation carried out as at the end of each financial year.

## 2.10 Operating leases

Lease of assets under which all the risk and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments/ revenue under operating leases are recognized as expense/ income on accrual basis in accordance with the terms of respective lease agreements.

## 2.11 Earnings per share

Basic earnings per share is computed and disclosed using the weighted average number of equity shares outstanding during the year. Dilutive earnings per share is computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except when the results would be anti-dilutive.



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

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The company recognizes MAT credit available as an asset only to the extent there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT Credit is allowed to be carried forward. In the year in which the Company recognizes MAT Credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the sufficient period.

## 2.13 Borrowing costs

Borrowing costs attributable to the acquisition or construction of qualifying assets till the time such assets are ready for intended use are capitalised as part of cost of the assets. All other borrowing costs are expensed in the period they occur.

## 2.14 Provisions and contingencies

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

Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date.

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 occurred.

## 2.15 Cash flow statement:

Cash Flows are reported using indirect method whereby net profits before tax is adjusted for the effects of transactions of a non cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

## 2.16 Cash and cash equivalents

Cash and Cash equivalents comprise cash and current account balances with Banks. The Company considers all highly Liquid Investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

## 2.17 Transactions in foreign currency:

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transactions. Exchange difference, if any, arising out of the foreign exchange transactions settled during the year are recognized in the statement of Profit and Loss.

## 23 Other Notes

### 23.1 Employee benefits

In accordance with the Accounting Standard -15 (Employee Benefits), the Company has classified the various benefits provided to the employer as under:

#### Defined contribution plan

##### Provident fund

The Company has recognized the following amounts in the Statement of Profit and Loss, which are included under Contribution to Provident and Other Funds:

Amount in Rupees

	2021	2020
Employer's contribution to Provident Fund	50,49,939	59,92,475



a) Defined benefit plan

Contribution to Gratuity Fund (Funded Scheme)

In accordance with Payment of Gratuity Act, 1972, the Company provides for gratuity, a defined benefit retirement plan covering all employees. The plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee's salary and the years of employment with the Company.

The gratuity benefit is provided through a Gratuity Fund administrated and managed by the Life Insurance Corporation of India. The annual contributions to the gratuity fund and provision is made on the basis of actuarial valuation.

Reconciliation of opening and closing balance of the present value of defined benefit obligation for gratuity benefits is given below:

	Amount in Rupees	
	2021	2020
Present value of funded benefit obligations as at 1 April	1,12,31,379	98,60,969
Service cost	17,07,483	18,04,918
Interest cost	6,12,110	6,66,602
Benefit Paid from the Fund	(11,48,181)	(17,39,008)
Actuarial (Gains)/ Losses on obligation-due to change in Demographic Assumption	17,70,275	0
Actuarial (Gains)/ Losses on obligation-due to change in Financial Assumptions	(18,55,562)	5,66,894
Actuarial (gain)/loss on obligations-due to experience	2,50,719	71,004
Present value of funded benefit obligations as at 31 March	1,25,68,223	1,12,31,379

	Amount in Rupees	
	2021	2020
Reconciliation of opening and closing Balance of Fair Value of Plan Assets:		
Fair value of plan assets as at beginning of the year	69,51,174	60,58,989
Expected return on plan assets	3,78,839	4,09,588
Employer contribution	11,65,547	22,37,359
Benefits paid	(11,48,181)	(17,39,008)
Actuarial gain/(loss)-due to experience	1,07,743	(15,754)
Fair value of plan assets at the year end	74,55,122	69,51,174

	Amount in Rupees	
	2021	2020
Reconciliation of Fair Value of Assets and Obligations:		
Present Value of Benefit Obligation as at the end of the year	(1,25,68,223)	(1,12,31,379)
Fair Value of Plan Assets at the end of year	74,55,122	69,51,174
Net ( Liability) / Asset recognized in the Balance Sheet	(51,13,101)	(42,80,205)

	Amount in Rupees	
	2021	2020
Expense recognized during the year:		
Current Service Cost	17,07,483	18,04,918
Interest Cost	6,12,110	6,66,602
Expected return on plan assets	(3,78,839)	(4,09,588)
Actuarial (gain) / loss	57,689	6,53,652
Expenses recognized in statement of profit and loss	19,98,443	27,15,584

	Amount in Rupees	
	2021	2020
Experience Adjustments:		
(Gains) / Losses on Plan Obligations	2,50,719	71,004
Gains / (Losses) on Plan Assets	1,07,743	(15,754)
Estimated Contribution for next year	34,58,195	34,02,396
Actuarial assumptions used are:-		
Discount rate	6.06%	5.45%
Salary escalation rate	10.00%	12.00%
Attrition rate	15.00%	22.00%
Expected return on plan assets	6.06%	5.45%

b) Accumulated Compensated Absences

The Company provides for accumulated compensated absences as at balance sheet date using projected unit credit method. This method takes into account the pattern of availment and quantifying salary on the date of availment of leave. Present value of obligation for accumulated compensated absences as determined by the Actuary is given below:

	Amount in Rupees	
	2021	2020
Present value of obligation as at end of the year	59,03,752	44,33,849
Discount rate	6.06%	5.45%
Salary escalation rate	10.00%	12.00%
Cost recognized during the year	20,68,731	14,00,920

23.2 Segment Reporting

The company is in the business of providing Investment management service to the mutual fund, and the entire revenue from operations is from the above service rendered in India. Hence the company has no other reportable business or geographical segment.



23.3 Related party disclosures

As required under Accounting Standard - 18 the following are details of related parties and transactions with them

(A) List of related parties and relationships :

<b>I Individuals having control with relatives &amp; associates</b>	
Raj Kishore Singh	Managing Director and Chief Executive Officer
<b>II Key Management Personnel</b>	
<b>Key Management Personnel</b>	
Raj Kishore Singh	Managing Director and Chief Executive Officer
Amit Bhavsar	Chief Financial Officer
Ajit Joshi	Company Secretary
Jorty M. Chako	Director
<b>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</b>	
Life Insurance Corporation of India	Ultimate Holding Company
IDBI Bank Limited	Holding Company
IDBI Capital Markets & Securities Limited	Associate Company
IDBI Intech Limited	Fellow subsidiary
IDBI MF Trustee Company Limited	Fellow subsidiary
<b>IV Other related parties with whom Company has entered into transactions during the period</b>	
National Securities Depository Limited	Other Related Party
<b>V Entities owned or significantly influenced by Directors and/or key management personnel or their relative and with whom Company has not entered into transactions during the period under review</b>	
IDBI Federal Life Insurance Company Limited	Fellow Subsidiary
IDBI Trusteeship Services Limited	Fellow Subsidiary
<b>VI Other related parties with whom Company has not entered into transactions during the year under review</b>	
Micro Units Development and Refinance Agency Limited	NIL
Biotech Consortium (I) Limited	NIL
North Eastern Development Finance Corporation Limited (NEDFI)	NIL
Pondichery Industrial Promotion Development and Investment Corporation Limited	NIL
ICMAI Registered Valuers Organisation	NIL
EXIM Bank Limited	NIL
Entrepreneurship Development Institute of India	NIL
PNB MetLife Insurance Co Limited	NIL
NABSAMRUDDHI Finance Limited	NIL
SIDBI Venture Capital Limited	NIL
PNB Investment Services Limited	NIL

(B) Transaction with related parties

	Amount in Rupees	
	2021	2020
<b>IDBI Bank Limited :</b>		
Transactions with IDBI Bank Limited		
Income received:		
Interest on fixed deposit	2,420	67,401
Expenditure incurred:		
- Office rent	2,50,47,508	3,15,92,328
- Electricity and water charges	43,31,313	50,32,419
- House-keeping, maintenance and others	-	1,19,340
- Salaries and incentives	31,27,460	48,60,108
- IDL charges	14,52,308	13,28,589
- Salary for Staff on Deputation (Staff quarters Rent)	2,76,000	-
Cash and bank balances		
Fixed deposits	3,05,00,000	



IDBI Capital Market Services Limited :	2021	2020
Transactions with IDBI Capital Market Services Limited		
Expenditure incurred:		
- Salaries	-	30,67,934
<b>IDBI Intech Limited:</b>	<b>2021</b>	<b>2020</b>
Transactions with IDBI Intech Limited		
Expenditure incurred		
- IT & Communication services	93,09,000	83,49,000
<b>IDBI MF Trustee Company Limited</b>	<b>2021</b>	<b>2020</b>
Transactions with IDBI MF Trustee Company Limited		
Income received:		
- Secretarial and accounts services fees	3,68,035	19,12,221
- Salary for staff on deputation	1,91,520	
<b>National Securities Depository Limited</b>	<b>2021</b>	<b>2020</b>
Transactions with National Securities Depository Limited		
Expenditure incurred:		
Scheme expenses	6,45,000	-

Balances with related parties:	Amount in Rupees	
	2021	2020
<b>IDBI Bank Limited (Holding Company)</b>		
- Other payables	15,96,514	80,93,387
- Cash and Bank Balances	3,06,23,620	58,13,429
- Capital Contribution	1,33,34,00,000	1,33,34,00,000
<b>IDBI Capital Market Services Limited</b>		
- Other payables	-	2,75,401
- Capital Contribution	66,66,00,000	66,66,00,000
<b>IDBI In-tech Limited</b>		
- Other payables	9,32,000	6,26,175
<b>IDBI MF Trustee Company Limited</b>		
- Other Receivable	1,79,561	4,67,200

(C) Summary of transactions with related parties:

	Amount in Rupees	
	2021	2020
IT and communication services	93,09,000	83,49,000
Office rent	2,50,47,508	3,15,92,328
Electricity and water charges	43,31,313	50,32,419
House-keeping, maintenance and others	-	1,19,340
Salary, incentives and reimbursements	31,27,460	79,28,042
IDL charges	14,52,308	13,28,589
Scheme related expenses	2,76,000	-
Salary for staff on deputation	1,91,520	-
Interest on fixed deposit	2,420	67,401
Secretarial and accounts services fees	3,68,035	19,12,221
Scheme administrative expenses	6,45,000	-
Fixed deposits	3,05,00,000	-



**(D) Managerial remuneration**

Amount in Rupees

	2021	2020
Salary and Allowances paid to MD and CEO (Reimbursement)	34,17,534	34,71,084

Note: Related parties have been identified and certified by the management and relied upon by the auditors

**23.4 Exceptional items**

i) The Company has made a one-time payment of Rs. 9,047,228/- to SEBI towards settlement charges of BILT calculated as per the provisions of SEBI (Settlement Proceedings) Regulations, 2018. As a result, the matter is closed by SEBI without pursuing further.

ii) Some of the schemes of IDBI Mutual Fund have made investment in debt securities issued by Bilt Graphic and Paper Products Limited (BGPPL) which have not been paid by BGPPL. In this regard IDBI AMC had advanced a sum of Rs. 217,500,000 considering long term and larger interests of the schemes, investors, industry practice and for upholding the image of the group. The Company had made provision of Rs 115,738,106 in the earlier year. The Company received during the previous year, the full and final payment against BGPPL of Rs 82,500,000 and balance outstanding of Rs 33,238,106 has already written off against provision created earlier.

**23.5 Operating lease**

The Company has entered into operating lease arrangements for certain assets. Following are the disclosure requirements as per the Accounting Standard - 19 "Leases"

The total lease payments recognized in the Statement of Profit and Loss towards the said leases amounts to Rs.2,72,78,728 (Rs. 3,43,05,742)

The future lease payments in respect of non-cancellable lease of the above are as follows:

	Amount in Rupees	
	2021	2020
Not Later than One year	4,95,000	-
Later than one year but not later than five years	-	-

**23.6 Earnings per share**

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

	2021	2020
Net (Loss)/ Profit after tax attributable to equity shareholders(A)	4,52,79,934	75,33,667
Calculation of weighted average number of equity shares(B) :		
- No. of shares at the beginning of the period	20,00,00,000	20,00,00,000
- No. of shares issued during the period	NIL	NIL
- Total No. of shares outstanding at the period	20,00,00,000	20,00,00,000
- Nominal Value of the equity share - per share	10/-	10/-
- Paid up value of the equity share - Per share	10/-	10/-
- Weighted average no. of shares at 10/- paid up per share equivalent	20,00,00,000	20,00,00,000
Basic (loss)/ earnings per share of the face value of 10/- for the period(A)/(B)-	0.23	0.04

**23.7 Taxes on income**

a) Provision for current tax is made as per the provisions of Income Tax Act 1961

b) In accordance with AS - 22 on "Accounting for Taxes on Income" issued by the ICAI, deferred tax assets and liability is recognized for all timing differences, in accordance with the said standard. In the absence of convincing evidence, that the future taxable benefits associated with it will flow to the Company, the Company has created deferred tax asset to the extent of virtual certainty. The Company has still unabsorbed business loss of Rs. 388,126,573 (Rs. 530,973,000) which is available for eight years from the year of incurrence.

**23.8 Impairment of assets**

During the year, the Company has undertaken a review of all property, plant and equipment and intangible assets in line with the requirements of Accounting Standard-28 on "Impairment of Assets". Based on such review, no provision for impairment is required to be recognized for the year.

**23.9 Contingent liabilities**

a) For the AY 2015-16 the Income Tax Department vide its assessment order under section 143(3) dated 26-12-2017 disallowed certain expenditures thereby reducing the loss and initiated penalty proceedings under section 271(1)(c) of the Income Tax Act. However no demand has been raised. The Company has filed an appeal against the said assessment. No provision has been made in this regards.

b) In the MVAT assessment for the financial year 2011-12 the VAT department has disallowed the set-off claimed of purchase VAT paid on the purchase of Gold in the IDBI MF Gold ETF scheme and raised a demand of Rs. 4,334,456 on the Company. The Company has also filed an appeal against this assessment. No provision has been made in this regards. An adhoc payment under protest of Rs. 1,500,000 had been made during the previous year.

c) M/s Shree Ram Enterprises (the contractor) had agreement with the Company to provide employees on contract basis and according to the agreement the contractor is solely liable for all the liabilities. The Company has during the year paid Rs. 363,984 to the employees of M/s. Shree Ram Enterprises which according to the Company is recoverable (shown under Note 15 "Other current assets") and hence liability will be Nil.

23.10 Capital Commitments (net of advances) is Rs. 234,500 (Rs. 3,93,610)



IDBI ASSET MANAGEMENT LIMITED  
(CIN: U65100MH2010PLC199319)  
Notes forming part of the financial statements

Note 6 : Property, plant and equipment

Amount in Rupee

	Gross Block				Accumulated Depreciation				Net Block	
	1 April 2020	Additions	Disposals	31 March 2021	Upto 31 March 2020	For the year	On disposals	Upto 31 March 2021	31 March 2021	1 April 2020
Furniture and fixtures	6,20,673	-	-	6,20,673	3,26,503	38,181	-	3,64,684	2,55,990	2,94,171
Communication Equipment	13,03,969	1,24,780	31,000	13,97,748	7,73,823	2,57,664	20,840	10,10,647	3,87,101	5,30,141
Office Equipment	47,10,798	2,143	-	47,12,940	34,79,062	3,41,970	-	38,21,032	8,91,908	12,31,733
Computer Hardware	4,72,26,163	2,77,522	-	4,75,03,685	3,61,15,670	49,09,981	-	4,10,25,651	64,78,034	1,11,10,491
<b>Total</b>	<b>5,38,61,603</b>	<b>4,04,445</b>	<b>31,000</b>	<b>5,42,35,048</b>	<b>4,06,95,059</b>	<b>55,47,796</b>	<b>20,840</b>	<b>4,62,22,015</b>	<b>80,13,035</b>	<b>1,31,66,544</b>
Previous year	4,10,74,368	1,41,53,820	13,66,586	5,38,61,603	3,58,44,113	60,43,495	11,92,549	4,06,95,059	1,31,66,544	

Note 7 : Intangible assets

Amount in Rupee

	Gross Block				Accumulated Depreciation				Net Block	
	1 April 2020	Additions	Disposals	31 March 2021	Upto 31 March 2020	For the year	On disposals	Upto 31 March 2021	31 March 2021	1 April 2020
Intangible Assets										
Computer software	3,04,17,698	21,86,252	-	3,26,03,950	2,75,66,831	11,35,237	-	2,87,02,068	39,01,882	28,50,861
<b>Total</b>	<b>3,04,17,698</b>	<b>21,86,252</b>	<b>-</b>	<b>3,26,03,950</b>	<b>2,75,66,831</b>	<b>11,35,237</b>	<b>-</b>	<b>2,87,02,068</b>	<b>39,01,882</b>	<b>28,50,861</b>
Previous year	2,91,51,160	12,66,538	-	3,04,17,698	2,67,24,937	8,41,894	-	2,75,66,831	28,50,867	



**23.11 Dues to Micro, Small and Medium Enterprises**

Trade Payables do not include any amount payable to Small Scale Industrial Undertakings and Micro, Small and Medium Enterprises. Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMEDA), which came into force from October 02, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, the following disclosures are made for the amounts due to the Micro, Small and Medium enterprises, which have registered with the competent authorities.

	2021	2020
Principal amount remaining unpaid to any supplier as at the year end	Nil	Nil
Interest due thereon	Nil	Nil
Amount of interest paid by the company in terms of section 16 of the MSMEDA, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	Nil	Nil
Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMEDA	Nil	Nil
Amount of interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil

**23.12 Payment to auditors**

	Amount in rupees	
	2021	2020
Audit fees	3,20,000	3,20,000
Tax audit fees	1,15,000	1,15,000
Certification and other matters	5,55,000	4,65,000
<b>Total</b>	<b>9,90,000</b>	<b>9,00,000</b>

**23.13 Corporate social responsibility**

As per Section 135 of the Companies Act, 2013, a CSR Committee had been formed by the Company. The Company is required to spend Rs. 1,390,000 (Rs. Nil) for the year against which Rs. 1,390,000 (Rs. Nil) has been spent on activities specified in Schedule VII of the Companies Act, 2013.

23.14 A share purchase agreement dated 22 November 2019 was entered into by and between Muthoot Finance Limited, IDBI Bank Limited, IDBI Capital Markets & Securities Limited, IDBI Asset Management Limited and IDBI MF Trustee Company Limited ("Share Purchase Agreement") in relation to the proposal for acquisition by Muthoot Finance Limited of 100% equity shares of IDBI Asset Management Limited held by IDBI Bank Limited and its nominees and IDBI Capital Markets & Securities Limited, and 100 % equity shares of IDBI MF Trustee Company Limited held by IDBI Bank Limited and its nominees subject to receipt of necessary regulatory approvals from Securities and Exchange Board of India ("SEBI") and other relevant regulators.

Muthoot Finance Limited's request for a no objection certificate was not acceded to by the Reserve Bank of India on the ground that "the activity of sponsoring a Mutual Fund or owning an Asset Management Company is not in consonance with the activity of an operating NBFC". Consequently, Muthoot Finance Limited is unable to proceed with the proposed transaction.

23.15 The directors have, at the time of approving the financial statements, assessed the potential impact of the COVID-19 global pandemic on the Company. The coronavirus outbreak is a new emerging risk to the global economy. The Company's business may be impacted due to decrease in the NAV of the underlying funds on which the management fees for the Company is calculated. Business continuity plans have been invoked to maintain business operations following lockdowns across India which will help to ensure business resilience. The situation is changing so rapidly that the full impact cannot yet be understood, but the Company will continue to monitor the situation closely.

The directors consider that the Company has adequate financial resources to continue in operational existence for the foreseeable future and therefore, continue to adopt the going concern basis of accounting in preparing the financial statements.

23.16 Expenditure in foreign exchange is Rs. Nil (Rs. Nil)

23.17 Figures have been rounded off to the nearest rupee.

23.18 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classifications / disclosures. Figures in brackets pertain to previous year.

As per our attached report of even date

For MGB & Co LLP

Chartered Accountants

Firm Registration Number 101169W/W-100035

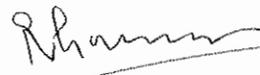


Sanjay Kothari

Partner

Membership Number 048215

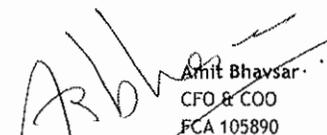
For and on behalf of the Board



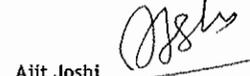
Rakesh Sharma  
Chairman  
DIN: 06846594



Raj Kishore Singh  
Managing Director & CEO  
DIN: 08654156



Amit Bhavsar  
CFO & COO  
FCA 105890



Ajit Joshi  
Company Secretary  
ACS 22359

Place: Mumbai

Date: 19 April 2021

