



IDBI MF TRUSTEE COMPANY LIMITED
(CIN: U65991MH2010PLC199326)

Annual Report 2015-16

Date of AGM:

30th August 2016

Place of AGM:

23rd Floor, Small Conference Room,
IDBI Tower, WTC Complex, Cuffe Parade, Colaba, Mumbai - 400
005.

IDBI MF Trustee Company Limited

CIN: U65991MH2010PLC199326

Registered office: IDBI Tower, WTC Complex, Cuffe Parade, Colaba, Mumbai - 400 005.
Tel: (022) 6655 3355 • Website: www.idbimutual.co.in

IDBI MF TRUSTEE COMPANY LIMITED
(CIN: U65991MH2010PLC199326)**CORPORATE INFORMATION****BOARD OF DIRECTORS***(as on 30th June, 2016)*Shri B. K. Batra (DIN: 00015732) - **Chairman**Shri T. M. Nagarajan (DIN: 00518074) - **Independent Director**Shri Avinash Chander Mahajan (DIN: 00041661) - **Independent Director**Shri P. Krishnamurthy (DIN: 05336749) - **Independent Director**Shri J. Jayaraman (DIN: 02423487) - **Independent Director****AUDIT COMMITTEE***(as on 30th June, 2016)*Shri T. M. Nagarajan (DIN: 00518074) - **Independent Director - (Chairman)**Shri Avinash Chander Mahajan (DIN: 00041661) - **Independent Director**Shri P. Krishnamurthy (DIN: 05336749) - **Independent Director**Shri J. Jayaraman (DIN: 02423487) - **Independent Director****REGISTERED OFFICE**IDBI Tower, WTC Complex,
Cuffe Parade, Mumbai 400 005.**Tel:** (022) 6655 3355**Website:** www.idbimutual.co.in**Email:** manesh.jiandani@idbimutual.co.in**STATUTORY AUDITORS**P. S. Subramania Iyer & Co.
Chartered Accountants,
Jayshree Apartments New No. 60, Old No. 39,
Second Main Road, Raja Annamalai Puram,
Chennai 800 028.



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NOTICE OF THE SIXTH ANNUAL GENERAL MEETING

Notice is hereby given that the Sixth Annual General Meeting of the members of M/s. IDBI MF Trustee Company Limited will be held at short notice in the Small Conference Room of IDBI Bank Limited on the 24th floor of IDBI Tower, Cuffe Parade, Mumbai- 400005 on Tuesday, the 30th day of August 2016 at 1.00 p.m., to transact the following Ordinary and Special Business:

A. Ordinary Business

1. Item no 1: Adoption of Financial Statements

To receive, consider and adopt the Audited Financial Statements of the Company consisting of Balance Sheet as at 31st March, 2016, the statement of Profit and Loss account, Cash Flow Statement for the year ended on 31st March, 2016 and the reports of the Board of Directors' and the Statutory Auditors' and the comments of the Comptroller & Auditor General of India thereon

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

To consider and, if thought fit, to pass the following Resolution, with or without modifications, as an Ordinary Resolution:

RESOLVED THAT the Board of Directors of the Company be and are hereby authorized to decide, negotiate and finalise the remunerations of the Statutory Auditors of the Company as appointed by the Comptroller and Auditor-General of India pursuant to the provisions of Section 139(5) and other applicable provisions, if any, of the Companies Act, 2013, up to an amount as may be recommended by the Audit Committee and at the discretion of the Board, for the year 2016-17.

B. SPECIAL BUSINESS:-

3. Item no 3: Amendment in Articles of Association

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

“RESOLVED THAT pursuant to the provisions of Section 14 of the Companies Act, 2013 and in order to comply with the provisions of the Companies Act, 2013 read with the provisions of the SEBI (MF) Regulations 1996, the Articles of Association of IDBI Asset Management Ltd. be and are hereby altered

1) by inserting Article 1A between Article 1 and Article 2.

Article 1A



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The Company shall comply with all the applicable provisions of the Companies Act, 2013 and Rules made thereunder and in that regard, wherever these Articles give reference to the repealed provisions of the Companies Act, 1956, the same reference or provision be construed and read as the reference to the corresponding applicable provision(s) of the Companies Act, 2013 read with the Rules, Circulars, notifications etc. made thereunder and complied accordingly

- 2) by deleting the existing clause 202 and substituting with the following clause

Article 202

The quorum for a meeting of the Board of Directors of the Company and any other Committee formed and constituted by the Board of Directors shall be one-third of its total strength (any fraction contained in that one-third being rounded off as one) or two Directors, whichever is higher. Provided that where at any meeting, the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of the Directors, who are not interested, present at the meeting being not less than two, shall be the quorum during such time.

For the purpose of this Article:

- (i) “total strength” means the total strength of the Directors of the Company as determined in pursuance of the Act, after deducting there from the number of the Directors, if any, whose places may be vacant at the time;
- (ii) “interested Director” means any Director whose presence cannot by reason of any provision in the Act, count for the purpose of forming a quorum at a meeting of the Board, at the time of the discussion or vote on any matter.

4. Item no 4: Authorisation for Related Party Transactions

To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

RESOLVED THAT in terms of provisions of Section 188 and other applicable provisions of the Companies Act 2013 read with rule 15 of the Companies (Meeting of the Board and its powers) Rules 2014 and other applicable rules notified under the act, as amended from time to time, the members of the Company hereby approves the continuation of existing contracts of the Company and further hereby authorize the



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ACB/Board 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, for a value not exceeding Rs. 2 crore for each contract and/or arrangement whether in ordinary course of business or not and/or whether at arm's length price or not or at such price with the approval of the Audit Committee of the Board and thereafter of the Board of Directors of the Company without any further reference to the shareholders.

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

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

“RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers, herein conferred, to a Director/committee of Directors or such other person as it may deem fit, to give effect to the aforesaid Resolutions.”

For and on behalf of the Board of Directors

Place : Mumbai

Date :

A C Mahajan

Chairman

IDBI MF Trustee Company Limited

CIN: U65991MH2010PLC199326

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND TO VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ON HIS BEHALF AND THAT THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORMS IN ORDER TO BE EFFECTIVE, SHOULD BE DULY



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COMPLETED & AFFIXED WITH REVENUE STAMP AND MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

2. Members/proxies should bring the attendance slip duly filled in for attending 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 4 are attached herewith.
4. Members/Proxies/Representatives are requested to bring the attendance slip enclosed to the annual report /notice for attending the meeting.
5. Corporate members intending to send their authorized representative(s) to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.



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EXPLANATORY STATEMENT

(Pursuant to Section 102 (1) of the Companies Act, 2013)

Item No. 2

In terms of section 139(5) of the Companies Act 2013, the Company is subjected to audit by the office of the Comptroller and Auditor General of India (C&AG). The accounts of the Company are required to be audited by Statutory Auditors appointed by the C&AG office. The appointment is required to be ratified in the General Meeting of the shareholders by passing Ordinary Resolution under Section 139(1) of the Companies Act, 2013. These Auditors shall hold office as per the directions of the office of the C&AG from time to time. Comptroller and Auditor General of India has vide their letter CA. V/COY/CENTRAL GOVT., IDBITR(1)/739 dated August 04, 2015 appointed M/s U G Devi & Co., Chartered Accountants, Mumbai as the Statutory Auditors of the Company for the Financial year 2016-17.

The remuneration of the Statutory Auditors is required to be fixed by the Company in General Meeting or in such manner as the Company in General Meeting may determine. The members are requested to authorise the Board of Directors to fix the remuneration payable to the Statutory Auditors. The terms and conditions and remuneration of the above Auditors would be as fixed by the Board of Directors of the Company on the recommendations of the Audit Committee. The Ordinary Resolution as contained at Item No.2 of the AGM Notice is accordingly proposed to be passed by the shareholders.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 2.

Item no 3:

- 1) The present Articles of Association of IDBI MFT were prepared and registered with the ROC, Maharashtra at the time of incorporation of Company under the Companies Act, 1956 and contain references to the provisions of the Companies Act, 1956 and various sections thereof. In the 4th AGM of the Company held on June 28, 2014 certain amendments were approved to be in lines with the Companies Act 2013. However, in order to avoid any confusion while complying with Articles of Association, it is proposed to add a new Article 1A clarifying that wherever the present Articles give reference to the repealed provisions of the old Companies Act, 1956, the same be construed and read as reference to the corresponding applicable provisions of the new Companies Act, 2013 read with the Rules made thereunder and complied accordingly.
- 2) The present Articles only covers quorum for Board of Directors and not Committees constituted by the Board. Hence, it is proposed to cover committees in Article 202 for the purpose of determining quorum in the Committee meeting.



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Thus in order to align with the new Companies act 2013 and the requirements as stated above, It is proposed to amend Article no 202 and to insert article 1A between Article 1 and 2 of Articles of Association.

It is therefore proposed to pass the Special Resolution contained under Item No.3 of the AGM Notice for amending the Articles of Association providing for the above in terms of Section 14 of the Companies Act, 2013.

It may be mentioned that no Director or Key Managerial Personnel of IDBI AMC or their relative is, whether directly or indirectly, concerned or interested, financial or otherwise, in the passing of aforesaid Special Resolution.

Item No. 4

IDBI MF Trustee Company Limited, is a Wholly owned Subsidiary of IDBI Bank Ltd. IDBI AMC has been appointed as Investment Manager by IDBI MF Trustee Company Limited vide Investment Management Agreement dated 20th February 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 issue sell units of Mutual fund, to invest in securities as per 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 prior to the Commencement of the Companies Act 2013 which includes contracts with related parties in the ordinary course of business and to support the operations of the Company.

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

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

A	B		C	D	E
Sr. no	Name of party	Name of Director or Key Managerial Personnel	Relation	Transaction	Whether in ordinary course of business and at arms



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		who is related of any			length price
1.	IDBI Mutual Fund through IDBI Bank Limited by way of Trust Deed dated 19 th February 2010	NIL	Group concern	<p>Trusteeship Fees</p> <p>The Trustee shall be entitled to receive a fee not exceeding 0.01% per annum of the daily/net assets of the Mutual Fund subject to maximum fee not exceeding Rs. 10 lakhs per annum. The Trustee shall also be entitled for reimbursement of all costs, charges and expenses incurred in the course of the administration and execution of the Fund.</p>	In ordinary course of business and in lines with the SEBI regulations
	IDBI Asset Management Limited	NIL	Group Company	<p>Secretarial & accounting service expenses:</p> <p>Certain common expenses incurred by AMC such as Rent, Electricity, Maintenance relating to Mumbai office premises and also a portion of salary expenses for the services rendered by</p>	In ordinary course of business



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				<p>AMC.</p> <p>Out of the above common expenses we charge 5% to MF Trustee Co</p> <p>The Services of around 12 officials are being used for MF Trustee Co related work as MF Trustee Co. does not have any employee on its roles. These AMC officials take care of the work relating to secretarial matters, conducting of meetings, ROC work, accounts/tax matters, SEBI compliance etc.. IDBI AMC is charging 1% of salary expenses which would work out to Rs. 12 lakh p.a</p>	
	IDBI MFT through IDBI AMC	NIL	MF Trust	Investment of surplus funds	In ordinary course of business and at Arm's Length.

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



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Since the current net – worth of the Company as on 31st March 2016 is Rs. 1,07,61,389/- and Turnover of the Company as on 31st March 2016 is around Rs. 63,95,780/-, the value of certain existing contracts exceed the limits provided under Section 188 read with rule 15 of Companies (meetings of the Board and its Powers) Rules 2014.

Hence, It is proposed to the members to authorize the Company to enter into further contracts with the approval of ACB/Board as may be required and to authorize the Board of Directors with powers to enter into contracts for a value not exceeding Rs. 2 crore for each such contract or arrangement whether in ordinary course of business or not and/or whether 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 to authorize MD & CEO of IDBI AMC to enter into such contracts and arrangements with prior approval of the board.

The extent of interest and concern of the Directors and Key Managerial Personnel of the Company and their relatives, financial or otherwise, in the resolution set out at Item No.4 have been disclosed above



IDBI MF TRUSTEE COMPANY LIMITED

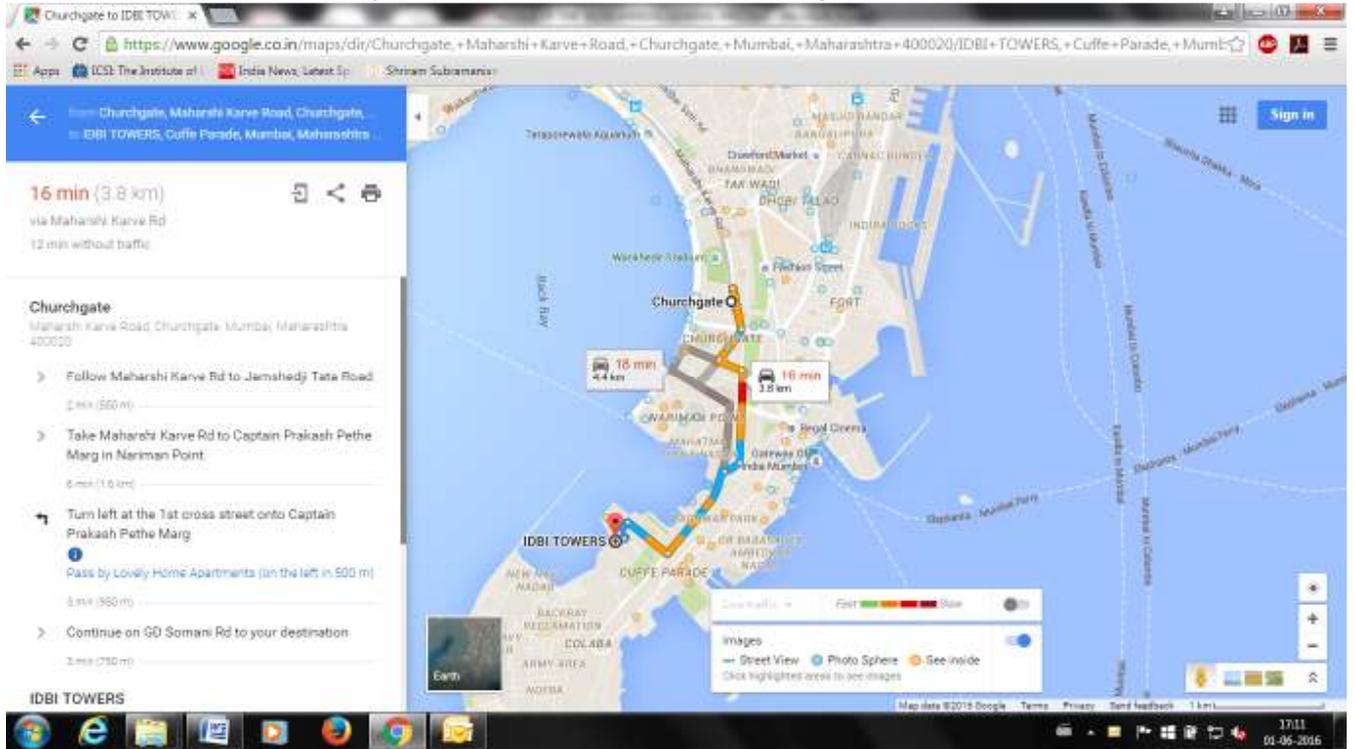
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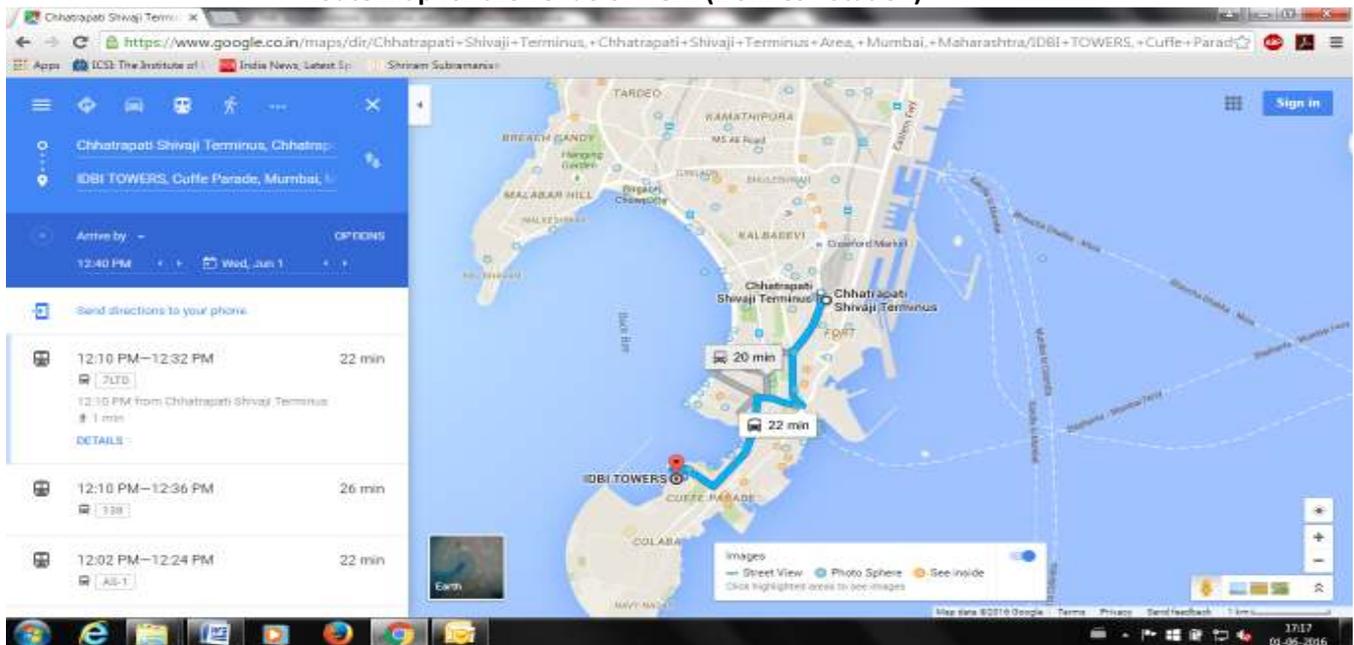
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Route map for the venue of AGM (from Churchgate Station)



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



DIRECTOR'S REPORT

The Directors take immense pleasure in presenting the Sixth Annual Report on the business and operations of the Company together with the Audited Financial Statements along with the Report of Auditors for the Financial Year ended March 31, 2016.

I. FINANCIAL SUMMARY AND HIGHLIGHTS

During the year 2015-16, total income of IDBI MF Trustee Company Limited was Rs. 0.64 crore as compared to Rs. 0.69 crore during FY 2014-15.

The financial details of the company for the financial year 2015-16 are as follows.

(Rs in crore)

PARTICULARS	2015 – 16	2014 - 15
Total Income	0.64	0.69
Profit/(Loss) before tax	0.22	0.31
Less : Tax	0.05	0.09
Profit/(Loss) after taxes (PAT)	0.17	0.22
Balance Brought Forward from earlier Period	0.71	0.48
Amount available for Appropriation	Nil	Nil
Balance/(Loss) to be carried forward	0.88	0.70
Net worth	1.08	0.90

Total income during the year ended March 31, 2016 was Rs 0.64 crore as compared to Rs 0.70 crore during the last Financial Year 2014-15.

Total expenditure during the year ended March 31, 2016 was Rs 0.42 crore and the expense ratio has increased due to reduced income as against increased expenditure. Net profit earned during the year ended March 31, 2016 was Rs 0.17 crore as against Rs 0.23 crore during the last FY 2014-15. As on March 31, 2016, the Company had cash and bank balance of Rs 0.13 lakh. Net worth of the company stood at Rs 1.08 crore and book value per share was Rs 8.65 crore as on March 31, 2016.

The company's investments amounted to Rs 1.09 crore as on March 31, 2016. These investments have been deployed in the Liquid scheme of IDBI Mutual Fund

STATE OF COMPANY'S AFFAIRS

IDBI Asset Management Limited currently manages 16 schemes including two passive equity, three active equity, six debt, one Gold ETF, one FOF (Gold), one gilt and one liquid scheme being an Investment Manager appointed by IDBI MF Trustee Company Limited vide Investment Management Agreement entered into on 26th February, 2010. The Average Assets under Management (AAUM) for the FY 15 -16 is Rs 6,728 crores whereas the AAUM for the FY 14-15 is Rs 7,013 crore. The highest AUM it managed during the year is Rs 8,400 crore. The Board of IDBI MF Trustee Company Limited acts as a Trustee to IDBI MF appointed vide Trust Deed dated 19th February, 2010. Thus, IDBI MF Trustee Company Limited performs a supervisory role over the operations of IDBI AMC. For performing the said

role IDBI MF Trustee Company Limited receives Trusteeship fees at a defined rate as prescribed under SEBI Regulations and Trust Deed.

The Trustee fee income YoY has decreased by 5.53% from Rs.62.76 Lakh for the year ended on March 31, 2016 to Rs.59.29 Lakh during the current financial year 2016. This is due to decrease in AAUM. The total income has decreased by 7.49% in the same period from Rs.69.13 Lakh to Rs.63.95 Lakh.

Other operating include profit on sale of investments and dividend income, which is lower than last year mainly due to profit booked while switching the investment from growth plan to dividend plan in FY 2015. However considering the long term purpose of investments and to reduce the tax expenses, we have switched the investments from daily dividend option (which attract higher dividend distribution tax @34.6080% p.a. and leads to less net income) to growth option in Liquid scheme (which will attract long term capital gain tax @20.60% p.a. for domestic corporate if holding period is minimum 36 months).

The operating expenses, which are being reimbursed to IDBI AMC on pre-approved ratio, have increased on Y-O-Y basis from Rs 37.91 Lakhs to Rs 41.57 Lakh due to increase in business activities.

Net profit after tax on Y-O-Y basis has decreased by 22.86% from Rs. 22.42 Lakh to Rs. 17.30 Lakh

Business Environment

The global economy in FY 2015-16 showed a modest recovery, primarily led by the US. This prompted the Fed to announce the first rate hike of 25bps after seven years of accommodative monetary policy. The Euro zone on the other hand continued with its monetary easing programme, in order to provide a further fillip to the weak recovery seen in the region. Japan has also intensified its monetary expansion programme in order to boost inflation and economic growth.

The Indian economy started FY2015-16 on a positive note with a better than expected GDP projection of 8.5%, based on a new series, and a much awaited rate cut of 25bps just before the start of the financial year. The positive outlook did not last, as early predictions of a weak monsoon for the second consecutive year dampened sentiments. Crop losses arising out of the unseasonal rainfall and hailstorms also added to the concerns. However, these concerns did not significantly dent growth during the year, as the country was aided by falling oil and other commodity prices, which helped the Government lower its subsidy bill, thereby achieving the fiscal deficit target, and also helped improve corporate margins.

India's GDP grew at a healthy 7.6% in FY16, up from 7.2% a year ago. The full-year growth was fuelled by a 7.9% growth rate in the fourth quarter of FY16. The fourth quarter GDP growth rate was in fact the fastest in the world for that quarter thus giving a clear indication that the economy is slowly but surely on a recovery path. Agriculture grew by 1.2%, manufacturing by 9.3% and financial sector by 10.3% in FY16. The government has pegged growth in FY17 at 7-7.75%. The CPI for FY16 was at 5.18% down from 5.25% in FY15, while WPI for the year was at -0.91% compared to -2.33% at the end of FY15. During FY16, RBI reduced rates (both repo and reverse repo) by 75bps while the statutory liquidity ratio (SLR) was kept unchanged at 21.5%.

India also managed to meet its fiscal deficit target at 3.9% of GDP for FY16, aided primarily by lower oil and commodity prices. This was a significant improvement over 4.1% in FY15 and 4.7% in FY14. For FY17, the government has set a fiscal deficit target of 3.5% of GDP. India's current account deficit for FY16 is also expected to have shrunk to ~1% of GDP in FY16 compared to a deficit of 1.3% of GDP in fiscal 2015. India's trade deficit also narrowed to \$118.5bn for the fiscal 2016 compared to \$137.95 bn in the previous year helped mainly by lower oil prices.

The government, in its second year, continued with its goal to bring about a quick and concrete turn-around in the economy. The government launched a number of schemes like UDAY, Make in India and Start up India, among others, in order to provide a boost to manufacturing, attract investments and revive the distressed state electricity boards. The Union Budget of 2016 was also oriented towards enhancing infrastructure growth in the country.

Foreign Institutional Investors (FIIs) were net sellers in FY16 of \$2.5 billion versus being net buyers of ~\$2.7 billion in fiscal 2015. There was a net outflow of \$2 billion in equity markets and \$0.5 billion in debt markets during the year. The rupee depreciated by 6% during the year, from Rs.62.49 per US dollar to Rs. 66.25 per US dollar, partly owing to a strengthening of the US dollar against major currencies.

Mutual Fund Industry:

The mutual fund industry witnessed another year of growth with the overall Asset Under Management has grown from Rs.10,82,757 crores as at end March 2015 to Rs.12,32,824 crore as of March 31, 2016, registering a growth of around 14%. The industry witnessed a new milestone when the assets under management crossed Rs. 13, 00,000 Crores during the year. The industry witnessed healthy net inflows into equity oriented and balanced schemes to the tune of more than Rs.93,700 Crores and addition of more than 47 lakh folios. Retail participation in mutual fund products saw a healthy rise during the FY with the retail AUM around 50% of total AUM of the industry at Rs. 622,000 Crores.

The year 2015-16 witnessed credit crisis in the economy. Considering the same, SEBI tightened investment norms for debt and liquid funds. It rationalised a few investments based on credit rating of issuers. In addition, SEBI increased disclosure requirements in relation to brokerages and commission.

II. TRANSFER TO RESERVE AND DIVIDEND

The Company has decided to reinvest its entire profit for future developments. Hence, no dividend is recommended for the year under review.

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

During the Financial Year under review, the Company has not dealt in foreign exchange.

IV. MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

V. **BOARD OF DIRECTORS**

Your Company's Board of Directors is broad-based and its constitution is governed by the provisions of the SEBI (MF) Regulations 1996 as amended from time to time, the Companies Act 2013 as amended and then in force and the Articles of Association of your Company. The Board functions directly as well as through various Board-level Committees constituted to provide focused governance in your Company's important functional areas.

As on March 31, 2016, the Board comprised of five Directors including the Chairman, and four Independent Directors. No Director, KMP or its relatives are related to any other Director/KMP on the Board. The present strength of five directors on the Board, as against constitution for the maximum strength of 12 directors provided for under Article 163 & 164 meets the requirement of Article 162 of the Articles of Association.

During the year under review, no changes took place in the composition of the Board of Directors of the Company:

S No	Name of the Director	Particulars	Appointed
1	Shri B K Batra	Director	28/06/2012
2	Shri J Jayaraman	Director	28/06/2014*
3	Shri A C Mahajan	Director	28/06/2014*
4	Shri P Krishnamurthy	Director	28/06/2014*
5	Shri T M Nagarajan	Director	28/06/2014*

* appointed afresh for a period of five years at the 4th AGM held on 28/06/2014 in compliance with section 149 of the Companies Act 2013.

The Ministry of Corporate Affairs, Government of India has included various provisions under the Companies Act, 2013 relating to composition of the Board of Directors and Committees of Indian companies. Your Company complies with the composition requirements with respect to Board of Directors and Committees.

Name of retiring directors and whether or not they offer themselves for re-appointment:

The Board of the company comprises of 5 directors out of which 4 are independent directors. As per the relevant section, 1/3rd of the directors are liable to retire by rotation. Further as per the Companies Act 2013, Independent Directors are not liable to retire by rotation As per Articles of association of the Company, Chairman is not liable to retire by rotation. Thus, the Company has no director who has been longest in the office and liable to retire by rotation under section 152(6)(a) of the Companies Act, 2013.

Changes in Board, by change of nominees, after the end of Financial Year-

In view of Shri Bal Krishan Batra (DIN: 00015732) having superannuated from IDBI Bank Limited w.e.f. 31st July 2016, nomination of Shri Bal Krishan Batra (DIN: 00015732) as Director and Chairman was

withdrawn by IDBI Bank Limited w.e.f. August 12, 2016 vide their Letter no 112/SAIC/Nominee/IMFTCL Dated August 12, 2016.

The Board has taken on record its deep appreciation for the valuable contribution made by Shri Bal Krishan Batra (00015732) during his tenure as Chairman and Director on the Board of the IDBI MFT.

VI. BOARD MEETINGS HELD DURING THE YEAR

The Company had held Six Board Meetings during the financial year ending 31st March 2016, in compliance with the requirements of the Companies Act, 2013 and SEBI (MF) Regulations, 1996 as amended and applicable from time to time-

Dates on which Board Meetings were held	Total strength of the Board	Director's present
April 21, 2015	5	5
June 30, 2015	5	4
August 25, 2015	5	4
October 28, 2015	5	5
December 31, 2015	5	5
February 29, 2016	5	4

ATTENDANCE OF DIRECTORS AT BOARD MEETINGS

Name of the Director	Attendance at the Board meetings held on					
	April 21, 2015	June 30, 2015	August 25, 2015	October 28, 2015	December 31, 2015	February 29, 2016
Shri B K Batra*	✓	Leave of Absence	Leave of Absence	✓	✓	Leave of Absence
Shri J Jayaraman	✓	✓	✓	✓	✓	✓
Shri A C Mahajan	✓	✓	✓	✓	✓	✓
Shri P Krishnamurthy	✓	✓	✓ **	✓ **	✓	✓
Shri T M Nagarajan	✓	✓	✓	✓	✓	✓

* Due to unavoidable circumstances, Shri B K Batra (DIN: 00015732), Chairman was not able to attend few of the Board Meetings. However, he has been actively participating in the Board processes in disposal of various Board matters. He has also been actively involved in approval process of various Board resolutions through circulation. Given his professional stature and outstanding background, he has also provided important perspectives on all matters relating to business affairs to Board from time to time.

** Shri P Krishnamurthy had attended the said two meetings by way of Video Conferencing in compliance with the provisions of the Companies act 2013.

VII. AUDIT COMMITTEE OF THE BOARD:

The Audit Committee acts as a link between the Auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities, review and approval of all Related Party Transactions and performs its functions as per Section 177 of the Companies Act 2013. An Independent Director chairs the Audit Committee and the Committee comprises of Independent Directors only.

The Committee met six times during the financial year ending 31st March 2016-

Dates on which Audit Committee Meetings were held	Total strength of the Committee	Director's present
April 21, 2015	4	4
June 30, 2015	4	4
August 25, 2015	4	4
October 28, 2015	4	4
December 31, 2015	4	4
February 29, 2015	4	4

ATTENDANCE OF DIRECTORS AT AUDIT COMMITTEE MEETINGS

Name of the Director	Attendance at the Audit Committee Meeting held on					
	April 21, 2015	June 30, 2015	August 25, 2015	October 28, 2015	December 31, 2015	February 29, 2016
Shri T M Nagarajan	✓	✓	✓	✓	✓	✓
Shri J Jayaraman	✓	✓	✓ *	✓ *	✓	✓
Shri A C Mahajan	✓	✓	✓	✓	✓	✓
Shri P Krishnamurthy*	✓	✓	✓	✓	✓	✓

* Shri P Krishnamurthy had attended the said two meetings by way of Video Conferencing in compliance with the provisions of the Companies Act 2013.

VIII. OTHER COMMITTEES

a. Committee of Independent Directors

Pursuant to the provisions of the Companies Act, 2013, the Board of Directors at its Meeting held on August 28, 2014 had formally constituted the Committee of Independent Directors.

Terms of Reference: The terms of reference of the Committee includes review of the performance of non-independent directors and the Board as a whole; to review the performance of the Chairperson of the Company taking into account the views of executive directors and non-executive directors; to assess the quality, quantity and timeliness of flow of information between the IDBI AMC management and the Board that is necessary for the Board to effectively and reasonably perform their duties; to perform such other roles as may be prescribed by the Companies Act, 2013,

Composition: The Committee shall comprise of all the Independent Directors of the Company as on the date of the meeting of the said committee.

As on March 31, 2016, the Committee of Independent Directors comprised four members as under-

S No	Name of the Director	Particulars	Appointed w.e.f. (date)
1	Shri J Jayaraman	Chairperson and Independent Director	28/06/2014*
2	Shri A C Mahajan	Independent Director	28/06/2014*
3	Shri P Krishnamurthy**	Independent Director	28/06/2014*
4	Shri T M Nagarajan	Independent Director	28/06/2014*

* appointed afresh for a period of five years at the 4th AGM held on 27/06/2014 in compliance with section 149 of the Companies Act 2013.

The Committee met three times during the financial year 2015-2016 i.e. on April 21, 2015, October 28, 2015 and February 29, 2016.

IX. DIRECTOR'S RESPONSIBILITY STATEMENT

The Directors hereby confirm:

- ❖ In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- ❖ The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and the profit and loss of the Company for that period
- ❖ The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities
- ❖ The Directors have prepared the annual accounts on a going concern basis; and

❖ The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

X. EXTRACT OF THE ANNUAL RETURN

The extract of the Annual Return as required to be furnished in the format prescribed pursuant to the applicable provisions of the Companies Act, 2013 has been annexed to the report vide **Annexure -‘A’**.

XI. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS

The declarations given by Independent Directors has been annexed to the report vide **Annexure – ‘B’**.

XII. DIRECTOR’S APPOINTMENT AND REMUNERATION POLICY

While the provisions of Section 178 of the Companies Act, 2013 with respect to Nomination and Remuneration Committee and policy are not applicable, the Company has in place Director’s Appointment and Evaluation Policy which was last reviewed and amended on 31 December, 2015. The said policy has been annexed to the report vide **Annexure –‘C’**.

XIII. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT

During the Financial Year under review your Company did not seek / provide for loans and guarantee and has not made any investment.

The Company has during the year made investments in Schemes of Mutual Fund.

Your Directors draw attention of the members to Note 5 to the financial statement which sets out Non Current Investments made by the Company.

XIV. PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES

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 Act read with Rule 8 of the Companies (Accounts) Rules, 2014 vide Annexure – ‘D’.

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

Your Directors draw attention of the members to Schedule 3 Point no. 3.3 to the financial statement which sets out related party disclosures.

XV. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

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

(A) Conservation of energy-

(i) The steps taken or impact on conservation of energy; N.A.

(ii) The steps taken by the company for utilising alternate sources of energy; N.A.

(iii) The capital investment on energy conservation equipments; N.A.

(B) Technology absorption-

(i) The efforts made towards technology absorption;

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution; N.A.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

(a) The details of technology imported; N.A.

(b) The year of import; N.A.

(c) Whether the technology been fully absorbed; N.A.

(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; N.A.
and

(iv) The expenditure incurred on Research and Development: N.A.

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

XVI. DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY

The Company acts as a Trustee to IDBI Mutual Fund. The Trustees have been appointed by the Sponsor (IDBI Bank Limited) vide Trust deed dated 19th February 2010. Further, the Company has appointed IDBI Asset Management Limited (IDBI AMC) as Investment Manager to IDBI Mutual Fund vide Investment Management Agreement dated 26th February 2010. Thus, the Company has supervisory function on the management of operations by IDBI Asset Management Limited which are guided by the SEBI Regulations and Directives and AMFI guidelines issued from time to time. In compliance with the SEBI circular, IDBI AMC has in place a policy manual on managing risks related to the business and is duly implemented. The updated manual was last approved by the Board of the Company in its meeting held on December 31, 2014.

XVII. CORPORATE SOCIAL RESPONSIBILITY POLICY

The Provisions of CSR are not applicable to the Company as of now being below the threshold limit prescribed under the said section.

XVIII. AUDITORS

The Company is a Government Company within the meaning of Government Company defined under the Companies Act 2013. As per section 139(5) of the Companies Act 2013, the auditor of a Government Company shall be appointed or re-appointed by the Comptroller and Auditor-General of India. Comptroller and Auditor-General of India has vide its letter no CA/V/COY/CENTRAL GOVERNMENT, IDBITR(1)/271 dated 09th July, 2015 appointed M/s P. S. Subramania Iyer & Co. (ICAI Firm Registration Number FRN 004104S) Chartered Accountants, Chennai as the Statutory Auditors of the Company. The Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting subject to extension by C&AG. The Company has made an application to C&AG for appointment of Statutory Auditors of IDBI MF Trustee Company Limited for the FY 2016-17 as per the requirements laid down under Section 139 and 141 of the Companies Act, 2013 read with Rule 4 of the Companies (Audit and Auditors) Rules, 2014.

Under Section 139 of the Companies Act, 2013, the remuneration of Auditors appointed by the Comptroller and Auditor General of India, shall be fixed by the Company in the General Meeting. Accordingly, Notice of the Annual General Meeting will include an item pertaining to remuneration of the Auditors for the year 2016-17.

XIX. AUDITOR'S REPORT

The observations of the Statutory Auditors in their report, read with the relevant notes to the financial statement in Note no.3 are self explanatory.

XX. EXPLANATION OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE-

1) STATUTORY AUDITORS:

The Statutory Auditors M/s P. S. Subramania Iyer & Co. (ICAI Firm Registration Number FRN 004104S) have not made any qualification or reservation or adverse remarks in its Auditor Report.

2) C & AG COMMENTS:

The Comptroller and Auditor General of India (C&AG) has decided not to conduct supplementary audit of the financial statements of IDBI MF Trustee Company Limited for the year ended 31st March 2016 under section 143(6)(a) of the Companies Act, 2013.

XXI. MODEL CODE OF CONDUCT

The Directors confirm that all Board members and Senior Management have affirmed compliance with the Company's code of conduct for the Financial Year 2015-16.

XXII. PARTICULARS OF EMPLOYEES

There are no employees covered by Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

XXIII. PERFORMANCE EVALUATION OF THE DIRECTORS ETC

The Board of Directors at its meeting held on August 28, 2014, had laid down criteria for performance evaluation of Directors, Chairperson, Board Level Committees and Board as a whole.

The performances of the members of the Board, the Board level Committees and the Board as a whole were evaluated at the meeting of the Committee of Independent Directors held on April 25, 2016. The Performance evaluation of each individual Director, without the presence of the Director being present, the Board as a whole and its Committees was conducted by the Board of the Directors held on April 25, 2016.

The process for performance evaluation is as under:

- Committee of Independent Directors evaluates the performance of Non-Independent Directors including Chairperson of the Company taking into account the views of Executive Director and Non-Executive Director and also of the Board as a whole.
- The Committee of Independent Directors shall report to the Board of such evaluation. The Board may evaluate the performance of the Non-Independent Directors, excluding the director being evaluated, either independently or considering the evaluation of the Committee of Independent Directors.
- The Board shall evaluate the performance of the Independent Directors excluding the director being evaluated and of the Board as a whole as well as the committees of the Board.
- The evaluation will be carried out by means of assigning rating, within the effectiveness rating band scale of 1 to 5, to each of the key attributes/parameters of the Directors, quality of interactions among them and its effectiveness etc. The ratings allotted shall be calculated as average of the total parameters.

The Board conducted the Performance evaluation of every individual director of the Board without the presence of the Director being evaluated. The concerned directors did not participate during their respective evaluation process.

The Board also conducted the evaluation of the Performance of the Board as a whole and its committees namely Audit Committee and Committee of Independent Directors.

XXIV. SUBSIDIARIES

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

XXV. FIXED DEPOSITS

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

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

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

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

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

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

The Company acts as a Trustee to IDBI Mutual Fund. The Trustee have been appointed by the Sponsor (IDBI Bank Limited- CIN L65190MH2004GOI148838) vide Trust deed dated 19th February 2010. Further the Company has appointed IDBI Asset Management Limited (IDBI AMC) as Investment Manager to IDBI Mutual Fund vide Investment Management Agreement dated 26th February 2010. Thus the Company has the function more of a supervisory on the management of operations by IDBI Asset Management Limited which are guided by the SEBI Regulations and Directives and AMFI guidelines issued from time to time. Since, the operations of the IDBI Mutual Fund are managed by IDBI AMC, the Company has no employees and therefore the provisions of the said Act are not applicable to the Company.

XXIX. 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 structures, policies and guidelines designed to achieve efficiency and effectiveness in operations and compliance with laws and regulations;

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.

Views of the Statutory Auditors of the Company:

The Statutory Auditor of IDBI AMC has in their report dated 25th April 2016 opined that the Company has adequate internal financial controls system in place and is operating effectively.

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 statutory 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 financial year ended March 31, 2016.

XXX. ACKNOWLEDGEMENTS

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

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Mumbai

Date

A C MAHAJAN (00041661)
CHAIRMAN

J Jayaraman (02423487)
DIRECTOR

Annexure – ‘A’

FORM NO. MGT.9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2015

[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:

- i) CIN: - U65991MH2010PLC199326
ii) Registration Date: 25th January, 2010
iii) Name of the Company: IDBI MF TRUSTEE COMPANY LIMITED
iv) Category / Sub-Category of the Company: PUBLIC COMPANY
v) Address of the Registered office and contact details: IDBI Tower, WTC Complex, Cuffe Parade, Mumbai 400 005
Ph. No. 66553355; Fax: 66442801
Email id: manesh.jiandani@idbimutual.co.in
Website: www.idbimutual.co.in
vi) Whether listed company Yes / No: NO
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any: NIL

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:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Trusteeship Services	64300	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ASSOCIATE	% of shares held	Applicable Section
1	IDBI BANK LTD	L65190MH2004GOI148838	Holding	100	2(46)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
f) Insurance Companies g) FIIs h) Foreign Venture Capital Funds i) Others (specify) Sub-total (B)(1):-	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2. Non-Institutions a) Bodies Corp. i) Indian ii) Overseas b) Individuals i) Individual shareholders holding nominal share capital upto Rs. 1 lakh ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh c) Others (specify) Sub-total (B)(2):-	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total Public Shareholding (B) = (B)(1) + (B)(2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
C. Shares held by Custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Grand Total (A+B+C)	-----	2,00,000	2,00,000	100%	-----	2,00,000	2,00,000	100%	NIL

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	IDBI Bank Ltd	2,00,000	100%	0	2,00,000	100%	0	NIL
	Total	2,00,000	100%	0	2,00,000	100%	0	NIL

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		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	2,00,000	100%	2,00,000	100%
2	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e. g. allotment/transfer/bonus/ sweat equity etc):	No Change	No Change	No Change	No Change
3	At the End of the year	2,00,000	100%	2,00,000	100%

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.		Shareholding at the beginning of the year	Cumulative Shareholding during the year
---------	--	---	---

	For Each of the Top 10 Shareholders	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	2,00,000	100%	2,00,000	100%
2	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity etc):	NIL	NIL	NIL	NIL
3	At the End of the year (or on the date of separation, if separated during the year)	2,00,000	100%	2,00,000	100%

(v) Shareholding of Directors and Key Managerial Personnel:

Shri B K Batra (DIN: 00015732) as a nominee of IDBI Bank Limited

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
Shri B K Batra (DIN: 00015732) as a nominee of IDBI Bank Limited					
1	For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2	At the beginning of the year	1	0.00%	1	0.00%
3	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /	NIL	NIL	NIL	NIL

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
Shri B K Batra (DIN: 00015732) as a nominee of IDBI Bank Limited					
	transfer / bonus/ sweat equity etc):				
4	At the End of the year	1	0.00%	1	0.00%

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	NIL	NIL	NIL	NIL
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year	NIL	NIL	NIL	NIL
• Addition				
• Reduction				
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year	NIL	NIL	NIL	NIL
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	NIL	NIL	NIL	NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A.	N.A.	N.A

	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			
2.	Stock Option	N.A.	N.A.	N.A
3.	Sweat Equity	N.A.	N.A.	N.A
4.	Commission - as % of profit - others, specify	N.A.	N.A.	N.A
5.	Others, please specify	N.A.	N.A.	N.A
	Total (A)	N.A.	N.A.	N.A
	Ceiling as per the Act	N.A.	N.A.	N.A

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount
		T M Nagarajan	J Jayaraman	A C Mahajan	P Krishnamurthy	
	3. Independent Directors					
	• Fee for attending board committee meetings	1,40,000	1,40,000	1,40,000	1,40,000	5,60,000
	• Commission	NIL	NIL	NIL	NIL	NIL
	• Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (1)	1,40,000	1,40,000	1,40,000	1,40,000	5,60,000
	4. Other Non-Executive Directors	N.A.	N.A.	N.A	N.A.	N.A
	• Fee for attending board committee meetings	N.A.	N.A.	N.A	N.A.	N.A
	• Commission					
	• Others, please specify					
	Total (2)	N.A.	N.A.	N.A	N.A.	N.A
	Total (B) = (1 + 2)	1,40,000	1,40,000	1,40,000	1,40,000	5,60,000
	Total Managerial Remuneration	NIL	NIL	NIL	NIL	NIL
	Overall Ceiling as per the Act	Not more than Rs. 1 Lakh per meeting of Board or Committee thereof				

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A.	N.A.	N.A.	N.A.
2.	Stock Option	N.A.	N.A.	N.A.	N.A.
3.	Sweat Equity	N.A.	N.A.	N.A.	N.A.
4.	Commission - as % of profit - others, specify...	N.A.	N.A.	N.A.	N.A.
5.	Others, please specify	N.A.	N.A.	N.A.	N.A.
	Total	N.A.	N.A.	N.A.	N.A.

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT /COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT /COURT]	Appeal made, if any (give Details)
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

Annexure 'B'

**Declaration of Independence
[Pursuant to Section 149(6) of the Companies Act, 2013]**

Registration No. of Company : U65991MH2010PLC199326
Nominal Capital : Rs 5,000,000/-
Paid-up Capital : Rs. 2,000,000/-
Name of Company : IDBI MF Trustee Company Limited
Address of its Registered Office : IDBI Tower, WTC Complex, Cuffe Parade,
Mumbai 400 005

To
The Members
IDBI MF Trustee Company Limited
IDBI Tower, WTC Complex, Cuffe Parade,
Mumbai- 400 005

All the directors, declare that pursuant to the provisions of Section 149(6) of the Companies Act, 2013, they meet the criteria of Independence and in the opinion of the Board, are persons of integrity, possess the relevant expertise, experience and that:

- 1) They are not or were not a promoter of the Company or its holding, subsidiary or associate company;
- 2) They are not related to promoters or directors in the company, its holding, subsidiary or associate company;
- 3) They have or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- 4) Neither of their relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- 5) The directors, neither itself nor on behalf of any of their relatives:
 - (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which they are proposed to be appointed;
 - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which I am proposed to be appointed, of—
 - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

- (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;
- (ii) holds together with their relatives two per cent or more of the total voting power of the company; or
- (iii) is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives twenty-five per cent. or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent. or more of the total voting power of the company; or
- (iv) who possesses such other qualifications as may be prescribed.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Mumbai

Date

A C MAHAJAN (00041661) J Jayaraman (02423487)
CHAIRMAN DIRECTOR

Annexure 'C'

DIRECTORS APPOINTMENT AND EVALUATION POLICY

IDBI MF Trustee Company Limited

Change Matrix	
Title:	Director's Appointment and Evaluation Policy
DOC ID:	IDBIAM-NRP-2.0
Policy Owner:	Secretarial Department, IDBI AMC
Policy Administrator:	Secretarial Department, IDBI AMC
Policy Adherence by:	Secretarial Department, IDBI aMC
Release Date:	December 2015
Last Date of Update:	December 2015
Version Number:	2.0
Reviewed By:	Secretarial Department, IDBI AMC
Approved By:	
Propriety:	This document is the sole property of IDBI MF Trustee Company Limited. Any use or duplication of this document without express permission of IDBI MF Trustee Company is strictly forbidden and illegal.
Note:	This Policy is prepared keeping in mind the industry practices and as per Companies act 2013. The manual will be reviewed and updated every financial year.

IDBI MF TRUSTEE COMPANY LTD.

DIRECTORS' APPOINTMENT AND EVALUATION POLICY

IDBI MF Trustee Company Limited (IDBI MFT), Trustee to IDBI Mutual Fund (“the Mutual Fund”) is a subsidiary of IDBI Bank Limited.

The provisions of Companies Act 2013 have been made effective from 01st, April 2014. In terms of Section 178 (e), Section 134(3)(p) and Schedule IV of the Companies Act 2013, the Company is required to formulate a Director’s appointment and Evaluation policy.

The policy broadly covers the relevant extracts of Articles of Association with respect to the Constitution of Board, appointment of Directors. It also covers the manner of performance evaluation of the Directors and Board as a whole, and relevant formats for evaluation.

Constitution of the Board

As per Article 162(a) of the Articles of Association of the Company, the Board of Directors of IDBI Asset Management Limited shall have not less than 4 Directors and not more than 12 Directors. The Constitution of the Board as provided under Article 162(b) read with Article 163(b) shall be as follows :

162(b) Not less than Two third of the total number of members of the Board of Directors shall be independent Directors having special knowledge or practical experience in the fields such as portfolio management, investment analysis, financial administration etc. not liable to retire by rotation, for an initial term of 5 consecutive years, but shall be eligible for re-appointment on passing of a Special Resolution for not more than one more term of 5 years, subject to the maximum term of 10 years, and disclosure of such appointment in the Board’s report. The Company shall comply with all other relevant provisions pertaining to Independent Directors contained in the Companies Act, 2013 read with the relevant provisions of the SEBI (MF) Regulations 1996 as amended/ reenacted from time to time, as applicable and such other laws as may be applicable to the Company from time to time.

(ii) Notwithstanding anything to the contrary contained in these Articles of Association, IDBI MF Trustee Company Limited shall ensure that at least one Director on the Board has stayed in India for a total period of not less than one hundred and eighty two days in the previous calendar year.

163(b) IDBI Bank Ltd. shall be entitled to appoint/nominate or cause to be elected two Directors out of the total number of Directors on the Board. The Directors so appointed/nominated by IDBI Bank Ltd. shall be liable to be removed by IDBI Bank Ltd. at its discretion and IDBI Bank Ltd. shall also be entitled to nominate/appoint, substitute in his or their place, and upon such removal, the person so nominated/appointed shall cease to be the Director of the Company with

effect from the date on which IDBI Bank Ltd. shall advise the Company about the withdrawal of the nomination/appointment. The Directors shall conform to such criterion as may be prescribed by Mutual Fund Regulations or as may be laid down by SEBI

163(j) No person shall be qualified to be a Director if his appointment is in contravention with any law or Mutual Fund Regulations, if, by amendment of any law or Mutual Fund Regulations, his continuance in office is in contravention of such law or Mutual Fund Regulations and he shall immediately vacate his office and on such vacation and he shall not be entitled to any compensation.

163(l) Notwithstanding anything contained herein, the composition of the Board of Directors shall be such as specified from time to time by SEBI.

164(a) Subject to the provisions of the Act, the Directors may from time to time appoint or re-appoint one or more of them to be the Managing Director(s) or the Whole Time Director(s) of the Company for such terms not exceeding five years and subject to such remuneration, terms and conditions as they may think fit. The Directors except the Chairman, MD &CEO and Independent Directors shall be liable to retire by rotation

Mode of Appointment of Directors

- (1) As per the Board constitution provided under Article 163(b), the appointment / nomination of Directors prescribed therein, shall be made by IDBI Bank Limited. Suitable orders will be issued by IDBI Bank to appoint (i) Chairman; (ii) nomination of Associate Director; In terms of the provisions of the Companies Act, 2013, all appointments/nominations made by IDBI Bank shall be submitted to the Board and also approved by the shareholders at the General Meeting.
- (b) After Board's identification as above, the Independent Director is appointed initially as an Additional Director. The candidature of such person shall be submitted to the next General Meeting for approval of the appointment by following the procedure contained under Section 160 of the Companies Act, 2013. All shareholders will be eligible to elect the Independent Directors. The initial term of Independent Directors will be 5 consecutive years extendable to one more term of 5 consecutive years by passing a Special Resolution at the General Meeting. In any case, the total term shall not exceed 10 years in terms of Companies Act 2013.
- (c) After approval of Independent Directors' appointment, a formal appointment letter with contents prescribed under Schedule IV of the Companies Act, 2013 will be issued to the Independent Directors so appointed.
- (d) In terms of Article 162(b)(ii), the Bank will ensure that atleast one of the Directors on the Board has stayed in India for total period of not less than 182 days during the previous calendar year.
- (f) The intermittent vacancy of an Independent Director shall be filled up by the Board at the earliest but not later than immediate next Board Meeting or 3 months from the date of such vacancy, whichever is later.

Performance Evaluation of Individual Directors by the Board

- (i) In terms of the provisions of Schedule IV (Para VIII) and Section 134(1)(p) of the Companies Act, 2013, performance evaluation of the directors individually shall be done annually by the Board of Directors in the first meeting after the end of the Financial Year or at any meeting in the Financial Year at the discretion of the Chairman.
- (ii) The performance evaluation of individual Directors by the Board shall be done on the evaluation sheet as per the format given at Annexure I to this Policy.
- (iii) On the basis of the report of performance evaluation, the Board/Chairman will determine whether to extend or dis-continue the term of appointment of Independent Directors.

Performance Review of Non Independent Directors , Executive Directors, the Chairperson by Independent Directors and the Board as a whole.

- (i) In terms of the provisions of Schedule IV (Para VII) of the Companies Act, 2013, Independent Directors shall hold an Annual Meeting once in every Financial year without the attendance of Non Independent Directors and members of the Management and review the performance of Non Independent Directors.
- (ii) The Independent Directors shall also review the performance of Chairperson of the Company taking into account the views of Executive Director and Non Executive Directors. The Performance of the Executive Director shall be reviewed after taking into account the views of the other Directors.
- (iii) The performance review of Non Independent Directors including Executive Director by Independent Directors shall be done on the review sheet as per the format given at Annexure II and that of Chairperson of the Company will be done on the format given at Annexure III. The Performance Review of the Board as a whole shall be as per format given at Annexure IV.

Rating process and criteria

- (i) The forms shall be handed over to the Chairman at the meeting wherein the performance of the Director or Board is proposed to be evaluated.
- (ii) The Director whose performance is being evaluated shall excuse himself from the room at that time.
- (iii) The effectiveness rating band shall be of scale 1 to 5 with 1 being the least effective and 5 the most effective. (Decimals allowed upto 1 digit i.e. 4.5 or 3.2).
- (iv) The effectiveness rating shall be provided on each parameter with respect to the Director based on the above scale.
- (v) The ratings allotted shall be calculated as average of the total parameters.
- (vi) The average marking scheme with respect to the performance of Directors shall be as under

Rating band	Performance criteria
Upto 1	Very Poor
Above 1 and upto 2	Poor
Above 2 and upto 3	Satisfactory
Above 3 and upto 4	Good
Above 4 and upto 5	Excellent

The minimum average score for being considered for continuation as director shall be 3

(vii) The average marking scheme with respect to the attendance of Directors shall be as under

Criteria	Marks
If the Director has attended the maximum number of Board meetings as required under Companies Act 2013	5
If the Director has not has attended the minimum number of Board meetings as required under Companies Act 2013	0

Process for Performance Evaluation

The process for performance evaluation is as under:

- Committee of Independent Directors evaluates the performance of Non-Independent Directors including Chairperson of the Company taking into account the views of Executive Director and Non-Executive Director, if any and also of the Board as a whole.
- The Committee of Independent Directors shall report to the Board of such evaluation. The Board may evaluate the performance of the Non-Independent Directors, excluding the director being evaluated, either independently or considering the evaluation of the Committee of Independent Directors.
- The Board shall evaluate the performance of the Independent Directors excluding the Director being evaluated and of the Board as a whole as well as the committees of the Board.
- The evaluation will be carried out by means of assigning rating, within the effectiveness rating band scale of 1 to 5, to each of the key attributes/parameters of the Directors, quality of interactions among them and its effectiveness etc. The ratings allotted shall be calculated as average of the total parameters.
- The Board conducted the Performance Evaluation of every individual Director of the Board without the presence of the Director being evaluated. The concerned Directors did not participate during their respective evaluation process.
- The Board also conducted the Evaluation of the Performance of the Board as a whole and its committees namely Audit Committee and Committee of Independent Directors.

Review:

The Policy shall be reviewed by the Board at least on a yearly basis or at such intervals as may be required at the discretion of the Chairman of the Board.

Record keeping: The AMC shall maintain records of evaluation sheets perpetually and shall minute the results of the evaluation

The policy shall be effective from FY 2015-16

FORM NO. AOC.2

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 arms length transactions under third proviso thereto

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

1. Details of contracts or arrangements or transactions not at arm's length basis
 - (a) **Name(s) of the related party and nature of relationship:**
 - (b) **Nature of contracts/arrangements/transactions:**
 - (c) **Duration of the contracts/arrangements/transactions:**
 - (d) **Salient terms of the contracts or arrangements or transactions including the value, if any**
 - (e) **Justification for entering into such contracts or arrangements or transactions**
 - (f) **Date(s) of approval by the Board**
 - (g) **Amount paid as advances, if any:**
 - (h) **Date on which the special resolution was passed in general meeting as required under first proviso to section 188**

2. Details of material contracts or arrangement or transactions at arm's length basis
 - (a) **Name(s) of the related party and nature of relationship:** IDBI Mutual Fund constituted by IDBI Bank Limited – Holding Company
 - (b) **Nature of contracts/arrangements/transactions:** To obtain Trusteeship Fees
 - (c) **Duration of the contracts/arrangements/transactions:** Entered into Trust Deed Dated 19th February 2010 with the Company. The settlor has constituted a Trust in the name of IDBI Mutual Fund. The Settlor has appointed IDBI MF Trustee Company Limited as Trustees to the Mutual Fund. The Trustees are responsible for the management of Mutual Fund, to hold Trust property, to provide information to Unit Holders, SEBI, Settlor, to ensure compliance by Mutual Fund, to protect interest of the unit holders, to frame, formulate and Launch Schemes. The Settlor has contributed Rs. 20 lakhs in the equity capital of the Company.
 - (d) **Salient terms of the contracts or arrangements or transactions including the value, if any:**
Trusteeship fees: The Trustee shall be entitled to receive a fee not exceeding 0.01% per annum of the daily/net assets of the Mutual Fund subject to maximum fee not exceeding Rs. 10 lakhs per annum. The Trustee shall also be entitled for reimbursement of all costs, charges and expenses incurred in the course of the administration and execution of the Fund. Such reimbursement would always be to the extent permitted under the Regulations.
 - (e) **Date(s) of approval by the Board, if any:** 11th February, 2010.
 - (f) **Amount paid as advances, if any:** NIL

(g) Justification for entering into the contracts/arrangements/transactions: Schedule III of SEBI (Mutual Fund) Regulations 1996 allows IDBI MF Trustees Company Limited to recover from the schemes Trusteeship fees for supervising the operations of the schemes of IDBI Mutual Fund as per the Trust deed dated 19th February 2010 entered into with IDBI Bank Limited (Sponsor to IDBI Mutual Fund).

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Mumbai

Date

A C MAHAJAN (00041661) J Jayaraman (02423487)
CHAIRMAN DIRECTOR

FORM NO. AOC.2

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 arms length transactions under third proviso thereto

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

1. Details of contracts or arrangements or transactions not at arm's length basis
 - (a) **Name(s) of the related party and nature of relationship:**
 - (b) **Nature of contracts/arrangements/transactions:**
 - (c) **Duration of the contracts/arrangements/transactions:**
 - (d) **Salient terms of the contracts or arrangements or transactions including the value, if any**
 - (e) **Justification for entering into such contracts or arrangements or transactions**
 - (f) **Date(s) of approval by the Board**
 - (g) **Amount paid as advances, if any:**
 - (h) **Date on which the special resolution was passed in general meeting as required under first proviso to section 188**

2. Details of material contracts or arrangement or transactions at arm's length basis
 - (a) **Name(s) of the related party and nature of relationship:** IDBI Asset Management Limited – Group Company
 - (b) **Nature of contracts/arrangements/transactions:** To pay Secretarial, Accounting and Administration expenses
 - (c) **Duration of the contracts/arrangements/transactions:** The arrangement shall be in existence till the IDBI AMC acts as investment manager to IDBI Mutual Fund in terms of Investment Management agreement entered into with the Company
 - (d) **Salient terms of the contracts or arrangements or transactions including the value, if any:**

IDBI Asset Management Limited being an investment manager to IDBI Mutual Fund also provides secretarial and account services to the Company. The employees of IDBI AMC manage the above services. Further all other expenses towards utility bills etc are borne by IDBI AMC.

Secretarial & accounting service expenses: Certain common expenses incurred by AMC such as Rent, Electricity, Maintenance relating to Mumbai office premises and also a portion of salary expenses for the services rendered by AMC. Out of the above common expenses IDBI AMC charges 5% to MF Trustee Co. The Services of around 12 officials are being used for MF Trustee Co related work as MF Trustee Co. does not have any employee on its rolls. These AMC officials take care of the work relating to secretarial matters, conducting of meetings, ROC work, accounts/tax matters, SEBI compliance etc. IDBI AMC is charging 1% of salary expenses which would work out to Rs. 12 lakh p.a.
 - (e) **Date(s) of approval by the Board, if any:** 22nd October, 2013.
 - (f) **Amount paid as advances, if any:** NIL
 - (g) **Justification for entering into the contracts/arrangements/transactions:** The secretarial and account services of the Company are managed by the employees of the IDBI AMC (Investment Manager to IDBI Mutual Fund), since the Company has no employees on roll. Also since the Company also shares premises due to above services, it is prudent to also share other expense with

IDBI AMC. Thus with approval of Board a percentage share was arrived at so as to cover the expenses and services and a policy in this regard was formulated and put in place.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Mumbai

Date

A C MAHAJAN (00041661)
CHAIRMAN

J Jayaraman (02423487)
DIRECTOR

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL
STATEMENTS OF IDBI MF TRUSTEE COMPANY LIMITED FOR THE YEAR
ENDED 31 MARCH 2016**

The preparation of financial statements of IDBI MF Trustee Company Limited for the year ended 31 March 2016 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 25 April 2016.

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

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of IDBI MF Trustee Company Limited for the year ended 31 March 2016 under section 143(6)(a) of the Act.

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



(Roop Rashi)

Principal Director of Commercial Audit and
ex-officio Member, Audit Board-I, Mumbai

Place : Mumbai

Date : 19 July 2016



P.S. SUBRAMANIA IYER & CO.

CHARTERED ACCOUNTANTS

JAYSHREE APARTMENTS, NEW NO.60, OLD NO. 39, SECOND MAIN ROAD, RAJA ANNAMALAI PURAM, CHENNAI - 600 028.

PHONE : 2435 30 20 / 2435 40 30 / 2435 30 40 / 4211 20 90 E-mail : pss@pssca.in

AUDITOR'S REPORT

To The Members of
IDBI MF Trustee Company Limited

We have audited the accompanying financial statements of IDBI MF Trustee Company Limited, which comprise the Balance Sheet as at March 31, 2016, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the matters in section 134(5) of the companies Act 2013("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting principles generally accepted in India including the Accounting Standard specified under Section 133 of the Act read with Rule 7 of the Companies(Accounts) Rules 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the company and for preventing and detecting the 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 internal financial control that were operating effectively for ensuring accuracy and completeness of the accounting records relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's performance and fair



presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- (b) In the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on other legal and Regulatory requirements:

1. As required by the Companies (Auditor's Report) order, 2016 ("the order") issued by the Central Government of India in terms of section 143 of the Companies Act 2013, we give in the Annexure of statement on the matters specified in paragraphs 3 and 4 of the order.
2. As required under section 143(5) of the companies Act 2013, we have reported on the matters specified under directions issued by the Controller and Auditors General of India as annexure to this Report.
3. 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 purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books .
 - c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account .
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the act read with the Rule 7 of the Companies Accounts Rules 2014.



- e. On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, 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, the management is of the view that due to nature of activities and size of the company the adequate internal financial controls are in place.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

**For P.S.Subramaniam & Co.,
Chartered Accountants
Firm Regn.No.004104S**



**V.Mohan
Partner
Membership No.026590
Place: Mumbai
Date : 25st April 2016**



Annexure to the Auditor's Report

Referred to in our para 3 of our report of even date of the accounts for the period ended 31st March 2016 of IDBI MF Trustee Company Limited.

- i) The Nature of companies activities during the period has been such that clauses i) of para 3 of the order are not applicable to the company for the period.
- ii) The Nature of companies activities during the period has been such that clauses ii) of para 3 of the order are not applicable to the company for the period.
- iii) As per the books of account examined by us, the company has not granted/taken Loan secured/unsecured to/from companies, firms or other parties covered in the register maintained under section 189 of the companies Act 2013.
- iv) In respect of Investments transactions section 185 and 186 of the companies Act, 2013 have been complied with.
- v) The company has not accepted any deposits from the public, within the meaning of Sections 73 to 76 Act,
- vi) As explained to us, the provisions of sub section(1) of section 148 of the Companies Act, 2013 for maintenance of cost records are not applicable to the Company.
- vii) (a) According to the records provided to us, the company is regular in depositing undisputed statutory dues including Provident Fund, Contribution under Employees State Insurance Act, Income-tax, Sales-tax, Wealth Tax, Service Tax, Cess and other statutory dues with the appropriate authorities.
(b) According to the information and explanations given to us, no undisputed amount is payable in respect of income tax, wealth tax, sales tax, service tax, cess and other statutory dues as at 31st March, 2016 for a period of more than six months from the date they became payable.
- viii) The company has not availed any Credit facility from Financial Institution, Bank, Government or Debenture Holders.
- ix) No amounts have been raised by way of initial public



- x) Based on the audit procedures adopted and information and explanations given to us by the management, no fraud on or by the company has been noticed or reported during the course of our audit.
- xi) No managerial remuneration has been paid or provided during the year under review.
- xii) The company is not a Nidhi Company.
- xiii) All the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;
- xiv) No preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv) No non-cash transactions with directors or persons connected with him have been entered during the year;
- xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For P.S.SubramaniaIyer & Co.,

Chartered Accountants

Firm Regn.No.004104S



V.Mohan

Partner

Membership No.026590



Place: Mumbai

Date :25.04.2016

Annexure to the Auditor's Report u/s 143(5) of The Companies Act, 2013

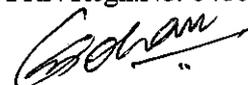
1. The company has adequate Internal control system in place and is operating effectively.
2. During the course of our audit and as per programme of our verification, we have not noticed any adverse features on the functioning of the company.
3. Comment on other matters :
Directions issued u/s 143(5) of the Companies Act, 2013 by C & AG

S.No	PARTICULARS	STATUTORY AUDITORS REMARKS
1	Whether the company has clear title/ lease deeds for freehold and leasehold land respectively? If not please state the area of freehold and leasehold land for which title/lease deeds are not available.	We were informed that the company has no freehold / leasehold land and hence the points required to be reported are not applicable for this company.
2	Whether there are any cases of waiver / write off of debts/ loans / interest etc., if yes, the reasons there for and the amount involved.	The company has no outstanding in respect of Debts/loans/interest etc and hence the question of write off does not arise for the company
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gifts/ grant(s) from Govt. or other authorities.	The company does not have any Inventory/Assets and hence maintenance of records do not arise for this company

For P. S. SUBRAMANIA IYER & CO.

Chartered Accountants

FRN Regn.No: 04104S



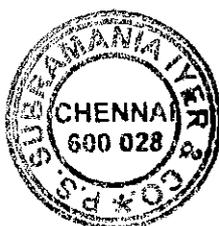
V.Mohan

Partner

Membership No: 026590

Place:Mumbai

Date: 25.04.2016



IDBI MF TRUSTEE COMPANY LIMITED
(CIN:U65991MH2010PLC199326)
Balance Sheet as at 31st March 2016

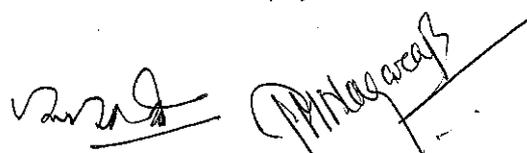
Particulars		Note No.	As at 31st March 2016	As at 31st March 2015
I. EQUITY AND LIABILITIES				
1 Shareholders' funds				
(a)	Share capital	1	2,000,000	2,000,000
(b)	Reserves and surplus	2	8,761,389	7,031,246
(c)	Money received against share warrants		-	-
			10,761,389	9,031,246
2 Share application money pending allotment				
3 Non-current liabilities				
(a)	Long-term borrowings		-	-
(b)	Deferred tax liabilities (Net)		-	-
(c)	Other Long term liabilities		-	-
(d)	Long-term provisions		-	-
4 Current liabilities				
(a)	Short-term borrowings		-	-
(b)	Trade payables		-	-
(c)	Other current liabilities	3	918,020	388,110
(d)	Short-term provisions	4	-	50,880
			918,020	438,990
TOTAL			11,679,409	9,470,236
II. ASSETS				
Non-current assets				
1 (a) Fixed assets				
(i)	Tangible assets		-	-
(ii)	Intangible assets		-	-
(iii)	Capital work-in-progress		-	-
(iv)	Intangible assets under development		-	-
(b)	Non-current investments	5	-	-
(c)	Deferred tax assets (net)		-	-
(d)	Long-term loans and advances		-	-
(e)	Other non-current assets		-	-
2 Current assets				
(a)	Current investments	5	10,851,552	8,735,038
(b)	Inventories		-	-
(c)	Trade receivables	6	471,470	491,128
(d)	Cash and cash equivalents	7	12,677	33,782
(e)	Short-term loans and advances		-	-
(f)	Other current assets	8	343,711	210,288
			11,679,409	9,470,236
TOTAL			11,679,409	9,470,236

For P.S. Subramania Iyer & Co.,
Chartered Accountants
Firm Regn No 004104S



V. Mohan
Partner
M.No.026590
Place: Mumbai
Date: 25th April 2016

For IDBI MF Trustee Company Limited



B K Batra
Chairman
DIN: 00015732

T M Nagarajan
Director
DIN: 00518074

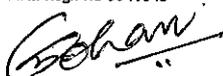


IDBI MF Trustee Company Limited
(CIN:U65991MH2010PLC199326)

Profit and loss statement for the period ended 31st March 2016

Particulars	Refer Note No.	For the period ended 31st March 2016	For the period ended 31st March 2015
I. Revenue From Operations	9	63,95,780	68,70,168
II. Other income		-	43,660
III. Total Revenue (I + II)		63,95,780	69,13,828
IV. Expenses:			
Employee benefits expense		-	-
Operating Costs	10	41,57,381	37,91,313
Marketing, Sales & Distribution Expenses	11	-	-
Profit before exceptional and extraordinary items and tax (III-IV)		22,38,399	31,22,515
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V - VI)		22,38,399	31,22,515
VIII. Extraordinary items		-	-
IX. Profit before tax (VII- VIII)		22,38,399	31,22,515
X Tax expense:			
(1) Current tax		5,63,245	8,73,608
(2) Deferred tax		-	6,180
(3) Prior Period Income Tax		(54,990)	-
Profit (Loss) for the period from continuing operations (VII-VIII)	XI	17,30,143	22,42,727
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)	XIV	-	-
XV Profit (Loss) for the period (XI + XIV)		17,30,143	22,42,727
Basic		8.65	11.21

For P.S. Subramania Iyer & Co.,
Chartered Accountants
Firm Regn No 0041045



V. Mohan
Partner

M.No.026590
Place: Mumbai

Date: 26th April 2016

For IDBI MF Trustee Company Limited

B.K. Batra
Chairman
DIN: 00015732

T.M. Nagarajan
Director
DIN: 00518074

IDBI MF Trustee Company Limited
(CIN:U65991MH2010PLC199326)

Cash Flow Statement for the period ended 31.03.2016			
Ref No	Particulars	31 March' 2016	31 March' 2015
(A)	Cash Flow from Operating Activities :		
	Profit/(Loss) after Tax	1,730,143	2,242,727
	Adjustments-		
	Deferred tax	-	6,180
	Profit on sale of investments	(1,941)	(259,025)
	Dividend Income	(464,573)	(334,755)
	Other Income	-	(43,660)
	Operating Profit/(Loss) before Working Capital changes	1,263,629	1,611,467
	(Increase)/Decrease in Current Assets	(113,765)	444,310
	Increase/(Decrease) in Current Liabilities	479,030	108,994
	Net Cash from Operating activities (A)	1,628,895	2,164,772
(B)	Cash Flow from Investing activities		
	Purchase of Fixed Assets	-	-
	(Increase)/Decrease in Investments	(2,116,514)	(2,784,754)
	Profit on sale of investments	1,941	259,025
	Sale of Fixed Assets	-	-
	Dividend Income	464,573	334,755
	Interest Income	-	-
	Other Income	-	43,660
	Net Cash used in Investing Activities (B)	(1,650,000)	(2,147,315)
(C)	Cash Flow from Financing activities		
	Increase in Share Capital	-	-
	Net Cash from Financing Activities (C)	-	-
	Cash & Cash Equivalents for the year	(21,105)	17,457
	Cash & Cash Equivalents at the Beginning of the year	33,782	16,325
	Cash & Cash Equivalents at the End of the year	12,677	33,782
	Cash & Cash Equivalents Comprise of :		
	Cash on hand	-	-
	Bank Accounts	12,677	33,782

Significant Accounting Policies and Notes to Accounts
Vide our Report of Even Date

For P.S. Subramania Iyer & Co.,
Chartered Accountants
Firm Regn No 0041045



V. Mohan
Partner
M.No.026590
Place: Mumbai
Date: 25th April 2016

For IDBI MF Trustee Company Limited



B K Batra
Chairman
DIN: 00015732



T M Nagarajan
Director
DIN: 00518074

Note 1 :

<u>Share Capital</u>	Note No.	As at 31st March 2016	As at 31st March 2015
<u>Authorised</u>			
5,00,000 Equity shares of Rs. 10/- each	1	50,00,000	50,00,000
<u>Issued</u>			
2,00,000 Equity shares of Rs. 10/- each are held by IDBI Bank Limited, Holding Company, and no Fresh allotment has been made in the year.		20,00,000	20,00,000
<u>Subscribed & fully Paid up</u>			
2,00,000 Equity shares of Rs. 10/- each are held by IDBI Bank Limited, Holding Company, and no Fresh allotment has been made in the year.		20,00,000	20,00,000
<u>Subscribed but not fully Paid up</u>			
Total		20,00,000	20,00,000

Note 2 :

<u>Reserves & Surplus</u>	As at 31st March 2016	As at 31st March 2015
a. Capital Reserves		
Opening Balance		-
(+) Current Year Transfer		-
(-) Written Back in Current Year		-
Closing Balance		-
b. Capital Redemption Reserve		
Opening Balance		-
(+) Current Year Transfer		-
(-) Written Back in Current Year		-
Closing Balance		-
c. Securities Premium Account		
Opening Balance		-
Add : Securities premium credited on Share issue		-
<u>Less : Premium Utilised for various reasons</u>		-
Premium on Redemption of Debentures		-
For Issuing Bonus Shares		-
Closing Balance		-
d. Debenture Redemption Reserve		
Opening Balance		-
(+) Current Year Transfer		-
(-) Written Back in Current Year		-
Closing Balance		-
e. Revaluation Reserve		
Opening Balance		-
(+) Current Year Transfer		-
(-) Written Back in Current Year		-
Closing Balance		-
f. Share Options Outstanding Account		
Opening Balance		-
(+) Current Year Transfer		-
(-) Written Back in Current Year		-
Closing Balance		-
g. Profit & Loss		
Opening balance	70,31,246	47,88,519
(+) Net Profit/(Net Loss) For the current year	17,30,143	22,42,727
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Income Tax Provision of Last Year Transfer	-	-
(-) Deferred Tax Provision of Last Year Transfer	-	-
Closing Balance	87,61,389	70,31,246
Total	87,61,389	70,31,246



Note 3 :

Other Current Liabilities	As at 31st March 2016	As at 31st March 2015
(a) Current maturities of long-term debt	-	-
(b) Current maturities of finance lease obligations	-	-
(c) Interest accrued but not due on borrowings	-	-
(d) Interest accrued and due on borrowings	-	-
(e) Income received in advance	-	-
(f) Unpaid dividends	-	-
(g) Application money received for allotment of securities and due for refund	-	-
(h) Unpaid matured deposits and interest accrued thereon	-	-
(i) Unpaid matured debentures and interest accrued thereon	-	-
(j) Other payables (specify nature)	-	-
Creditors for Expenses	7,30,755	2,23,486
Service Tax Payable	-	-
TDS Payable	72,315	83,624
Payable to Parent Company	-	-
Audit Fees Payable	1,14,950	81,000
Total	9,18,020	3,88,110



Note 4 :

Short Term Provisions	As at 31st March 2016	As at 31st March 2015
(a) Provision for employee benefits		
Salary & Reimbursements	-	-
Contribution to PF	-	-
Gratuity (Funded)	-	-
Leave Encashment (funded)	-	-
Superannuation (funded)	-	-
ESOP / ESOS	-	-
(b) Others		
Provision For Income Tax	-	50,880
Provision For Other Liabilities	-	-
Total	-	50,880

Note 5 :

Particulars	As at 31st March 2016	As at 31st March 2015
(a) Investment in Equity Instruments	-	-
(b) Investments in preference shares	-	-
(c) Investments in Government or Trust securities	-	-
(d) Investments in Debentures or Bonds	-	-
(e) Investments in Mutual Funds	1,08,51,552	87,35,038
(f) Investments in partnership firms*	-	-
(g) Other non-current investments (specify nature)	-	-
Total (A)	-	-
Less : Provision for diminution in the value of Investments	-	-
Total	1,08,51,552	87,35,038

Particulars	As at 31st March 2016	As at 31st March 2015
Aggregate amount of quoted investments (Market value Rs. 10,870,153)	1,08,51,552	87,35,038
Aggregate amount of unquoted investments (Previous Year 2012)	NIL	NIL

Note 5 :

Details of Non Current Investments											
Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Special Purpose Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (₹)		Basis of Valuation
			2016	2015			2016	2015	2016	2015	
(a)	Investment in Equity Instruments										
(b)	Investments in Preference Shares										
(c)	Investments in Government or Trust securities										
(d)	Investments in Debentures or Bonds										
(e)	Investments in Mutual Funds										
(f)	Investments in partnership firms*										
(g)	Other non-current investments (specify nature)										
	(i) Limited Liability Partnership										
	Total									0.00	

cont...

Note 6 :

Trade Receivables	As at 31st March 2016	As at 31st March 2015
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	4,71,470	4,91,128
Unsecured, considered doubtful	-	-
Less: Provision for doubtful debts	-	-
	4,71,470	4,91,128
exceeding six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	-	-
Unsecured, considered doubtful	-	-
Less: Provision for doubtful debts	-	-
	-	-
	-	-
Total	4,71,470	4,91,128

Note 7 :

Cash and cash equivalents	As at 31st March 2016	As at 31st March 2015
a. Balances with banks in current account*	12,677	33,782
This includes:		
Earmarked Balances (eg/- unpaid dividend accounts)	-	-
Margin money	-	-
Security against borrowings	-	-
Guarantees	-	-
Other Commitments	-	-
Bank deposits with more than 12 months maturity	-	-
b. Cheques, drafts on hand	-	-
c. Cash on hand*	-	-
d. Others (specify nature)	-	-
	12,677	33,782



Note 8 :

Other Current Assets	As at 31st March 2016	As at 31st March 2015
a. Loans & Advances		
Tax Deducted at Source	2,07,850	15,360
b. Advance Tax Paid	-	-
c. Service Tax Receivable	1,35,861	1,94,927
d. Advance to Vendors	-	-
e. Deferred Tax Asset	-	-
f. Interest Receivable	-	-
	3,43,711	2,10,288

Notes to Profit & Loss Account

		For the period ended 31st March 2016	For the period ended 31st March 2015
Note 9 :	Sale of Services		
	Trusteeship Fees	59,29,266	62,76,388
	Profit on Sale of Investments	1,941	2,59,025
	Dividend Income	4,64,573	3,34,755
		63,95,780	68,70,168
	Other Income		
	Interest Income	-	43,660
		-	43,660
Note 10 :	Office Expenses		
	Secretarial and Accounts Services Fees	28,38,850	26,36,490
	Rates & Taxes	26,190	31,000
	Travel & Halting Expenses	5,88,873	5,65,873
	Audit Fees	1,10,000	95,000
	Professional Associations	33,468	47,950
	Director Sitting Fees	5,60,000	4,15,000
		41,57,381	37,91,313

IDBI MF TRUSTEE COMPANY LIMITED
(CIN: U65991MH2010PLC199326)

Schedules to the financial statements

For the year ended 31st March 2016
(Currency: Indian rupees)

1 Background

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

2 Significant Accounting Policies

2.1 Basis of preparation of financial statements

The financial statements are prepared and presented under the historical cost convention of accrual basis of accounting and in accordance with the provisions of the Companies Act, 2013 ('the Act') and the accounting principles generally accepted in India complying with the accounting standards prescribed under the Companies (Accounting Standards) Rules, 2006, to the extent possible.

2.2 Use of estimates

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

2.3 Revenue Recognition

Trusteeship fees:

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

Other income:

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

2.4 Scheme/other Expenses

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

2.5 Earnings per share

The basic earning per share is computed by dividing the net profit attributable to the equity shareholders by number of equity shares outstanding during the reporting period.

2.6 Taxation

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

Current taxes

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

Deferred taxes

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

2.7 Provisions and Contingencies

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

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

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

3. NOTES TO ACCOUNTS

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

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

3.1 Earnings per share has been computed as under:

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

Earnings per share	31 st March 2016	31 st March 2015
Net (Loss)/ Profit after tax attributable to equity shareholders(A) Rs.	17,30,143	22,42,727
Calculation of weighted average number of equity shares(B) :	2,00,000	2,00,000
- No. of shares at the beginning of the period	2,00,000	2,00,000
- No. of shares issued during the period	NIL	NIL
- Total No. of shares outstanding at the period	2,00,000	2,00,000
- Nominal Value of the equity share - Rs. per share	10/-	10/-
- Paid up value of the equity share - Rs. Per share	10/-	10/-
Basic (loss)/ earnings per share of the face value of Rs.10/- for the period(A)/(B)-Rs.	8.65	11.21

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

3.3 Related party disclosures:

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

(A) List of related parties and relationship :

I	Individuals having control with relatives & associates	
	Satya Narayan Baheti	Managing Director and Chief Executive Officer of IDBI Asset Management Limited

II	Key Management Personnel	
	Satya Narayan Baheti	Managing Director and Chief Executive Officer of IDBI Asset Management Limited

III	Entities owned or significantly influenced by Directors and/or key management personnel or their relative and with whom Company has entered into transactions during the period under review	
	IDBI Bank Limited	Holding Company
	IDBI Asset Management Limited	Fellow Subsidiary

Transactions with related parties:

IDBI Bank Limited :	31 st March 2016	31 st March 2015
Deposits Placed with IDBI Bank	NIL	NIL
Deposits matured with IDBI Bank	NIL	NIL
Contribution to capital of the Company	NIL	NIL
Transactions with IDBI Bank	NIL	NIL
Amount outstanding	NIL	NIL
IDBI Asset Management Limited		
Expenses Debited	28,38,850	26,36,490.00
Trustee Fee Received	59,29,266	62,76,388.00

Balances with related parties:

Particulars		31 st March 2016	31 st March 2015
1.	IDBI Bank Limited (Holding Company)	20,00,000	20,00,000
2.	IDBI Asset Management Company (Payable)	6,98,715	2,23,486

Note:

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

3.4 Earnings in foreign exchange: NIL

3.5 Expenditure in foreign exchange: NIL

3.6 Dues to Micro, Small and Medium Enterprises:

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

3.7 Income Tax:

In accordance with Notified Accounting Standard 22 (AS-22), Accounting for taxes on Income, the major components of deferred tax as at 31st March 2016 are as follows:

Deferred Tax asset	31 st March 2016 (Rs)	31 st March 2015 (Rs)
Preliminary expenses written off	-	1,47,200
Permanent Difference on Preliminary Expenses	-	47,200
Temporary Difference	-	1,00,000
Preliminary Exp allowable as per Income Tax	-	20,000
Timing Difference	-	80,000
DTA Provision at 30.9%	-	24,720
Current Year Reversal	-	6,180
Previous Year Reversal	-	6,180
Closing Balance of DTA as at 31 st March	-	NIL

3.8 Details of Audit Fees Paid (excluding service tax)

Particulars	31 st March 2016	31 st March 2015
Statutory Audit	Rs 85,000	Rs 75,000
Other Services	Rs. 25,000	Rs. 20,000
Out of pocket expenses	NIL	NIL

- 3.9 Balance of Sundry creditors, loans and advances and payables are subject to confirmation and reconciliation/consequential adjustments if any.
- 3.10 Figures have been rounded off to the nearest rupee.
- 3.11 Figures have been regrouped wherever necessary.

For P.S. Subramania Iyer & Co.,

Chartered Accountants
FRN 004104S



V. Mohan

Partner
M.No.026590
25th April 2016

For IDBI MF Trustee Company Limited



B K Batra

Chairman
DIN: 00015732



T M Nagarajan

Director
DIN: 00518074

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies(Management and Administration) Rules, 2014]
CIN: U65100MH2010PLC199319

Name of the company: IDBI MF TRUSTEE COMPANY LIMITED (CIN: U65991MH2010PLC199326)

Registered office: IDBI TOWER, WTC COMPLEX, CUFFE PARADE, MUMBAI 400 005

Name of the member (s):	
Registered Address:	
Email Id:	
Folio no/Client Id:	
DP ID:	

I/We, being the member (s) of shares of the above named company, hereby appoint

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

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

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Sixth Annual general meeting of the Company, to be held at short notice on the 30th day of August 2016 at 1.00 p.m. at the Registered Office of the Company situated at IDBI Tower on the 23rd floor, WTC complex, Cuffe Parade, Mumbai 400 005 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

- 1 Adoption of Annual Accounts of the Company
- 2 To fix the Remuneration of the Statutory Auditors of the Company
- 3 Amendment in Articles of Association
- 4 To consider the related party transactions of the Company

Signed this day of 20....

Signature of shareholder

Signature of Proxy holder(s)

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

ATTENDANCE SLIP

(To be filled in and handed over at the entrance of the meeting hall)

I hereby record my presence at the SIXTH ANNUAL GENERAL MEETING of the Company to be held at the Registered Office of the Company situated at IDBI Tower on the 23rd floor, WTC complex, Cuffe Parade, Mumbai 400 005 at short notice on Tuesday, 30th of August, 2016, at 1.00 P. M.

Full Name of the *Shareholder/Proxy (in Block Letters)	
Folio No. or Client/ DP ID No.:	
No. of Shares held:	

*Strike out whichever is not applicable

NOTE:

Members who have multiple folios / demat accounts with different joint holders may use copies of this attendance slip. Only Shareholders of the Company or their Proxies will be allowed to attend the Meeting.



IDBI MF TRUSTEE COMPANY LIMITED

CINU65991MH2010PLC199326

Registered Office

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

• Tel No: 022 6655 3355 • Fax no: 2218 1294/5179/8137

For further details contact:

IDBI ASSET MANAGEMENT LIMITED

CIN: U65100MH2010PLC199319

(Investment Manager to IDBI Mutual Fund)

Corporate Office

5th Floor, Mafatlal Centre, Nariman Point, Mumbai - 400 021.

Registered Office

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

All India Toll Free No.: 1800-419-4324

• Tel. No.: (+91 22) 66442800 • Fax No.: (+91 22) 6644 2801

Email ID: contactus@idbimutual.co.in

• SMS IDBIMF to 09220092200 • Website: www.idbimutual.co.in