

NOTICE

Notice is hereby given that the Third Annual General Meeting of Mahindra Trustee Company Private Limited will be held at the Registered Office of the Company at Mahindra Towers, Dr. G. M. Bhosale Marg, P.K. Kurne Chowk, Worli, Mumbai – 400 018, on Tuesday, the 12th day of July, 2016 at 2.00 p.m., to transact the following business:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Financial Statements of the Company for the year ended 31st March, 2016 including the audited Balance Sheet as at 31st March, 2016 and the Statement of Profit and Loss for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
- 2) To appoint a Director in place of Mr. Manohar G. Bhide, who retires by rotation and, being eligible, offers himself for re-appointment.
- 3) To consider and, if thought fit, to pass, with or without modification(s), the following as an **Ordinary Resolution:**

“RESOLVED that pursuant to section 139 read with section 141 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and subject to ratification by the Shareholders at every Annual General Meeting, M/s. B. K. Khare & Co., Chartered Accountants (ICAI Registration Number 105102W), be and are hereby appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and that their remuneration be fixed by the Board of Directors or any Committee thereof in addition to out of pocket expenses as may be incurred by them during the course of the Audit.”

SPECIAL BUSINESS:

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

“RESOLVED that pursuant to section 197 of the Companies Act, 2013, read with the (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the approval of the Shareholders be and is hereby accorded for increase in the payment of sitting fees to all the Directors including the Associate Director and the Independent Directors, for attending each Meeting of the Board from Rs.20,000 to Rs. 90,000 i.e. with effect from the date of approval of the shareholders.

FURTHER RESOLVED that the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things in this connection as may be considered necessary, proper, desirable and expedient including seeking all approvals as may be required to give effect to this Resolution and to settle any question, difficulty or doubt that may arise in this regard.”

Notes:

- 1) Explanatory Statement as required under section 102(1) of the Companies Act, 2013 is annexed hereto.
- 2) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
- 3) The instrument appointing a proxy must be deposited with the Company at its Registered Office not less than 48 hours before the time for holding the Meeting.

As required under SS 2-Secretarial Standards on General Meetings given below are the details of the Director proposed for re-appointment:

Item No. 2:

Mr. M. G. Bhide (age: 78 years) (DIN: 00001826) was appointed as Non-Executive and Non-Independent Director of the Company with effect from 10th July, 2013.

Mr. M. G. Bhide is a Certified Associate of the Indian Institute of Bankers and has a Master's Degree in Arts from the Mumbai University. He was the Chairman and Managing Director of Bank of India and also the Managing Director and Group Executive (National Banking) of State Bank of India.

Mr. Bhide holds 1 (one) Equity Share jointly with Mahindra & Mahindra Financial Services Limited.

Following are the details of the directorships held by him in other companies:

Sr. No.	Name of the Company	Name of the Committee Positions	Committee Position held
1	Mahindra & Mahindra Financial Services Limited	Audit Committee	Member
		Nomination and Remuneration Committee	Member
		Risk Management Committee	Member
		Stakeholders Relationship Committee	Member
		Strategy Committee for Acquisitions	Member

			Asset Liability Committee	Chairman
2	Talwalkars Better Value Fitness Limited		----	---
3	Mahindra Agri Solutions Limited		Audit Committee Nomination and Remuneration Committee	Chairman Chairman
4	J.P. Morgan Securities India Private Limited		Audit Committee Nomination and Remuneration Committee	Chairman Member

Mr. Bhide has attended 5 out of 5 Board Meetings held by the Company during the Financial Year 2015-16.

Mr. Bhide receives the Sitting Fees for attending the Board Meetings of the Company and he is liable to retire by rotation.

None of the Directors or Key Managerial Personnel of the Company and their relatives other than Mr. Sikka (being the appointee) are concerned or interested, financially or otherwise, in the Resolution set out at Item No. 3. None of the Directors or Key Managerial Personnel are related to each other.

For and on behalf of the Board

**Sd/-
M.G. Bhide
Chairman**

Registered Office:

Mahindra Towers, P. K. Kurne Chowk,
Worli, Mumbai - 400 018.

13th April, 2016

CIN: U67100MH2013PTC245464

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013

ITEM NO.4

Section 197 (5) of the Companies Act, 2013 ('the Act'), duly notified with effect from 1st April, 2014, states that a Director may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board provided that the amount of such fees shall not exceed the amount as may be prescribed.

As per Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a Company may pay a sitting fee to a Director for attending meetings of the Board or Committees thereof, such sum as may be decided by the Board of Directors thereof, subject to maximum limit of Rs. 1,00,000 per Meeting of the Board or Committee thereof.

At present a sitting fee of Rs. 20,000 is payable to all the Independent Directors and the Associate Director of the Company for each Meeting of the Board attended by them.

Under the evolving regime of stringent statutory and governance norms, the duties, liabilities and responsibilities of Directors have enhanced. In view of the valuable contribution made by the Independent Directors towards overall engagement with the Company on various policies, strategic and governance related issues it is necessary that the compensation to the Independent Directors is adequate and commensurate with the role played by them in the Governance of the Company.

The Company is currently in a formative stage and as and when the Company starts making profits, the Directors may be additionally compensated by way of other means including payment by way of commission. At such time, the sitting fee payable to Independent Directors may be suitably reviewed.

Considering the above, it was proposed to enhance the sitting fee payable to each Director for attending the Board Meetings from Rs. 20,000 to Rs. 90,000 for every Board Meeting attended by such Independent Director.

Mr. M. G. Bhide, Associate Director and Mr. Narendra Mairpady, Mr. Gautam Parekh and Mr. Debabrata Bandyopadhyay, Independent Directors of the Company, are

entitled to receive sitting fees. The Board of Directors at its meeting held on 14th June, 2016 has noted the said resolution.

The approval of shareholders is required for increase in sitting fees as all the Directors are interested in the resolution. Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested in this item of business.

For and on behalf of the Board

**Sd/-
M.G. Bhide
Chairman**

Registered Office:

Mahindra Towers, P. K. Kurne Chowk,
Worli, Mumbai - 400 018.

13th April, 2016

CIN: U67100MH2013PTC245464

ROUTE MAP -

3rd Annual General Meeting of Mahindra Trustee Company Private Limited to be held at the Registered Office of the Company at Mahindra Towers, 4th Floor, P. K. Kurne Chowk, Worli, Mumbai – 400 018, on Tuesday, the 12th day of July, 2016, at 2 p.m.

Prominent Landmark : Near Worli T. V. Tower [Doordarshan]



PROXY FORM

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

Name(s) of the Member(s) :

Registered Address :

E-mail ID :

Folio no. / Client ID :

DP ID :

I/We, being the Member(s) of **MAHINDRA TRUSTEE COMPANY PRIVATE LIMITED** holding _____ Equity Shares hereby appoint:

1 Name :

Address :

E-mail ID :

Signature :

or failing him/ her

2 Name :

Address :

E-mail ID :

Signature :

or failing him / her

3 Name :

Address :

E-mail ID :

Signature :

as my/our Proxy to attend and vote (on a Poll) for me/us and on my/our behalf at the **Third Annual General Meeting of Mahindra Trustee Company Private Limited** to be held on Tuesday, 12th July, 2016 at 2.00 p.m. at Mahindra Towers, 4th Floor, Worli, Mumbai – 400 018 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution

Description

No.

Ordinary Business:

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31st March, 2016 including the audited Balance Sheet as at 31st March, 2016 and the Statement of Profit and Loss for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Manohar G. Bhide, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To approve ratification of the appointment of M/s. B. K. Khare & Co. Chartered Accountants, (ICAI Firm Registration No. 105102W), as Statutory Auditors of the Company and to approve their remuneration.

Special Business:

4. To approve the increase in sitting fees payable to the Board of Directors with effect from the approval of Shareholders.

Signed this ____ day of _____ 2016

Affix
Revenue
Stamp

Signature of Shareholder

Signature of Proxy Holders

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

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Name and Registered :
Address of the shareholder

Joint Holder :

Folio no. / DP ID no. :

Client ID no. :

No. of shares :

I hereby record my presence at the Twenty Ninth Annual General Meeting of **Mahindra Trustee Company Private Limited** held on Tuesday, 12th July, 2016 at 2.00 p.m. at Mahindra Towers, 4th Floor, P. K. Kurne Chowk, Worli, Mumbai – 400 018.

Name(s) of the Shareholder(s)/ Representative/Proxy (IN BLOCK CAPITALS)	
Signature(s) of the Shareholder(s)/ Representative/Proxy	

Note: You are requested to bring your copy of the Annual Report to the Meeting

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors have pleasure in presenting their Third Annual Report together with the Audited Accounts of your Company for the year ended 31st March, 2016.

Financial Results

Particulars	Amount in Rs. Lacs	
	For the year ended 31 st March, 2016	For the year ended 31 st March, 2015
Income	-	-
Less : Finance Costs	-	-
Expenditure	(4.92)	(1.18)
Depreciation and Amortisation Expenses	-	-
Total Expenses	(4.92)	(1.18)
Profit Before Tax	-	-
Less : Provision for Tax	-	-
Current Tax	-	-
Deferred Tax	-	-
Profit/(Loss) for the period	(4.92)	(1.18)
Profit/(Loss) brought forward from previous period	(2.53)	(1.35)
Transfer to Reserves	-	-

2. Dividend

In view of losses incurred by the Company, your Directors do not recommend any dividend for the year under review.

3. Reserves

The Company did not transfer any amount to reserves in view of the losses incurred by the Company during the year under review.

4. Operations

The Securities and Exchange Board of India vide its letter dated 4th February, 2016 has granted the certificate of registration to 'Mahindra Mutual Fund' ("the Fund"). Your Company will be engaged as a Trustee to the Fund. During the year under review, the Company has not commenced any business activities.

The Board of Directors of the Company in their role of trustees have assured that all the systems, policies, procedures, etc., are in place and have ensured that all the start-up activities of the asset management company are in accordance with the provisions of the SEBI (Mutual Fund) Regulations, 1996.

Your Directors would like to present an overview of the Indian Economy with the backdrop of the Equity Markets, Fixed Income Markets and Global events.

5. Indian Economy

Despite global turmoil and a truant monsoon, the Indian Economy registered a robust growth of 7.60 percent in the F.Y. 2015-16, thus becoming the fastest growing major

economy in the world. The Budget had set fiscal deficit target of 3.90 per cent which was achieved.

With global commodity prices remaining benign, the previous year witnessed a continued moderation in general price levels. Headline Inflation based on Consumer Price Index (CPI) dipped to 4.91 percent (5.97 percent in the F. Y. 2014-2015) showing a persistent pressure on oil and commodity prices. Exchange rate movements and Current Account deficits too reflected a stable environment. The movement of exchange rate measured against the US dollar was orderly and the INR depreciated about 6.50 percent during the year under consideration.

The second year of the present government witnessed some policy actions like liberalization of FDI regime, including the much awaited Insurance Bill, crop insurance measures, financial inclusion through Jan Dhan yojana and transferring subsidies through the Direct Benefit Transfer (DBT) platform.

However, stretched corporate balance sheets, asset quality constraints, delays in the passage of GST Bill and non-passage of Land Acquisition Bill negatively affected the mood in equity markets.

6. Equity Markets

As at 31st March, 2016, the S&P BSE Sensex ended 9.1% lower at 25,341, while the Nifty50 closed 8.8% lower at 7,738 compared to their respective closing figures as on 31st March, 2015.

With corporate performance failing markets expectation, the year 2015-16 did not bring much happiness to investors. The momentum started to fade further after the announcement of the budget; actual earnings trajectory turned out to be flat or negative, contrasting the projections by consensus estimates.

The silver lining however was the continued flows received by domestic institutions, particularly mutual funds, from retail participants who saw great opportunity in exploiting the valuation arbitrage created from the earlier run-up in the benchmark indices and large cap stocks.

Among the Emerging Market (EM) peers, India remained in a bright spot amid a slowdown in global economy on the back of multiple rate cuts by the Reserve Bank of India (RBI) and its efforts to keep inflation under check and also due to the capital infusion by the domestic investors. Foreign institutional investors were however net sellers in Indian equities to the tune of Rs 14,172 Cr, in the F. Y. 2015-16.

7. Fixed Income Markets

The RBI continued its accommodative stance through the last fiscal year and cut the benchmark repo rate by 75 basis points. In response to the cumulative reduction of around 125 basis points (bps) cut since January 2015, banks have reduced their median deposit rate by 72 bps and median base rates by around 60 bps.

Long term benchmark 10 year Gilt rates however eased marginally by around 30 bps and closed around 7.45 per cent. A part of the reason for the muted fall in long term gilt rates could be on account of uncertainty on US rates, and also partly because of relatively robust incremental credit off take.

8. Global events

China's benchmark index, Shanghai Composite, decreased by nearly 24% in this year and hit 2,655, its lowest level for the year. Meanwhile, the Greek crisis had a ripple effect on Indian equities in a reaction to the global risk-off trade. Another major event for the year was the 25 bps hike in interest rates by the US Federal Reserve. The interest rates, which were maintained at zero, were raised for the first time in almost a decade since the Global Financial Crisis of 2008 indicating signs of a pickup in the world's biggest economy.

9. Looking Ahead

"It is incontrovertible that India is still oozing potential. The country's long run potential growth rate is still around 8-10 per cent."

The Economic survey had portrayed a latent growth potential. The Indian Meteorological Department (IMD) has predicted a normal monsoon this year. A right mix of reforms, governance and push from the rain Gods may lay the foundation to a stronger economy.

10. Overview of the Mutual Fund Industry

During the year under consideration, the mutual fund industry continued to witness robust growth. The total Assets Under Management (AUM) as on 31st March, 2016 were INR 12,32,824 crores as compared to INR 10,82,757 crores as on 31st March, 2015, thereby witnessing a growth of around 14%.

What was remarkable was the resilience of the equity oriented schemes, which saw net inflows of around INR 93,000 crores (previous year INR 80,855 crores) despite a fall in the benchmark equity indices.

The value of assets held by individual investors in mutual funds also increased to Rs. 6.16 lakh crores, a rise of around 10.11%.

As the nation becomes more financially inclusive and with financial literacy gaining traction, the adoption of technology lowering barriers to the last mile access, with benefits of low cost and transparency, the Indian Mutual Fund industry has the possibility of becoming the primary vehicle of savings in the capital markets.

(Data Source: Economic Survey 2015-16, AMFI, Bloomberg)

11. Share Capital

During the year under review, the Company has increased its Authorised Share Capital from Rs. 5,00,000 (Rupees Five Lakhs) divided into 50,000 (Fifty Thousand) Equity Shares of Rs. 10/- (Rupees Ten) each to Rs. 25,00,000 (Rupees Twenty Five Lakhs) divided into 2,50,000 (Two Lakhs Fifty Thousand) Equity Shares of Rs. 10/- (Rupees Ten) each at the Extra-ordinary General Meeting held on 21st October, 2015.

During the year under review, the Company allotted to existing shareholders on Rights basis 1,00,000 equity shares of Rs. 10 each aggregating to Rs. 10,00,000. Consequent upon the allotment of the Rights shares, the Company's paid-up share capital as on 31st March, 2016 stood at Rs. 15,00,000 (as against Rs. 5,00,000 as at 31st March, 2015) comprising of 1,50,000 Equity Shares of Rs. 10 each, fully paid-up.

During the year under consideration, the Company has neither issued shares with differential rights as to dividend, voting or otherwise nor has granted any stock options or sweat equity. As on 31st March, 2016, none of the Directors of the Company holds instruments convertible into Equity Shares of the Company.

There were no Shares having voting rights not exercised directly by the employees and for the purchase of which or subscription to which, loan was given by the Company.

12. Directors

The composition of the Board of Directors of your Company is in conformity with the provisions of the Companies Act, 2013, as amended from time to time and as per SEBI (Mutual Fund) Regulations, 1996, as

amended from time to time. As on 31st March, 2016, the Company has four directors. The Shareholders at their Extraordinary General Meeting held on 21st September, 2015, have appointed Mr. Gautam Parekh (DIN: 00365417), Mr. Narendra Mairpady (DIN: 00536905) and Mr. Debabrata Bandyopadhyay (DIN: 06972463) as Independent Directors of the Company for a period of five years. These Independent Directors shall hold the office of directorship for a term of five years. None of the Independent Directors are due for re-appointment.

Mr. R. Balaji (DIN: 05197554) was appointed as a Non-Executive and Non-Independent Director of the Company with effect from 8th July, 2015.

Mr. Manohar G. Bhide (DIN:00001826) retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment.

The Board reviews and approves strategy and oversees the actions and results of the management to ensure that the long term objectives of the enhancing stakeholders' value are met.

None of the Board of Directors holds directorships in more than 10 public companies. None of the directors are related to each other.

Mr. Ravindra K. Kulkarni and Mr. R. Balaji Non-Executive and Non-Independent Directors of the Company, have resigned as Members of the Board of Directors of the Company with effect from 16th October, 2015.

13. Key Managerial Personnel

Mr. Ravi Dayma, a qualified Company Secretary was appointed as the Company Secretary of the Company with effect from 7th April, 2015.

As at the date of this Report, the Key Managerial Personnel of the Company, as envisaged under the provisions of Section 203 of the Companies Act, 2013, is Mr. Ravi Dayma, Company Secretary.

14. Board Meetings and Annual General Meeting

The Board met five times in Financial Year viz. 7th April, 2015, 8th July, 2015, 16th October, 2015, 12th January, 2016 and 14th March, 2016. The Board of Directors have passed a Circular Resolution dated 4th September, 2015.

The names and categories of the Directors of the Company, their attendance at the Board Meetings held during the Financial Year 2015-16 and at the last Annual General Meeting of the Company held on 8th July, 2015 are as follows:

Names of Director	Category	Attendance at the Board meetings held during the Financial Year 2015-16		Attendance at the last Annual General Meeting held on 8 th July, 2015 (Yes/ No/ N.A.)
		Held	Attended	
Mr. M. G. Bhide	Non-Executive, Non-Independent	5	5	Yes
Mr. Ravindra K. Kulkarni	Non-Executive, Non-Independent	3	3#	Yes

Names of Director	Category	Attendance at the Board meetings held during the Financial Year 2015-16		Attendance at the last Annual General Meeting held on 8 th July, 2015 (Yes/ No/ N.A.)
		Held	Attended	
Mr. Uday Y. Phadke	Non-Executive, Non-Independent	2	2*	Yes
Mr. Narendra Mairpady	Non-Executive, Independent	3	3 \$	Not Applicable
Mr. Debabrata Bandyopadhyay	Non-Executive, Independent	3	3\$	Not Applicable
Mr. R. Balaji	Non-Executive, Non-Independent	2	1@	Yes
Mr. Gautam Parekh	Non-Executive, Independent	3	3\$	Not Applicable

* Mr. Uday Y. Phadke retired from the Board w.e.f. 15th July, 2015.

Mr. Ravindra K. Kulkarni resigned from the Board w.e.f. 16th October, 2015.

@ Mr. R. Balaji resigned from the Board w.e.f. 16th October, 2015.

\$ Mr. Narendra Mairpady, Mr. Gautam Parekh & Mr. Debabrata Bandyopadhyay were appointed on the Board w.e.f. 21st September, 2015.

15. Declaration by Independent Directors

The Company has received declarations from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence as prescribed under Sub-section (6) of Section 149 of the Companies Act, 2013.

16. Directors' Responsibility Statement

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, your Directors confirm that:

- i. In the preparation of the annual accounts for Financial Year ended 31st March, 2016, the applicable accounting standards have been followed and there are no material departures in adoption of these standards;
- ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at 31st March, 2016 and of the loss of the Company for the year ended on that date;
- iii. 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;
- iv. The Directors have prepared the annual accounts for year ended 31st March, 2016 on a 'going concern' basis;
- v. The directors have devised proper systems to ensure compliance with provisions of all applicable laws and that such systems were adequate and operating effectively.

17. Extract of Annual Return

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return as at 31st March, 2016 forms part of this Report and is appended as **Annexure I**.

18. Public Deposits

The Company has not accepted any deposits from the public or its employees during the year under review. No amount on account of principal or interest on deposits from public was outstanding as on the date of balance sheet. There are no deposits which are not in compliance with the requirement of Chapter V of the Companies Act, 2013 during the year under review.

19. Auditors

Messrs. B. K. Khare & Co are eligible for re-appointment as Statutory Auditors of the Company and have given their consent for re-appointment. The Shareholders would be required to appoint Auditors from the conclusion of this Annual General Meeting upto the conclusion of the next Annual General Meeting and fix their remuneration.

As required under the provisions of Sections 139(1) read with 141 of the Companies Act, 2013, the Company has obtained a written certificate from Messrs. B. K. Khare & Co., Chartered Accountants, proposed to be re-appointed to the effect that their re-appointment, if made, would be in conformity with the criteria specified in the said sections.

20. Accounting Standards followed by the Company

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) and comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act.

21. Comments on Auditors' Report

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. B. K. Khare & Co., Statutory Auditors, in their report. The Auditor's Report is enclosed with Financial Statements with this Annual Report.

22. Reporting of Frauds

There are no frauds on or by the Company which were required to be reported by the Statutory Auditors of the Company to the Central Government.

23. Particulars of Loans, Guarantees or Investments under Section 186

The Company has not advanced any loans, provided any guarantee, or made investment under Section 186 of the Companies Act, 2013 during the period under review.

Your Company has not made any loans/advances and investment which are required to be disclosed in the annual accounts of the Company pursuant to Regulation

34(3) and 53(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V, applicable to the parent Company, Mahindra and Mahindra Limited.

24. Particulars of contracts or arrangements with Related Parties referred to in Section 188(1)

During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material. Pursuant to Section 134(3) (h) read with Rule 8(2) of the Companies (Accounts) Rules, 2014, there are no transactions to be reported under Section 188(1) of the Companies Act, 2013. None of the Non-Executive Directors have any pecuniary relationships or transactions vis-à-vis the Company.

25. Material changes and commitments affecting the financial position of the Company

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report.

26. Particulars regarding conservation of energy, technology absorption, and foreign exchange earnings and outgo

The particulars in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is given in **Annexure II**.

27. Risk Management Policy

A Risk Management Policy approved by the Board of Directors for the proposed asset management business, is in place. The Risk Management Committee consisting of representatives of the investment manager i.e. 'Mahindra Asset Management Company Private Limited' will design a well defined risk management framework and ensure its ongoing implementation. During the year under review, the company has not commenced any operations.

28. Internal Financial Control System

The Management is responsible for establishing and maintaining internal controls for financial reporting and the Statutory Auditors periodically reviews the effectiveness of the internal control systems of the Company pertaining to financial reporting of the Company to ensure Financial Statements of the Company present a true and fair view of the state of affairs of the Company.

29. Subsidiaries

The Company did not have any subsidiary as on 31st March, 2016 or during the year ended on that date.

30. Significant and Material Orders passed by the Regulators or Courts

There were no significant and material orders passed

by the Regulators/Courts/Tribunals which would impact the going concern status of the Company and its future operations.

For and on behalf of the Board

sd/-

M. G. BHIDE
Chairman

31. Particulars of Remuneration

As the Company has no employees for the year under review, the provisions of Section 197(12) of the Companies Act, 2013 and Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are not applicable.

Mumbai, 13th April, 2016

Registered Office:

“A” Wing, 4th Floor,
Mahindra Towers, 570 P B Marg,
P. K. Kurne Chowk, Worli,
Mumbai - 400018.

CIN: U67100MH2013PTC245464

Tel.: 91 22 6652 6000 Fax: 91 22 2498 4170

Email: mfinvestors@mahindra.com

Website: www.mahindramutualfund.com

32. Change in the nature of business

There was no change in nature of business carried on by the Company during the year under review.

33. The Sexual Harassment of Women at Workplace (Prevention Prohibition and Redressal) Act, 2013

During the year under review, no complaints were received under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ANNEXURE I TO THE DIRECTORS' REPORT

Form No. MGT-9

Extract of Annual Return for the period ended on March 31, 2016
[Pursuant to Section 92(3) and Rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i.	CIN	U67100MH2013PTC245464
ii.	Registration Date	10 th July, 2013
iii.	Name of the Company	Mahindra Trustee Company Private Limited
iv.	Category/Sub-Category of the Company	Public Company Limited by Shares
v.	Address of the Registered office and contact details	4 th Floor, Mahindra Towers, A Wing, P. B. Marg, Worli, Mumbai - 400018. Tel.: 91 22 6652 3500 Fax: 91 22 2497 2741 Email: mfinvestors@mahindra.com Website: www.mahindramutualfund.com
vi.	Whether listed company Yes/No	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	N.A.

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:-

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the Company
1.	Trusteeship	74	0%*

* The company has not commenced any business activities during the period under review.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Mahindra & Mahindra Limited	L65990MH1945PLC004558	Ultimate Holding Company	100.00%*	Section 2(46)
2.	Mahindra & Mahindra Financial Services Limited	L65921MH1991PLC059642	Holding Company	100.00%	Section 2(46)

* There is no direct shareholding in the Company by Mahindra & Mahindra Limited, the ultimate Holding Company. Shares are held through Mahindra & Mahindra Financial Services Limited, subsidiary of Mahindra & Mahindra Limited.

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) Individual Shareholders holding nominal share capital in excess of Rs. 1 lakh									
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	50,000	50,000	100	-	1,50,000	1,50,000	100	50%

(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.	Mahindra & Mahindra Financial Services Limited	49,998	100	-	1,49,998	100	-	50%
2.	Mahindra & Mahindra Financial Services Limited Jointly with Mr. M. G. Bhide	1	-	-	1	-	-	-
3.	Mahindra & Mahindra Financial Services Limited Jointly with Mr. R. K. Kulkarni	1	-	-	1	-	-	-
	Total	50,000	100	-	1,50,000	100	-	50%

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

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
	At the beginning of the year (As on 1 st April, 2015)				
	Mahindra & Mahindra Financial Services Limited (MMFSL)	49,998	100	49,998	100
	Mahindra & Mahindra Financial Services Limited Jointly with Mr. M. G. Bhide	1	-	1	-
	Mahindra & Mahindra Financial Services Limited Jointly with Mr. R. K. Kulkarni	1	-	1	-
	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	On 23 rd December, 2015, 1,00,000 Equity Shares of Rs. 10/- each at par, were allotted on a Rights Basis to Mahindra & Mahindra Financial Services Limited. Increase in Shareholding of promoters is on account of allotment of equity shares on a Rights Basis, as mentioned above.			
	At the end of the year (As on 31 st March, 2016)	1,50,000	100	1,50,000	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	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For Each of the Top 10 Shareholders				
	At the beginning of the year	Not Applicable			
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	Not Applicable			
	At the End of the year (or on the date of separation, if separated during the year)	Not Applicable			

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. 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
	For Each of the Directors and KMP				
1.	Mr. M.G. Bhide (jointly with Mahindra & Mahindra Financial Services Limited)				
	At the beginning of the year (As on 1 st April, 2015)	1	0.00	1	0.00
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	No Change			
	At the End of the year (As on 31 st March, 2016)	1	0.00	1	0.00
2.	Mr. Gautam Parekh				
	At the beginning of the year (As on 1 st April, 2015)	Nil	0.00	Nil	0.00
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	No Change			
	At the End of the year (As on 31 st March, 2016)	Nil	0.00	Nil	0.00
3.	Mr. Narendra Mairpady				
	At the beginning of the year (As on 1 st April, 2015)	Nil	0.00	Nil	0.00
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer /bonus/sweat equity etc):	No Change			
	At the End of the year (As on 31 st March, 2016)	Nil	0.00	Nil	0.00
4.	Mr. Debabrata Bandyopadhyay				
	At the beginning of the year (As on 1 st April, 2015)	Nil	0.00	Nil	0.00
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer /bonus/sweat equity etc):	No Change			
	At the End of the year (As on 31 st March, 2016)	Nil	0.00	Nil	0.00
5.	Mr. Ravi Dayma (appointed as Company Secretary with effect from 7 th April, 2015)				
	At the beginning of the year (As on 1 st April, 2015)	Nil	0.00	Nil	0.00
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer /bonus/sweat equity etc):	No Change			
	At the End of the year (As on 31 st March, 2016)	Nil	0.00	Nil	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				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	-	-	-	-
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Managing Director	Whole time Director	Manager	
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) of the Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	- as % of profit	-	-	-	-
	- others	-	-	-	-
5.	Others	-	-	-	-
	Total (A)	-	-	-	-
	Ceiling as per the Act	-	-	-	-

B. Remuneration to other directors:

Particulars of Remuneration	Names of Directors			Total Amount
	Mr. Gautam Parekh	Mr. Narendra Mairpady	Mr. Debabrata Bandyopadhyay	
1. Independent Directors				
• Fee for attending board/committee meetings	60,000	60,000	60,000	1,80,000
• Commission	NIL	NIL	NIL	NIL
• Others	NIL	NIL	NIL	NIL
Total (1)	60,000	60,000	60,000	1,80,000

2. Other Non-Executive Directors	Mr. M.G. Bhide	Mr. Ravindra Kulkarni	Mr. Uday Phadke	Mr. R. Balaji	Total Amount
• Fee for attending board/committee meetings	1,00,000	60,000	NIL	NIL	1,60,000
• Commission	NIL	NIL	NIL	NIL	NIL
• Others	NIL	NIL	NIL	NIL	NIL
Total (2)	1,00,000	60,000	NIL	NIL	1,60,000
Total (B)=(1+2)	3,40,000				
Total Managerial Remuneration (A+B)					3,40,000
Overall Ceiling as per the Act					The Company has incurred losses and has not yet commenced business during the period under review.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	(Mr. Ravi Dayma) [@] 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) of the Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	- as % of profit	-	-	-	-
	- others	-	-	-	-
5.	Others	-	-	-	-
	Total	-	-	-	-

[@] Mr. Ravi Dayma was appointed as the Company Secretary with effect from 7th April, 2015 and his entire remuneration is borne by Mahindra Asset Management Company Private Limited.

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

	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			NONE		
	Punishment					
	Compounding					
B. DIRECTORS	Penalty			NONE		
	Punishment					
	Compounding					
C. OTHER OFFICERS IN DEFAULT	Penalty			NONE		
	Punishment					
	Compounding					

For and on behalf of the Board

M. G. Bhide
Chairman

Mumbai, 13th April, 2016

ANNEXURE II TO THE DIRECTORS' REPORT

Information pursuant to Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo.

(A) Conservation of energy-

- i. the steps taken or impact on conservation of energy;
The operations of your Company are not energy intensive. However, adequate measures have been initiated to reduce energy consumption.
- ii. the steps taken by the company for utilising alternate sources of energy – The operations of your company are not energy intensive.
- iii. the capital investment on energy conservation equipments – Nil

(B) Technology absorption-

- i. the efforts made towards technology absorption – *None*.
- ii. the benefits derived like product improvement, cost reduction, product development or import substitution – *Not applicable*.
- iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year
 - a) the details of technology imported : *None*
 - b) the year of import; : *Not applicable*
 - c) whether the technology been fully absorbed; : *Not applicable*
 - d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and : *Not applicable*
- iv. the expenditure incurred on Research and Development – *Nil*.

(C) Foreign exchange earnings and Outgo

There were no foreign exchange earnings or outgo during the year.

For and on behalf of the Board

sd/-
M. G. Bhide
Chairman

Mumbai, 13th April, 2016

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MAHINDRA TRUSTEE COMPANY PRIVATE LIMITED

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of **Mahindra Trustee Company Private Limited** ("the Company"), which comprise the balance sheet as at March 31, 2016, and the statements of profit and loss and cash flow for the period from April 1, 2015 to March 31, 2016, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks

of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows for the period from April 1, 2015 to March 31, 2016.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act (the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. 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 it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss and Cash Flow dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
 - e. on the basis of written representations received from the directors as on March 31, 2015 taken on record

by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.

- f. With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure II.
- 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has no pending litigation.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any on long-term contracts. The Company did not have any derivative contracts.

- iii. The Company has been in existence for a period less than seven years and hence there is no requirement to transfer any amounts to the Investor Education and Protection Fund.

FOR B. K. KHARE & CO.
Chartered Accountants
Firm's Registration Number 105102W

Padmini Khare Kaicker
Partner
Membership No. 044784

Place: Mumbai
Date: April 13, 2016

ANNEXURE I TO THE AUDITOR'S REPORT

Referred to in paragraph 9 of our report of even date on the standalone financial statements of **Mahindra Trustee Company Private Limited** for the year ended March 31, 2016.

Annexure to the Auditor's Report referred to in our report of even date:

- I. (a) and (b) The Company does not have any fixed assets of its own and hence para 3(l)(a) and 3(l)(b) are not applicable to the Company.
(c) The Company has no immovable properties and hence para 3(i)(c) is not applicable to the company.
- II. On facts, Clause 3(ii) of the Companies (Auditor's Report) Order, 2016 is not applicable to the company.
- III. No parties are covered in the register maintained under Section 189 of Companies Act, 2013 by the Company. Therefore, clause 3(iii)(a), (b) & (c) of the Companies (Auditor's Report) Order, 2016 is not applicable to the company.
- IV. In our opinion and according to the information and explanations given to us the provisions of Section 186 of the Companies Act, 2013 have been complied with. During the year, the Company has not provided loan to any of its directors', therefore, provisions of Section 185 were not applicable during the year.
- V. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public. Consequently, no order has been passed by the Company Law Board or National Company Law Commission or Reserve Bank of India or any court or any other tribunal on the Company. The clause 3(v), therefore is not applicable to the company.
- VI. On facts, clause 3(vi) relating to maintenance of cost records is not applicable to the company.
- VII. (a) According to the records of the Company and information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other applicable statutory dues with the appropriate authorities.
(b) According to the records of the company and information and explanations given to us there are no disputed dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited with the relevant authority.
- VIII. On the basis of examination of relevant records and according to the information and explanations given to us, the Company has not borrowed any money from financial institution or bank or debenture holders as at the Balance Sheet date.
- IX. On the basis of examination of relevant records and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans.
- X. On the basis of our examination of the relevant records of the Company, carried out in accordance with generally accepted auditing practices and according to the information and explanations given to us, no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- XI. On the basis of examination of relevant records and according to the information and explanations given to us, the Company has paid or provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- XII. The Company is not a 'Nidhi Company', therefore, clause 3(xii) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.
- XIII. On the basis of examination of relevant records and according to the information and explanations given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable. The Company has disclosed the details of transactions with related parties in the Financial Statements as required by the applicable accounting standards.
- XIV. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit; therefore, clause 3(xiv) of the Companies (Auditor's Report) Order, 2016 is not applicable to the company.
- XV. On the basis of examination of relevant records and according to the information and explanations given to us, in our opinion, the Company has not entered into any non-cash transactions with directors or persons connected with them.
- XVI. On the basis of examination of relevant records and according to the information and explanations given to us, in our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

FOR B. K. KHARE & Co.

Chartered Accountants

Firm's Registration Number 105102W

Padmini Khare Kaicker

Partner

Membership No. 044784

Place: Mumbai

Date: April 13, 2016

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MAHINDRA TRUSTEE COMPANY PRIVATE LIMITED

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

We have audited the internal financial controls over financial reporting of **Mahindra Trustee Company Private Limited** ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the period from April 1, 2015 to March 31, 2016.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

FOR B. K. KHARE & Co.

Chartered Accountants

Firm's Registration Number 105102W

Padmini Khare Kaicker

Partner

Membership No. 044784

Place: Mumbai

Date: April 13, 2016

BALANCE SHEET AS AT MARCH 31, 2016

Particulars	Note No.	As at	
		March 2016	March 2015
(In ₹)			
I. EQUITY & LIABILITIES			
1) Shareholders' funds			
a) Share Capital.....	1	1,500,000	500,000
b) Reserves and Surplus	2	(745,222)	(253,342)
		754,778	246,658
2) Non-current liabilities			
a) Other Long-term liabilities	3	100,000	–
		100,000	–
3) Current liabilities			
a) Trade payables.....	4	39,192	21,754
b) Other current liabilities.....	5	10,168	3,000
		49,360	24,754
Total		904,138	271,412
II. ASSETS			
1) Current assets			
a) Cash and bank balance	6	842,217	249,022
b) Other current assets	7	61,921	22,390
		904,138	271,412
Total		904,138	271,412

Summary of significant accounting policies and notes to the financial statements I & II

The notes referred to above form an integral part of the Balance Sheet
This is the Balance Sheet referred in our report of even date

For B. K. KHARE & CO.
Chartered Accountants
Firm Regn No. 105102W

For and on behalf of the Board
M. G. Bhide
Chairman

Padmini Khare Kaicker
Partner
Membership No. 44784
Place : Mumbai
Date : 13th April, 2016

Narendra Mairpady
Director

Gautam Parekh
Director

Debabrata Bandyopadhyay
Director

Ravi Dayma
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

Particulars	Note No.	(In ₹)	
		For the Period Ended	
		March 2016	March 2015 (Nine Months)
I. Revenue from operations.....		-	-
II. Other income.....		-	-
III. Total Revenue (I + II)		<u>-</u>	<u>-</u>
IV. Expenses:			
Other expenses	8	491,880	117,944
Total expenses		<u>491,880</u>	<u>117,944</u>
V. Profit before tax (III - IV)		(491,880)	(117,944)
VI. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
VII. Profit/(Loss) for the period (V - VI)		<u>(491,880)</u>	<u>(117,944)</u>
VIII. Earnings per equity share (Rupees):	9		
(1) Basic.....		(6.14)	(0.12)
(2) Diluted		(6.14)	(0.12)
Summary of significant accounting polices and notes to the financial statements	I & II		

The notes referred to above form an integral part of the Statement of Profit & Loss

This is the Statement of Profit & Loss referred in our report of even date

For B. K. KHARE & CO.

Chartered Accountants

Firm Regn No. 105102W

Padmini Khare Kaicker

Partner

Membership No. 44784

Place : Mumbai

Date : 13th April, 2016

Narendra Mairpady

Director

For and on behalf of the Board

M. G. Bhide

Chairman

Gautam Parekh

Director

Ravi Dayma

Company Secretary

Debabrata Bandyopadhyay

Director

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

Particulars	(In ₹)	
	March 2016	Mar 2015 (Nine Months)
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxes and contingencies.....	(491,880)	(117,944)
Add/Less:		
Operating profit before working capital changes (I)	(491,880)	(117,944)
Add/Less:		
(Increase)/Decrease in Other Current Assets	(39,531)	-
(Increase)/Decrease in Loans & Advances.....	-	(20,536)
	(39,531)	(20,536)
Add: Increase in Current Liabilities & Provisions.....	24,606	(111,988)
	(II)	(14,925)
Cash generated from operations..... (I+II)	(506,805)	(250,468)
NET CASH FROM OPERATING ACTIVITIES (A)	(506,805)	(250,468)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
NET CASH FLOWS FROM INVESTING ACTIVITIES (B)	-	-
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of Equity Shares.....	1,000,000.00	-
Increase/(Decrease) in Other Long Term Liabilities (net)	100,000	-
NET CASH FROM FINANCING ACTIVITIES (C)	1,100,000	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	593,195	(250,468)
CASH AND CASH EQUIVALENTS AS AT:		
Beginning of the period	249,022	499,490
End of the period	842,217	249,022

Examined and found correct.

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 (AS-3), "Cash Flow Statements".

For B. K. KHARE & CO.
Chartered Accountants
Firm Regn No. 105102W

For and on behalf of the Board
M. G. Bhide
Chairman

Padmini Khare Kaicker
Partner
Membership No. 44784

Narendra Mairpady
Director

Gautam Parekh
Director

Debabrata Bandyopadhyay
Director

Place : Mumbai
Date : 13th April, 2016

Ravi Dayma
Company Secretary

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

1) BASIS OF PREPARATION OF ACCOUNTS

The financial statements have been prepared in accordance with the Generally Accepted Accounting Principles (IGAAP) under the historical cost convention as a going concern and on accrual basis and in accordance with the provisions of the Companies Act, 2013 and the Accounting Standards notified under Section 133 of the Companies Act 2013.

All assets & liabilities have been classified as current & non – current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of services and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets & liabilities.

2) USE OF ESTIMATES

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including Contingent liabilities) as on the date of the financial statements and the reported income and expenses during the reporting year. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future years.

3) INVESTMENTS

Investments held as Long –Term Investments are stated at cost comprising of acquisition and incidental expenses less permanent diminution in value, if any. Investments other than Long Term investments are classified as current Investments and valued at cost or fair value whichever is less.

Provision for diminution in value of investments is made if management perceives that there is permanent diminution in value of investments in accordance with the Accounting Standard on 'Accounting for Investments' (AS 13) notified by Companies (Accounting Standards) Rules, 2006.

4) SHARE ISSUE EXPENSES

Expenses incurred in connection with fresh issue of share capital is charged to Profit and Loss account in the year in which they are incurred.

5) PROVISIONS AND CONTINGENT LIABILITIES

- Provision for doubtful debts is made on the basis of standard norms and also, where required, on actual evaluation.
- Provisions are recognized in accounts in respect of present probable obligations, the amount of which can be reliably estimated. Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company.

6) EARNING PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, sub-division of shares etc. that have changed the number of equity shares outstanding, without corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average numbers of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

I) GENERAL INFORMATION:

The Company Mahindra Trustee Company Private Limited ('the Company') was incorporated under the Companies Act, 1956 on July 10, 2013. The company is a subsidiary of Mahindra & Mahindra Financial Services Ltd. The company is incorporated to function as a Trustee to the proposed "Mahindra Mutual Fund". The company has been granted a license from SEBI. Consequently, during the period under audit the company has not started its operations.

II. NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31ST MARCH 2016

1) Share Capital:

Particulars	In ₹	In ₹
	March 2016	March 2015
Authorised Capital:		
2,50,000 Equity shares of Rs. 10/- each	25,00,000	5,00,000
(March 2015: 50,000 shares)		
Issued Capital:		
1,50,000 Equity shares of Rs. 10/- each	15,00,000	5,00,000
(March 2015: 50,000 shares)		
Subscribed and Paid-up Capital:		
1,50,000 Equity shares of Rs. 10/- each	15,00,000	5,00,000
(March 2015: 50,000 shares)		
Total	15,00,000	5,00,000

Particulars	March 2016		March 2015	
	Number of Shares	₹	Number of Shares	₹
a) Reconciliation of the number of shares –				
Number of equity shares outstanding at the beginning of the period	50,000	5,00,000	50,000	5,00,000
Add: Fresh allotment of shares during the period:	100,000	10,00,000	0	0
Less: Shares bought back during the period	–	–	–	–
Number of equity shares outstanding at the end of the period	1,50,000	15,00,000	50,000	5,00,000
b) Number of equity shares held by holding company or ultimate holding company including shares held by its subsidiaries/ associates –				
Holding company : Mahindra & Mahindra Financial Services Limited (Equity shares of Rs. 10/- each)	1,50,000	15,00,000	50,000	5,00,000
Percentage of holding (%)	100	100	100	100
c) Shareholders holding more than 5 percent shares:				
Mahindra & Mahindra Financial Services Limited	1,50,000	15,00,000	50,000	5,00,000

2) Reserves & Surplus:

Particulars	In ₹	
	March 2016	March 2015
Surplus:		
Balance Profit as per last Balance Sheet	(2,53,342)	(1,35,398)
Add: Loss for the current period transferred from Statement of Profit & Loss	(4,91,880)	(1,17,944)
Balance Loss carried to Balance Sheet	(7,45,222)	(2,53,342)
Less: Allocations & Appropriations:		
Balance as at the end of the period	(7,45,222)	(2,53,342)
Total	(7,45,222)	(2,53,342)

3) Other Long Term Liabilities:

Particulars	In ₹	
	March 2016	March 2015
Initial Corpus of Mahindra Mutual Fund (*)	1,00,000	-
Total	1,00,000	-

(*) The initial Corpus is contributed by Mahindra & Mahindra Financial Services Ltd to Mahindra Trustee Co Pvt Ltd towards corpus of Mahindra Mutual Fund.

4) Trade Payables:

Particulars	In ₹	
	March 2016	March 2015
Trade payables for expenses	39,192	21,754
Total	39,192	21,754

5) Other Current Liabilities:

Particulars	In ₹	
	March 2016	March 2015
TDS payable	10,168	3,000
Total	10,168	3,000

6) Cash and bank balance:

Particulars	In ₹	
	March 2016	March 2015
Balance with Scheduled Banks in Current Accounts	8,42,217	2,49,022
Total	8,42,217	2,49,022

7) Other Current Assets:

Particulars	In ₹	
	March 2016	March 2015
Service tax credit available	61,921	22,390
Total	61,921	22,390

8) Other Expenses:

Particulars	In ₹	
	March 2016	March 2015
Rates and Taxes	12,000	(9,888)
Directors sitting fees	3,40,000	60,000
Bank Charges	81	142
Legal & Professional Fees	48,588	29,250

Particulars	In ₹	
	March 2016	March 2015
Filing fees	6,100	21,500
Audit Fees	20,101	15,000
Share Issue Expenses	65,010	-
Other Administrative expenses	-	1,940
Total	4,91,880	117,944

9) In Accordance with the Accounting Standard on "Earning Per Share" (AS 20) Issued by the Institute of Chartered Accountants of India, the EPS are as follows:

Particulars	In ₹	
	FY 2015-16	FY 2014-15
Net Profit/(Loss) attributable to Equity Share Holders	(4,91,880)	(117,944)
Weighted Average Numbers of Shares (*)	80,055	9,82,870
EPS - (Basic)	(6.14)	(0.12)
EPS - (Diluted)	(6.14)	(0.12)

(*) The No of shares outstanding for previous period has been adjusted on account of issue of rights shares during the current period as per guidelines of AS-20

10) Related Party Disclosure as per Accounting Standard 18:

A) List of the related parties which have transactions with our Company during the year:

Holding Company: Mahindra & Mahindra Financial Services Limited

B) Related party transactions are as under:

₹ in Lacs

Sr No.	Nature of transactions	Holding Companies	Fellow Subsidiary Companies	Key Management Personnel
1	Issue of Equity Shares	Mahindra and Mahindra Financial Services Ltd		
		10		
		(5)		

Notes:

i. Figures in bracket represent corresponding figure of previous year.

Signatures to Significant accounting policies and Notes to the financial statements - I and II

For B. K. KHARE & CO.
Chartered Accountants
(FRN:105102W)

M. G. Bhide
Chairman

Padmini Khare Kaicker
Partner
Membership No. 44784

Narendra
Mairpady
Director

Debabrata
Bandyopadhyay
Director

Gautam Parekh
Director

Ravi Dayma
Company Secretary

Mumbai, 13th April, 2016