

Annual Report

FY 2016-17

Sponsor

Registered office:
Mahindra and Mahindra Financial Services Limited
Gateway Building, Apollo Bunder, Mumbai
Maharashtra - 400 001, India.

Trustee

Registered office:
Mahindra Trustee Company Private Limited
"A" Wing, 4th Floor, Mahindra Towers, 570 P B Marg,
P.K. Kurne Chowk, Worli, Mumbai 400018 India

Investment Manager

Registered office:
Mahindra Asset Management Company Private Limited
"A" Wing, 4th Floor, Mahindra Towers, Dr.G.M. Bhosale Marg,
P.K. Kurne Chowk, Worli, Mumbai 400018 India

Mutual Fund

Corporate Office :
Mahindra Mutual Fund
Sadhana House, 1st Floor, 570 , P.B. Marg,
Worli, Mumbai - 400018, India

Custodian

Registered Office:
Deutsche Bank Ag
Deutsche Bank House,
Hazarimal Somani Marg , Fort , Mumbai -400001

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Mahindra Asset Management Company Private Limited

Registered Office:

"A" Wing, 4th Floor, Mahindra Towers,
Dr. G.M. Bhosale Marg, P.K. Kurne Chowk,
Worli, Mumbai 400018 India

Corporate Office:

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TRUSTEE REPORT

REPORT FROM MAHINDRA TRUSTEE COMPANY PRIVATE LIMITED TO THE UNIT HOLDERS OF THE SCHEMES OF MAHINDRA MUTUAL FUND

We have pleasure in presenting the First Annual Report along with the audited financial statements of the schemes of Mahindra Mutual Fund ("the Fund") for the financial year ended March 31, 2017.

1. SCHEME PERFORMANCE, FUTURE OUTLOOK AND OPERATIONS OF THE SCHEMES

A. Performance of the schemes:

The performance of the schemes of the Fund as on March 31, 2017 is as follows:

Particulars	Mahindra Liquid Fund [^]		Mahindra Mutual Fund Kar Bachat Yojana ^{^^}		Mahindra Mutual Fund Dhan Sanchay Yojana ^{^^}		Mahindra Mutual Fund Alp-Samay Bachat Yojana [^]	
	Regular Plan - Growth	Direct Plan - Growth	Regular Plan - Growth	Direct Plan - Growth	Regular Plan - Growth	Direct Plan - Growth	Regular Plan - Growth	Direct Plan - Growth
Returns since inception of the scheme*	5.16%	5.26%	10.16%	11.38%	2.52%	2.92%	0.88%	1.00%
Benchmark returns since inception of the scheme*	5.06%		6.10%		2.14%		0.83%	
NAV as on March 31, 2017	1051.5612	1052.6354	11.0164	11.1376	10.2523	10.2917	1008.7922	1009.9978
Benchmark Index	Crisil Liquid Fund Index		Nifty 200 Index		45% Nifty Index + 55% Crisil Composite Bond Fund Index		Crisil Liquid Fund Index	
Date of inception / allotment of scheme	04-Jul-16		18-Oct-16		01-Feb-17		15-Feb-17	

Past Performance may or may not be sustained in future. * As the schemes have not completed one year, returns shown above are in absolute terms which are calculated from the date of inception / allotment. Returns are calculated for the Growth Options of the respective Scheme(s)/Plan(s). [^]Returns are calculated on ₹ 1000/- invested at inception. ^{^^}Returns are calculated on ₹ 10/- invested at inception.

Brief comments on the performance of the schemes

Mahindra Liquid Fund

The scheme has outperformed its benchmark since inception. The outperformance was due to optimal mix of certificate of deposit and commercial paper & tactical allocation to mark to market assets.

The net asset of the scheme amounted to ₹ 1392.25 crores as on 31st March 2017.

The scheme has maintained its portfolio strategy of low volatility and high quality during the course of the year and will continue to do so. Performances of the plans of the scheme are different to the extent of the difference in expense ratios. The scheme is meant for investors looking to deploy funds for a short span of time. The intention is to offer reasonable returns at lower level of risk while maintaining the liquidity profile.

Mahindra Mutual Fund Kar Bachat Yojana

The scheme has outperformed its benchmark since inception. The outperformance was due to overweight positions in auto sector.

The net asset of the scheme amounted to ₹ 187.96 as on 31st March 2017.

As on 31st March 2017, 80.43% of the net assets were invested in equity and equity related instruments 19.57% in other current assets and CBLO

The scheme's focus is on creating an appropriate diversified portfolio of companies with a long term perspective. The scheme will follow a top down approach to select sectors and follow a bottom up approach to pick stocks across sectors based on growth and value opportunities available across sectors and stocks.

Mahindra Mutual Fund Dhan Sanchay Yojana

The Scheme has outperformed its benchmark since inception. The outperformance was due to overweight positions in auto sector and underweight in IT and Pharmaceuticals.

The net asset of the scheme amounted to ₹ 153.46 as on 31st March 2017.

As on 31st March 2017, 67.65% of the net assets were invested in equity and equity related instruments 32.35% in Debt and other current assets and CBLO

The scheme's focus is on creating an appropriate diversified portfolio based on appropriate asset allocation with a long term perspective. The scheme will focus on extensive macro and micro research to identify appropriate economic environment and reasonable price entry and exit points across asset class.

Duration of the debt portion will be managed actively with limited risk to generate commensurate return with relatively minimal risk.

Mahindra Mutual Fund Alp-Samay Bachat Yojana

The scheme has outperformed the benchmark since inception. The outperformance was due to prudent management of portfolio duration.

The net asset of the scheme amounted to ₹ 108.09 crs as on 31st March 2017.

The scheme is meant for investors looking to deploy funds for a short span of time. The fund will be managed according to the investment objective, thereby seeking to generate reasonable returns commensurate with low risk. The scheme will invest in money market and other debt securities and shall maintain high liquidity for the purpose of meeting the liquidity requirements of the investors.

B. Future Outlook

Indian Economy

The year 2016-2017 had been marked by several historic economic policy developments.

A constitutional amendment paving the way for the Goods and services Tax (GST) and withdrawal/ demonetization of specified bank notes, affecting 86 percent of the currency in circulation, were the transformational economic events that occurred during the year.

The second advance estimates of Gross Domestic Product (GDP) released by the Central Statistics Office (CSO in February 2017) estimates the real GDP growth (constant 2011-12 prices) in 2016-17 at 7.10 percent (7.90 percent in 2015-2016) and also a sharp deceleration in Gross Value Added (GVA) with real GVA (at basic prices) growing at 6.70 percent against 7.80 percent in 2015-2016.

Inflation measured by Consumer Price Index (CPI) remained benign averaging around 4.50 percent during the year and the exchange rate measured against the USD strongly appreciated in the last quarter and closed at around 64.85 appreciating by around 2 percent on a year-on-year basis. The country also witnessed strong Foreign Direct Investment (FDI) flows during the year which led to this appreciation.

The year also witnessed some strong policy initiatives: Codification of the institutional arrangement of the monetary policy framework with Reserve Bank of India (RBI), changes in Bankruptcy code and a stronger legal basis for AADHAR.

Equity Markets and Outlook

It was a year of highs: the S&P BSE Sensex ended the year with gains of 16.90 percent to close at 29620 while the NIFTY 50 closed with gains of 18.50 percent to close at 9173. The S&P BSE midcap index rallied much more than the frontline indices and closed higher by around 33 percent during the year.

The strong rally was led predominately by metals commodities and energy sectors while the banks and financial sectors also had a handsome contribution to this rise. The IT services and the pharmaceutical sectors witnessed a weak bias during the year. It was a year which witnessed strong institutional flows with Foreign Institutional Investors (FIIs) investing record inflows of around INR 55700 crores.

India, with her strong macroeconomic fundamentals and a stable political economy, continues to be a preferred destination for FIIs within the emerging market bucket. With retail financial savings in form of mutual fund inflows too flowing into the equity markets, the equity indices are expected, amidst volatility, to remain strong.

Fixed Income Markets and Outlook

The RBI cut the benchmark repo rates by 50 basis points (bps) during the financial year. However, the RBI, in its February 2017 monetary policy shifted its stance to “Neutral” from the “Accommodative” bias. The twin events of BREXIT and demonetisation led to a rally in the benchmark 10 year gilt prices and its yield touched a low of 6.20 percent during the financial year. However as RBI shifted its stance of monetary policy (highlighting inflationary biases), the yields of 10 year security edged higher and closed at 6.70%, lower by around 80 bps for the year.

Global Events

Two Global events dominated the year: Great Britain’s exit from the European Union (called BREXIT thereafter) and the election of Mr. Donald Trump as the US President.

While BREXIT initially caused some sell off in the equity markets and drop in bond yields, the markets quickly shrugged off the event. Mr. Trump’s election and his intended policy focusing on infrastructure development, immigration, healthcare and easier tax provided a leg-up to the equity markets. The US Federal Reserve too raised its Fed Funds target rate range by 50 bps during the year and the US 10 year gilt hardened by around 60 bps to close at 2.40 percent

Overview of the Mutual Fund Industry

The Mutual Fund Industry continued its robust growth during F.Y. 2016-17. The Assets under Management (AUM) as on 31st March, 2017 were ₹ 17.54 lakh crores compared to ₹ 12.32 lakh crores as on 31st March, 2016. Assets grew by 42 percent during the year. Assets have grown almost 300 percent over the last five years. During these five years, investors have reduced their preference for close-ended schemes and have moved their assets into open-ended schemes. The proportion of assets in close-ended schemes has declined to 10 percent from 23 percent over the last five years.

Net flows into mutual funds during the year were ₹ 3.43 lakh crores showing a sharp jump of 255 percent over the previous year. Inflows into balanced schemes have grown by 185 percent over the last year. Further, inflows into debt and liquid schemes also grew substantially over the last year and accounted for the major increase in net inflows over the last year.

The Mutual Fund Industry has been showing robust growth over the last five years. In spite of this growth, mutual fund penetration continues to remain low in terms of number of unique household accounts. Therefore, the potential for future growth is quite high and the industry is likely to continue to attract new households from the smaller towns and cities as well as urban centres.

C. Operations of the Schemes

As of March 31, 2017, Mahindra Asset Management Company Pvt. Ltd. (“the AMC”) managed 4 schemes of the Fund which includes:

- 1 open ended equity linked savings scheme (ELSS);
- 1 open ended equity scheme;
- 1 open ended liquid scheme;
- 1 open ended debt scheme.

The net assets under management of the schemes of the Fund as at March 31, 2017 were ₹ 1841.76 crores and the average assets under management during the said period* was ₹ 1707.66 crores. The total numbers of investors under the schemes of the Fund as at March 31, 2017 were 33,156.

The AMC operates through 8 branches, including Mumbai. The Fund continues to provide value added services to investors and distributors with a view to provide easier and better means of transacting, seeking information, etc. The Fund has continued to modify its processes, wherever required, to remain compliant with the regulatory requirements at all times.

* For the period July 4, 2016 until March 31, 2017

2. BRIEF BACKGROUND OF SPONSORS, TRUST, TRUSTEE CO. AND THE AMC CO.

A. Mahindra Mutual Fund

Mahindra Mutual Fund (“the Mutual Fund” / “the Fund”) was set up as a Trust by the Settlor, Mahindra and Mahindra Financial Services Limited (“MMFSL”) on September 29, 2015 with Mahindra Trustee Company Pvt. Ltd. (“the Trustee” / “the Trustee Company”) as a Trustee in accordance with the provisions of the Indian Trust Act, 1882 and is duly registered under the Indian Registration Act, 1908. The Trustee has entered into an Investment Management Agreement dated

September 30, 2015 with Mahindra Asset Management Company Pvt. Ltd. to function as the Investment Manager for all the schemes of the Fund. The Mutual Fund was registered with SEBI on February 4, 2016 under Registration Code MF/069/16/01.

B. Sponsor

Mahindra Mutual Fund is sponsored by Mahindra and Mahindra Financial Services Limited (“MMFSL”). The Sponsor is the Settlor of the Mutual Fund Trust. The Sponsor has entrusted a sum of ₹ 1,00,000/- (₹ One Lakh only) to Mahindra Trustee Company Private Limited (“the Trustee” / the Trustee Company”) as the initial contribution towards the corpus of the Fund.

MMFSL is a subsidiary of Mahindra and Mahindra Limited, one of India’s leading tractor and utility vehicle manufacturers. MMFSL is one of India’s leading non-banking finance companies focused in the rural and semi-urban sector and is primarily in the business of financing purchase of new and pre-owned auto and utility vehicles, tractors, cars, commercial vehicles, construction equipments and SME Financing. MMFSL offers a wide range of loans, investment solutions and insurance solutions. MMFSL has over 4.7 million customer base across 25 states and 5 union territories. MMFSL has 1,182 offices across the country and services customers from over 550 districts, 2,40,000 villages. MMFSL’s vision is to be a leading provider of financial services in the rural and semi-urban areas of India.

C. Mahindra Trustee Company Pvt. Ltd.

The Trustee is the exclusive owner of the Trust Fund and holds the same in trust for the benefit of the unitholders. The Trustee has been discharging its duties and carrying out the responsibilities as provided in the Regulations and the Trust Deed. The Trustee seeks to ensure that the Fund and the schemes floated there under are managed by the AMC in accordance with the Trust Deed, the Regulations, directions and guidelines issued by the SEBI, the Stock Exchanges, the Association of Mutual Funds in India and other regulatory agencies.

D. Mahindra Asset Management Company Pvt. Ltd.

Mahindra Asset Management Company Private Limited (“the AMC”) is a company incorporated under the Companies Act, 1956, on June 20, 2013, having its registered office at 4th Floor, A-wing, Mahindra Towers, Dr. G M Bhosale Marg, P K Kurne Chowk, Mumbai – 400018. The AMC has been appointed as the Investment Manager of the Mutual Fund by the Trustee vide Investment Management Agreement (IMA) dated September 30, 2015 executed between the Trustee and the AMC. MMFSL holds 100% of the total issued and paid up equity share capital of the AMC.

3. Investment Objectives of the Schemes

Sr. No.	Scheme Name	Investment Objective
1	Mahindra Liquid Fund (An open ended liquid scheme)	The Scheme seeks to deliver reasonable market related returns with lower risk and higher liquidity through a portfolio of money market and debt instruments. However, there is no assurance that the investment objective of the Scheme will be realized and the Scheme does not assure or guarantee any returns.
2	Mahindra Mutual Fund Kar Bachat Yojana, (An open ended equity linked savings scheme with a 3 year lock-in period)	The investment objective of the Scheme is to generate long-term capital appreciation through a diversified portfolio of equity and equity related securities. The Scheme does not guarantee or assure any returns.
3	Mahindra Mutual Fund Dhan Sanchay Yojana, (An open ended equity scheme)	The Scheme seeks to generate long term capital appreciation and also income through investments in equity and equity related instruments, arbitrage opportunities and investments in debt and money market instruments. However, there can be no assurance that the investment objective of the Scheme will be achieved. The Scheme does not assure or guarantee any returns.
4	Mahindra Mutual Fund Alp-Samay Bachat Yojana, (An open ended debt scheme)	The investment objective of the Scheme is to provide reasonable returns, commensurate with a low to moderate level of risk and high degree of liquidity, through a portfolio constituted of money market and debt instruments. However, there is no assurance that the investment objective of the Scheme will be realized and the Scheme does not assure or guarantee any returns.

4. Significant Accounting Policies:

Accounting policies are in accordance with Securities Exchange Board of India (Mutual Fund) Regulations 1996. Summary of significant account policies is disclosed in Financial Statements of the schemes.

5. Unclaimed Dividends & Redemptions

Summary of number of investors & corresponding amount as at March 31, 2017:

Scheme Name	Unclaimed Dividends		Unclaimed Redemptions	
	Amount (₹)	No. of Investors	Amount (₹)	No. of Investors
Nil				

6. Redressal of investor complaints for the financial year 2016-17

Please refer **Annexure - I** for the details on Redressal of Complaints received against the Fund during the financial year ended March 31, 2017.

7. Voting Policy and disclosures

- In terms of the SEBI circular no SEBI/IMD/CIR No 18 / 198647 /2010 dated March 15, 2010, the Fund has adopted the Proxy Voting Policy and Procedures ('the Policy') for exercising voting rights in respect of securities held by the schemes of the Fund. The Policy is attached as **Annexure II**.
- The summary of the votes cast by the schemes of the Fund across all its investee companies and its break-up in terms of total number of votes cast in favor, against or abstained, during the financial year 2016-17 is given below:

Summary of Votes cast during the financial year 2016-17

F.Y.	Quarter	Total no. of resolutions	Break-up of Vote decision		
			For	Against	Abstained
2016-17	Jun-16		Not applicable*		
	Sep-16		Nil		
	Dec-16	2	-	-	2
	Mar-17	27	19	-	8

* Mahindra Mutual Fund commenced its operations from July 4, 2016, hence the disclosure for quarter ended June 30, 2016 shall not be applicable.

Further, the above mentioned summary is uploaded on the website of the Fund (www.mahindramutualfund.com) in the prescribed format and the same is also disclosed in Annual Report of the schemes of the Fund.

- Details of votes cast by the schemes of the Fund across all its investee companies during the financial year 2016-17 are uploaded on the website of the Fund (www.mahindramutualfund.com) in the prescribed format and the same is also disclosed in Annual Report of the schemes of the Fund.
- In terms of the requirement of SEBI circular ref. no. CIR/IMD/DF/05/2014 dated March 24, 2014 read with SEBI circular SEBI/HO/IMD/DF2/CIR/P/2016/68 dated August 10, 2016, the AMC has obtained a certification from M/s. Deloitte Haskins & Sells, Chartered Accountants on the voting report for the financial year 2016-17. The certificate issued by M/s. Deloitte Haskins & Sells, Chartered Accountants is hosted on the website of the Fund (www.mahindramutualfund.com) and also disclosed in Annual Report of the schemes of the Fund.

8. Liabilities and responsibilities of the Trustees and the Settlor

The main responsibility of the Trustees is to safeguard the interest of the Unit holders and inter-alia ensure that the AMC functions in the interest of investors and in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, the provisions of the Trust Deed, Statement of Additional Information and the Scheme Information Document(s) of the respective schemes. From the information provided to the Trustee by the AMC and the reviews undertaken by the Trustee, the Trustee believes that the AMC has operated in the interests of the Unit holders.

The Sponsor/Settlor is not responsible or liable for any loss or shortfall resulting from the operation of the schemes beyond the initial contribution of ₹ 1 lakh made by them towards setting up of the Fund.

9. Statutory Information

- The Sponsor is not responsible or liable for any loss resulting from the operation of the schemes of the Fund beyond their initial contribution (to the extent contributed) of ₹ 1,00,000/- for setting up the Fund, and such other accretions / additions to the same.

- b. The price and redemption value of the units, and income from them, can go up as well as down with fluctuations in the market value of its underlying investments.
- c. Full Annual Report shall be disclosed on the website (www.mahindramutualfund.com) and shall be available for inspection at the Head Office of the mutual fund. Present and prospective unit holder can obtain copy of the trust deed, the full Annual Report of the Fund / AMC at a price.

Acknowledgements

The Trustees wish to thank the unit holders of the schemes for their faith in Mahindra Mutual Fund and also thank the Government of India, the Securities and Exchange Board of India (SEBI), the Reserve Bank of India (RBI) and the Association of Mutual Funds in India (AMFI) for the guidance provided by them. The Trustees also appreciate the service provided by the Registrar and Transfer Agent, Fund Accountant, Custodian, Bankers, Distributors and Brokers. The guidance and services provided by the Auditors, sincerity and dedication of the employees of Mahindra Asset Management Company Pvt. Ltd. is also appreciated.

For and on behalf of Mahindra Trustee Company Pvt. Ltd.

Sd/-

Gautam Parekh
Trustee

Sd/-

Manohar G. Bhide
Trustee

Date: June 22, 2017

Place: Mumbai

Annexure I

The report on redressal of investor complaints received by Mahindra Mutual Fund during the financial year 2016-17 is as follows:

Total No. of Folios as on March 31, 2017: 37,814												
Complaint code	Type of complaint#	(a) No. of complaints pending at the beginning of the year	Action on (a) and (b)									
			(b) No of complaints received during the year	Resolved				Non Actionable*	Pending			
				Within 30 days	30 - 60 days	60 - 180 days	Beyond 180 days		0-3 months	3 - 6 months	6 - 9 months	9 - 12 months
I A	Non receipt of Dividend on Units	-	-	-	-	-	-	-	-	-	-	-
I B	Interest on delayed payment of Dividend	-	-	-	-	-	-	-	-	-	-	-
I C	Non receipt of Redemption Proceeds	-	-	-	-	-	-	-	-	-	-	-
I D	Interest on delayed payment of Redemption	-	-	-	-	-	-	-	-	-	-	-
II A	Non receipt of Statement of Account/ Unit Certificate	-	-	-	-	-	-	-	-	-	-	-
II B	Discrepancy in Statement of Account	-	-	-	-	-	-	-	-	-	-	-
II C	Data Corrections in Investor details	-	6	6	-	-	-	-	-	-	-	-
II C	Non receipt of Annual Report/Abridged Summary	-	-	-	-	-	-	-	-	-	-	-
III A	Wrong switch between Schemes	-	-	-	-	-	-	-	-	-	-	-
III B	Unauthorized switch between Schemes	-	-	-	-	-	-	-	-	-	-	-
III C	Deviation from Scheme attributes	-	-	-	-	-	-	-	-	-	-	-
III D	Wrong or excess charges/load	-	-	-	-	-	-	-	-	-	-	-
III E	Non updation of changes viz. address, PAN, bank details, nomination, etc	-	-	-	-	-	-	-	-	-	-	-
IV	Others	-	1	1	-	-	-	-	-	-	-	-
	Total	-	7	7	-	-	-	-	-	-	-	-

including against its authorized persons/ distributors/ employees. etc.

*Non actionable means the complaint that are incomplete / outside the scope of the mutual fund

**If others include a type of complaint which is more than 10% of overall complaint, provide that reason separately.

This statement is reviewed and approved by the Board of Directors of Mahindra Trustee Company Pvt. Ltd. at their meeting held on April 15, 2017

Annexure II

Proxy Voting Policy and Procedures

1.1 Background:

As the investment manager to the Mutual Fund, the AMC has a fiduciary duty to act solely in the best interests of the unit holders of the Mutual Fund. As a part of this duty, we recognize that we must exercise voting rights to fulfill our fiduciary duties of fidelity and care in good faith, to the unit holders of the Mutual Fund.

The AMC recognizes the importance of good corporate governance in ensuring that management and boards of directors fulfill their obligations to shareholders. As part of our investment process, we take into account the approach of a company's board of directors and management towards corporate governance issues at the time of deciding whether to invest in that company.

1.2 Philosophy of voting policy

The investment guidelines are to invest in companies which have acceptable standards of corporate governance, standard norms and effective management. The investment manager may generally attend and/or vote with the management of Investee Company on routine matters. However when the Investment Manager believes the interest of the shareholder is affected/prejudiced by any proposal, then the investment manager will attend and/or vote against such proposal. In case of exception, for such matters, the Investment Manager also decide to abstain from voting where it has insufficient information or there is a conflict of interest or the Investment Manager does not have a clear stance on the proposal.

The fund managers shall review all voting proposals and shall ensure that such proposals are identified and voted in a manner that maximizes the value of unit holders.

The Investment Manager will generally vote in accordance with voting policy, but may act differently if relevant facts and circumstances so warrant. The Investment manager may deviate from Voting Policy guidelines if it feels necessary to protect the right of the unit holders.

Voting policy – Investee Companies for Arbitrage Trades

Every arbitrage trade is initiated based on opportunities available between Futures and Cash Market. The trade does not reflect a fundamental opinion on the company. The trade is a function of the spreads available between the Cash and Future Market. Since it is not a fundamental opinion based on the company per se, the Investment Manager shall abstain from voting with respect to voting proposal(s) pertaining to Investee Companies (i) where position(s) have been taken by the scheme(s) of Mahindra Mutual Fund only for the purpose of arbitrage opportunities; AND (ii) such position is less than 3% of the paid up capital of investee company.

1.3 Voting Guidelines

The list being exhaustive, the following policies reflect what Investment Manager believes to be good governance measures and its stand on various items.

1. **Corporate governance matters, including changes in the state of incorporation, merger and other corporate restructuring, and anti takeover provisions** - Investment manager shall act in accordance to the interest of the unit holder.
2. **Changes to capital structure, including increases and decreases of capital and preferred stock issuances** -Investment Manager will review it on a cases to case basis, proposal by companies. Changes resulting in excessive dilution of existing shareholder value will not be supported.
3. **Stock option plans and other management compensation issues** - The Investment Manager would support such remuneration proposal which are tied to achieving long term performance and enhancing shareholder value. Options that are excessively generous or if it dilutes shareholder value will not be supported.
4. **Social and corporate responsibility issues** - As such responsibilities are in growing need, Investment Manager shall focus on these issues.
5. **Appointment and removal of directors** - As the Investment Manager believes in philosophy of having an independent board of directors, it will support an independent board of directors, and the key committees such as IPO, Audit and remuneration committees etc.
6. **Any other issue that may affect the interest of the shareholders in general and interest of the unit-holders in particular** - Investment Manager shall analyse such issues and review such proposals

1.4 Review and control

The voting guidelines and the actual exercise of proxy voting will be reviewed periodically by the management of the Investment Manager either through a committee or otherwise. The management will review the proxy voting required as per the voting policy and actual exercise of proxy votes. Further, management will also review the process of exercise of proxy votes and governance.

AMC shall obtain auditor's certification on the voting reports being disclosed by them. Such auditor's certification shall be submitted to the trustees. Board of AMC's and Trustees of Mutual Funds shall review and ensure that AMC's have voted on important decisions that may affect the interest of investors and the rationale recorded for vote decision is prudent and adequate. The confirmation of the same, along with any adverse comments made by auditors, shall be reported to SEBI in half yearly trustee reports.

Conflict of Interest

It is the responsibility of the Fund Management personnel to exercise discretion, in a case, where there are any direct or indirect conflict regarding proxy voting and should not be influenced by any overriding interests. The Compliance function should be consulted on any conflict concerns.

1.5 Disclosure of voting policy and exercise of Proxy Votes

The Investment team of the AMC will maintain documentation on the voting information which will *inter alia* contain record of the rationale for voting.

Further, the actual exercise of proxy votes in the general meetings of the investee companies in respect of the relevant matters will be disclosed on an annual basis on the website of the Mutual Fund as well as in the annual report distributed to the unit holders of the Mutual Fund in the format prescribed by SEBI

In addition to the annual disclosure, quarterly disclosure of voting cast on their website (in spreadsheet format) on or within 10 working days from the end of the quarter.

INDEPENDENT AUDITORS' REPORT**TO THE BOARD OF DIRECTORS OF
MAHINDRA TRUSTEE COMPANY PRIVATE LIMITED****1. Report on the Financial Statements**

We have audited the accompanying financial statements of the under mentioned **Open Ended Schemes** (the "schemes") which comprise the Balance Sheets, the Revenue Accounts and the Cash Flow Statement (Mahindra Liquid Fund) for the period as at the dates mentioned below and a summary of the significant accounting policies and other explanatory information.

Name of the Scheme	Period covered for Revenue Account and Cash Flow Statement	Balance Sheet date
Mahindra Liquid Fund	July 4, 2016 to March 31, 2017	March 31, 2017
Mahindra Mutual Fund KarBachatYojana	August 22, 2016 to March 31, 2017	March 31, 2017
Mahindra Mutual Fund DhanSanchayYojana	January 10, 2017 to March 31, 2017	March 31, 2017
Mahindra Mutual Fund Alp-SamayBachatYojana	February 14, 2017 to March 31, 2017	March 31, 2017

2. Management's Responsibility for the Financial Statements

The Managements of Mahindra Trustee Company Private Limited (the "Trustee") and Mahindra Asset Management Company Private Limited (the "AMC") are responsible 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 Schemes in accordance with accounting policies and standards as specified in the Ninth Schedule of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 ("the SEBI Regulations"), and amendments thereto, including the Accounting Standards issued by the Institute of Chartered Accountants of India, and in accordance with the accounting principles generally accepted in India.

This responsibility includes the design, implementation and maintenance of internal control 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.

3. Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of SEBI Regulations, the applicable accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the SEBI Regulations.

We conducted our audit of the financial statements in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the SEBI Regulations in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- in the case of the Balance Sheets, of the state of affairs of the Schemes as at March 31, 2017;
- in the case of the Revenue Accounts, of the Net Surplus/(Deficit) as applicable of the respective of the Schemes for the period ended March 31, 2017; and
- in the case of the Cash Flow Statement of Mahindra Liquid Fund of the cash flows for the period ended March 31, 2017.

5. Report on Regulatory Requirements

1. As required by paragraph 55 and Clause 5 of the Eleventh Schedule of the SEBI Regulations, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of the audit.
 - (b) The Balance Sheets; the Revenue Accounts and the Cash Flow Statement (Mahindra Liquid Fund) dealt with by this Report are in agreement with the books of account of the Schemes.
 - (c) The financial statements have been prepared in accordance with accounting policies and standards as specified in the Ninth Schedule of the SEBI Regulations.
2. As required by clause 2 (ii) of Eighth Schedule of the SEBI Regulations, we report that, Non - traded securities have been valued following the "Principles of Fair Valuation" approved by the Boards of Directors of the Trustee and the AMC. In our opinion, these valuations are fair and reasonable.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firms' Registration No. 117366W/W-100018)

Sd/-
R. Laxminarayan
Partner
(Membership No. 33023)

Mumbai, June 22, 2017

Abridged Balance Sheet as at March 31, 2017

(₹ in Lakhs)

		Mahindra Liquid Fund #	Mahindra Mutual Fund Kar Bachat Yojana #	Mahindra Mutual Fund Dhan Sanchay Yojana #	Mahindra Mutual Fund Alp-Samay Bachat Yojana #
		As at March 31, 2017	As at March 31, 2017	As at March 31, 2017	As at March 31, 2017
	LIABILITIES				
1	Unit Capital	1,33,090.08	17,059.01	14,967.05	10,713.44
2	Reserves & Surplus				
2.1	Unit Premium Reserve	0.11	179.63	27.09	(7.35)
2.2	Unrealised Appreciation Reserve	9.25	1,362.04	485.72	7.53
2.3	Other Reserves	6,125.81	195.24	(133.45)	95.06
3	Loans & Borrowings	-	-	-	-
4	Current Liabilities & Provisions				
4.1	Provision for doubtful Income/Deposits	-	-	-	-
4.2	Other Current Liabilities & Provisions	26.08	132.08	125.53	385.51
	TOTAL	1,39,251.32	18,928.01	15,471.94	11,194.19
	ASSETS				
1	Investments				
1.1.	Listed Securities:				
1.1.1	Equity Shares	-	15,115.51	10,379.59	-
1.1.2	Preference Shares	-	-	-	-
1.1.3	Equity Linked Debentures	-	-	-	-
1.1.4	Other Debentures & Bonds	3,921.56	-	3,053.69	2,032.12
1.1.5	Securitized Debt securities	-	-	-	-
1.2	Securities Awaited Listing:				
1.2.1	Equity Shares	-	-	-	-
1.2.2	Preference Shares	-	-	-	-
1.2.3	Equity Linked Debentures	-	-	-	-
1.2.4	Other Debentures & Bonds	-	-	-	-
1.2.5	Securitized Debt securities	-	-	-	-
1.3	Unlisted Securities				
1.3.1	Equity Shares	-	-	-	-
1.3.2	Preference Shares	-	-	-	-
1.3.3	Equity Linked Debentures	-	-	-	-
1.3.4	Other Debentures & Bonds	-	-	-	-
1.3.5	Securitized Debt securities	-	-	-	-
1.4	Government Securities	-	-	-	-
1.5	Treasury Bills	498.48	-	-	-
1.6	Commercial Paper	89,129.28	-	-	4,429.45
1.7	Certificate of Deposits	35,181.78	-	-	1,485.04
1.8	Bill Rediscounting	-	-	-	-
1.9	Units of Domestic Mutual Fund	-	-	-	-
1.10	Foreign Securities	-	-	-	-
	Total Investments	1,28,731.09	15,115.51	13,433.28	7,946.61

Abridged Balance Sheet as at March 31, 2017 (Contd..)

(₹ in Lakhs)

		Mahindra Liquid Fund #	Mahindra Mutual Fund Kar Bachat Yojana #	Mahindra Mutual Fund Dhan Sanchay Yojana #	Mahindra Mutual Fund Alp-Samay Bachat Yojana #
		As at March 31, 2017	As at March 31, 2017	As at March 31, 2017	As at March 31, 2017
2	Deposits	28.00	75.00	875.00	50.00
3	Other Current Assets				
3.1	Cash & Bank Balance	68.88	324.22	87.04	383.78
3.2	CBLO/ Reverse Repo Lending	7,701.27	3,413.01	731.80	2,784.31
3.3	Others	2,722.08	0.27	344.81	29.49
4	Deferred Revenue Expenditure (to the extent not written off)	-	-	-	-
	TOTAL	1,39,251.32	18,928.01	15,471.94	11,194.19

The schemes of Mahindra Mutual Fund have been launched during the financial year ended March 31,2017 and hence the previous year's figures are not available.

Notes to Accounts - Annexure I

Abridged Revenue Account for the period ended March 31, 2017

(₹ in Lakhs)

		Mahindra Liquid Fund #	Mahindra Mutual Fund Kar Bachat Yojana #	Mahindra Mutual Fund Dhan Sanchay Yojana #	Mahindra Mutual Fund Alp-Samay Bachat Yojana #
		July 4, 2016 to March 31, 2017	August 22, 2016 to March 31, 2017	January 10, 2017 to March 31, 2017	February 14, 2017 to March 31, 2017
1	INCOME				
1.1	Dividend	-	57.39	30.71	-
1.2	Interest	6,943.54	202.60	69.12	74.09
1.3	Realised Gain / (Loss) on Foreign Exchange Transactions	-	-	-	-
1.4	Realised Gains / (Losses) on Interscheme sale of investments	-	-	-	-
1.5	Realised Gains / (Losses) on External sale / redemption of investments	(6.11)	99.21	95.38	17.37
1.6	Realised Gains / (Losses) on Derivative Transactions	-	-	(258.77)	-
1.7	Other Income	0.24	0.44	0.88	-
	(A)	6,937.67	359.64	(62.68)	91.46
2	EXPENSES				
2.1	Management fees	143.87	153.53	52.66	0.96
2.2	Service tax on Management fees	21.58	23.03	7.90	0.14
2.3	Transfer agents fees and expenses	-	-	-	-
2.4	Custodian fees	-	-	-	-
2.5	Trusteeship fees	2.83	0.42	0.25	0.07
2.6	Commission to Agents	-	16.87	5.54	-
2.7	Marketing & Distribution expenses	-	-	-	-
2.8	Audit fees	1.04	1.15	1.15	0.80
2.9	Investor Education Fund Expense	19.74	1.32	0.44	0.24
2.10	Other operating expenses	3.52	1.76	1.93	1.76
	(B)	192.58	198.08	69.87	3.97
3	NET REALISED GAINS/(LOSSES) FOR THE PERIOD (A - B = C)	6,745.09	161.56	(132.55)	87.49
4	Change in Unrealised Depreciation in value of investments (D)	-	-	-	-
5	NET GAINS/(LOSSES) FOR THE PERIOD (E=(C-D))	6,745.09	161.56	(132.55)	87.49
6	Change in unrealised appreciation in the value of investments (F)	9.25	1,362.04	485.72	7.53
7	NET SURPLUS/(DEFICIT) FOR THE PERIOD (E + F = G)	6,754.34	1,523.60	353.17	95.02
7.1	Add: Balance transfer from Unrealised Appreciation Reserve	-	-	-	-
7.2	Less: Balance transfer to Unrealised Appreciation Reserve	(9.25)	(1,362.04)	(485.72)	(7.53)
7.3	Add / (Less): Equalisation	1,368.69	33.68	(0.90)	21.12
8	Total	8,113.78	195.24	(133.45)	108.61
9	Dividend appropriation				
9.1	Income Distributed during the period	1,350.00	-	-	9.09
9.2	Tax on income distributed during the period	637.97	-	-	4.46
10	Retained Surplus/(Deficit) carried forward to Balance sheet	6,125.81	195.24	(133.45)	95.06

The schemes of Mahindra Mutual Fund have been launched during the financial year ended March 31,2017 and hence the previous year's figures are not available.

Key Statistics for the period ended March 31, 2017

	Mahindra Liquid Fund #	Mahindra Mutual Fund Kar Bachat Yojana #	Mahindra Mutual Fund Dhan Sanchay Yojana #	Mahindra Mutual Fund Alp-Samay Bachat Yojana #
	July 4, 2016 to March 31, 2017	August 22, 2016 to March 31, 2017	January 10, 2017 to March 31, 2017	February 14, 2017 to March 31, 2017
1. NAV per unit (₹):				
Open				
Regular Plan - Growth Option	^^	^^	^^	^^
Regular Plan - Daily Dividend Option	^^	^^	^^	^^
Regular Plan - Weekly Dividend Option	^^	^^	^^	^^
Regular Plan - Monthly Dividend Option	^^	^^	^^	^^
Regular Plan - Dividend Option	^^	^^	^^	^^
Direct Plan - Growth Option	^^	^^	^^	^^
Direct Plan - Daily Dividend Option	^^	^^	^^	^^
Direct Plan - Weekly Dividend Option	^^	^^	^^	^^
Direct Plan - Monthly Dividend Option	^^	^^	^^	^^
Direct Plan - Dividend Option	^^	^^	^^	^^
High				
Regular Plan - Growth Option	1,051.5612	11.0164	10.2523	1,008.7922
Regular Plan - Daily Dividend Option	1,000.5685	N.A.	N.A.	1,004.8896
Regular Plan - Weekly Dividend Option	1,010.8635	N.A.	N.A.	1,008.8162
Regular Plan - Monthly Dividend Option	N.A.	N.A.	N.A.	1,008.7898
Regular Plan - Dividend Option	N.A.	11.0163	10.2521	N.A.
Direct Plan - Growth Option	1,052.6354	11.1376	10.2917	1,009.9978
Direct Plan - Daily Dividend Option	1,000.5758	N.A.	N.A.	1,005.3174
Direct Plan - Weekly Dividend Option	1,004.4648	N.A.	N.A.	1,009.9593
Direct Plan - Monthly Dividend Option	N.A.	N.A.	N.A.	1,009.9987
Direct Plan - Dividend Option	N.A.	11.1258	10.2901	N.A.
Low				
Regular Plan - Growth Option	1,000.1594	9.8370	9.9727	1,000.1216
Regular Plan - Daily Dividend Option	1,000.1594	N.A.	N.A.	1,000.1216
Regular Plan - Weekly Dividend Option	1,000.1594	N.A.	N.A.	1,000.1217
Regular Plan - Monthly Dividend Option	N.A.	N.A.	N.A.	1,000.1217
Regular Plan - Dividend Option	N.A.	9.8369	9.9727	N.A.
Direct Plan - Growth Option	1,000.1594	9.8806	9.9825	1,000.1453
Direct Plan - Daily Dividend Option	1,000.1594	N.A.	N.A.	1,000.1453
Direct Plan - Weekly Dividend Option	1,000.1594	N.A.	N.A.	1,000.1460
Direct Plan - Monthly Dividend Option	N.A.	N.A.	N.A.	1,000.1453
Direct Plan - Dividend Option	N.A.	9.8746	9.9820	N.A.
End				
Regular Plan - Growth Option	1,051.5612	11.0164	10.2523	1,009
Regular Plan - Daily Dividend Option	1,000.1594	N.A.	N.A.	1,004
Regular Plan - Weekly Dividend Option	1,009.5754	N.A.	N.A.	1,009
Regular Plan - Monthly Dividend Option	N.A.	N.A.	N.A.	1,009
Regular Plan - Dividend Option	N.A.	11.0162	10.2521	N.A.
Direct Plan - Growth Option	1,052.6354	11.1376	10.2917	1,010
Direct Plan - Daily Dividend Option	1,000.1594	N.A.	N.A.	1,005
Direct Plan - Weekly Dividend Option	1,003.1589	N.A.	N.A.	1,010
Direct Plan - Monthly Dividend Option	N.A.	N.A.	N.A.	1,010
Direct Plan - Dividend Option	N.A.	11.1258	10.2901	N.A.
2. Closing Assets Under Management (₹ in Lakhs)				
End	1,39,225.24	18,796	15,346.41	10,809
Average (AAuM)	1,32,961.15	14,637	13,550.08	9,617

Key Statistics for the period ended March 31, 2017 (Contd...)

	Mahindra Liquid Fund #	Mahindra Mutual Fund Kar Bachat Yojana #	Mahindra Mutual Fund Dhan Sanchay Yojana #	Mahindra Mutual Fund Alp-Samay Bachat Yojana #
	July 4, 2016 to March 31, 2017	August 22, 2016 to March 31, 2017	January 10, 2017 to March 31, 2017	February 14, 2017 to March 31, 2017
3. Gross income as % of AAuM ¹	7.03%	5.44%	(2.86)%	7.71%
4. Expense Ratio:				
a. Total Expense as % of AAuM (plan wise)				
Regular Plan	0.31%	3.04%	3.27%	1.24%
Direct Plan	0.18%	0.63%	0.90%	0.24%
b. Management Fee as % of AAuM (plan wise)				
Regular Plan	0.24%	2.35%	2.46%	0.78%
Direct Plan	0.13%	0.48%	0.65%	0.01%
5. Net Income as a percentage of AAuM ²	6.83%	2.44%	(6.05)%	7.38%
6. Portfolio turnover ratio ³	N.A.	0.08	0.94	N.A.
7. Total Dividend per unit distributed during the period (plan wise)				
Regular Plan - Daily Dividend Option	50.13	N.A.	N.A.	4.46
Regular Plan - Weekly Dividend Option	41.16	N.A.	N.A.	-
Regular Plan - Monthly Dividend Option	N.A.	N.A.	N.A.	-
Regular Plan - Dividend Option	N.A.	-	-	N.A.
Direct Plan - Daily Dividend Option	51.11	N.A.	N.A.	5.29
Direct Plan - Weekly Dividend Option	48.28	N.A.	N.A.	-
Direct Plan - Monthly Dividend Option	N.A.	N.A.	N.A.	-
Direct Plan - Dividend Option	N.A.	-	-	N.A.
8. Returns:				
a. Last One Year Scheme				
Regular Plan	N.A.	N.A.	N.A.	N.A.
Direct Plan	N.A.	N.A.	N.A.	N.A.
Benchmark	N.A.	N.A.	N.A.	N.A.
b. Since Inception				
Date of Inception/allotment of scheme	July 04,2016	October 18,2016	February 01,2017	February 15, 2017
Scheme				
Regular Plan	5.16%	10.16%	2.52%	0.88%
Direct Plan	5.26%	11.38%	2.92%	1.00%
Benchmark	5.06%	6.10%	2.14%	0.83%
Benchmark Index	Crisil Liquid Fund Index	Nifty 200	45% Nifty Index + 55% Crisil Composite Bond Fund Index	Crisil Liquid Fund Index

The schemes of Mahindra Mutual Fund have been launched during the financial year ended March 31,2017 and hence the previous year's figures are not available.

^^ There being no unit balances available at the beginning of the period hence there are no opening NAVs for the respective plans/ options.

- Gross income = amount against (A) in the Revenue account i.e. Income.
- Net income = amount against (C) in the Revenue account i.e. Net Realised Gains / (Losses) for the period
- Portfolio Turnover = Lower of sales or purchase divided by the Average AuM for the period.
- AAuM= Average daily net assets

Note

- Portfolio Turnover is expressed as number of times
- As the schemes have not completed one year, returns are shown in absolute terms which are calculated from the date of allotment. Returns are calculated for the Growth Options of the respective Scheme(s)/Plan(s). Past Performance may or may not be sustained in future.

Notes to Accounts - Annexure I to the Abridged Balance Sheet as at March 31, 2017 and Revenue Account for the period ended March 31, 2017
1 Investments:-

1.1. All investments are registered in the names of the Schemes of Mahindra Mutual Fund and are held for the benefit of the unitholders of the schemes.

1.2. Open positions of derivatives outstanding as on March 31, 2017 are given in the below table:

(₹ in Lakhs)

Scheme Name	Outstanding Market Value of Derivative Exposure	% to Net Assets
Mahindra Mutual Fund Dhan Sanchay Yojana	(3367.20)	(22.08%)

1.3. None of the Schemes of Mahindra Mutual Fund have made investments in any of the Associates and Group Companies during the period ended March 31,2017.

1.4. There are no open position of Securities Borrowed and / or Lent by the schemes as on March, 31,2017.

1.5. There are no NPAs during the period ended March 31,2017.

1.6. Aggregate Unrealised Gain / Loss as at the end of the Financial Year and percentage to net assets as on March 31, 2017 are given in the below table:

(₹ in Lakhs)

Name of the scheme	Category of Investment	As at March 31, 2017			
		Appreciation Amount ₹	Depreciation Amount ₹	Net Appreciation/ Depreciation Amount ₹	Percentage (%) to Net Assets
Mahindra Liquid Fund	Debentures and Bonds	-	(4.51)	(4.51)	*
	Treasury Bills	-	\$	\$	*
	Certificate of Deposits	1.94	-	1.94	0.00%
	Commercial Paper	11.83	-	11.83	0.01%
Mahindra Mutual Fund Kar Bachat Yojana	Equity Shares	1,362.04	-	1,362.04	7.25%
Mahindra Mutual Fund Dhan Sanchay Yojana	Equity Shares	543.16	-	543.16	3.54%
	Futures	-	(66.94)	(66.94)	(0.44%)
	Debentures and Bonds	9.49	-	9.49	0.06%
Mahindra Mutual Fund Alp-Samay Bachat Yojana	Debentures and Bonds	4.83	-	4.83	0.04%
	Certificate of Deposits	0.37	-	0.37	-
	Commercial Paper	2.33	-	2.33	0.02%

\$ Less than Rs 1 Lakh

* Less than 0.01%

1.7. Aggregate Value of Purchase and Sale of Investments with Percentage to Average assets for the period ended March 31, 2017 are given in the below table.

(₹ in Lakhs)

Name of the Scheme	Aggregate value of Purchases		Aggregate value of Sales	
	F.Y 2016-2017		F.Y 2016-2017	
	₹	Percentage (%)	₹	Percentage (%)
Mahindra Liquid Fund	12,88,020	968.72	11,65,342	876.45
Mahindra Mutual Fund Kar Bachat Yojana	14,813	101.20	1,159	7.91
Mahindra Mutual Fund Dhan Sanchay Yojana	22,658	167.22	12,793	94.41
Mahindra Mutual Fund Alp-Samay Bachat Yojana	17,721	184.26	9,829	102.21

- 1.8. Aggregate Value of Non-Traded securities of Equity, Debt and Money Market Instruments in the portfolio of the Schemes and percentage (%) to net assets as on 31st March, 2017 are given in the below table:

(₹ in Lakhs)

Name of the scheme	Security Category	Market Value ₹	Percentage (%) to Net Assets
		as on March 31, 2017	
Mahindra Liquid Fund	Debentures and Bonds	3,922	2.82
	Certificate of Deposits	35,182	25.29
	Commercial Paper	89,129	64.05
Mahindra Mutual Fund Dhan Sanchay Yojana	Debentures and Bonds	3,054	19.89
Mahindra Mutual Fund Alp-Samay Bachat Yojana	Debentures and Bonds	2,032	18.79
	Certificate of Deposits	1,485	13.74
	Commercial Paper	4,429	40.98

2 Disclosure under Regulation 25(8) of the SEBI (Mutual Funds) Regulations:

Disclosure have been made in respect of brokerage / commission and other payments made to parties associated with sponsors in which the AMC or its major shareholders have a substantial interest as per SEBI Circular dated March 15, 2010.

The scheme wise details are as follows:

- (a) Brokerage paid to associates/related parties/group companies of Sponsor/AMC on investment transactions : NIL
- (b) Payment of Commission made by AMC for distribution and sale of units to associates/related parties/group companies of Sponsor/AMC are as under:

Scheme Name	Name of associate/related parties/group companies of Sponsor/AMC	Nature of Association/ Nature of relation	Period covered	Business Given (₹ Lakhs & % of total business received by the fund)		Commission paid (₹ Lakhs & % of total commission paid by the fund) *	
				Amount (₹)	%	Amount (₹)	%
Mahindra Liquid Fund	Mahindra & Mahindra Financial Services Limited	Sponsor	July 04, 2016 to March 31, 2017	1,69,532	5.88	4.54	70.86
Mahindra Mutual Fund Kar Bachat Yojana				131	0.75	1.19	0.59
Mahindra Mutual Fund Dhan Sanchay Yojana				216	1.43	2.41	2.33
Mahindra Mutual Fund Alp Samay Bachat Yojana				202	1.02	0.15	22.49

* The commission amount is exclusive of the service Tax

- (c) During the financial year ended March 31, 2017 none of the schemes of the Fund subscribed to any issues lead managed by associate companies or any issue of debt or equity on private placement basis where the sponsor or its associates acted as arranger or manager. Further none of the schemes of the Fund undertook any underwriting obligations with respect to any issue of any securities of associate companies or devolved with respect to the same during the financial year ended March 31, 2017.
- 3 Details of Large Holdings in the Scheme (i.e. in excess of 25% of the net assets as on 31st March, 2017):

Scheme Name	No. of Investors	Percentage of holding
Mahindra Mutual Fund Alp-Samay Bachat Yojana	1	26.12

- 4 Unit Capital movement during the period ended March 31, 2017 is as under:

Mahindra Liquid Fund

Description	FY 2016 - 2017				
	Initial Subscription of Units during New Fund Offer (NFO)	Issued Units during the period Other than NFO	Repurchase Units during the period	Balance Units at the close of the period	Face Value of Units at the close of the period (₹)
Regular Plan - Growth Option	156.000	2,70,38,413.608	2,58,97,440.121	1,41,129.487	1,14,11,29,487
Regular Plan - Daily Dividend Option	151.000	96,54,041.976	94,74,118.625	1,80,074.351	18,00,74,351

Description	FY 2016 - 2017				
	Initial Subscription of Units during New Fund Offer (NFO)	Issued Units during the period Other than NFO	Repurchase Units during the period	Balance Units at the close of the period	Face Value of Units at the close of the period (₹)
Regular Plan - Weekly Dividend Option	311.000	26,234.531	23,323.725	3,221.806	32,21,806
Direct Plan - Growth Option	10,05,812.000	18,54,46,048.871	7,59,22,868.466	1,05,28,992.405	10,52,89,92,405
Direct Plan - Daily Dividend Option	261.000	5,89,58,637.508	5,75,66,320.623	3,92,577.885	1,39,25,77,885
Direct Plan - Weekly Dividend Option	5,466.000	1,71,102.680	1,13,557.053	63,011.627	6,30,11,627

Mahindra Mutual Fund Kar Bachat Yojana

Description	FY 2016- 2017				
	Initial Subscription of Units during NFO	Issued Units during the period Other than NFO	Repurchase Units during the period	Balance Units at the close of the period	Face Value of Units at the close of the period (₹)
Regular Plan - Growth Option	8,06,17,947.500	4,17,64,568.742	-	12,23,82,516.242	1,22,38,25,162
Regular Plan - Dividend Option	3,54,10,144.600	1,01,85,194.023	-	4,55,95,338.623	45,59,53,386
Direct Plan - Growth Option	16,61,450.000	5,72,845.831	-	22,34,295.831	2,23,42,958
Direct Plan - Dividend Option	2,54,100.000	1,23,835.903	-	3,77,935.903	37,79,359

Mahindra Mutual Fund Dhan Sanchay Yojana

Description	FY 2016- 2017				
	Initial Subscription of Units during NFO	Issued Units during the period Other than NFO	Repurchase Units during the period	Balance Units at the close of the period	Face Value of Units at the close of the period (₹)
Regular Plan - Growth Option	8,34,59,243.363	2,54,13,591.075	9,68,215.933	10,79,04,618.505	1,07,90,46,185
Regular Plan - Dividend Option	3,07,69,937.378	64,77,062.471	1,992.536	3,72,45,007.313	37,24,50,073
Direct Plan - Growth Option	41,06,259.188	2,02,676.264	28,510.416	42,80,425.036	4,28,04,250
Direct Plan - Dividend Option	2,33,020.569	7,464.569	-	2,40,485.138	24,04,851

Mahindra Mutual Fund Alp-Samay Bachat Yojana

Description	FY 2016- 2017				
	Initial Subscription of Units during NFO	Issued Units during the period Other than NFO	Repurchase Units during the period	Balance Units at the close of the period	Face Value of Units at the close of the period (₹)
Regular Plan - Growth Option	51,784.452	93,951.247	95,151.446	50,584.253	5,05,84,253
Regular Plan - Daily Dividend Option	7,161.720	12,826.185	455.326	19,532.579	1,95,32,579
Regular Plan - Weekly Dividend Option	6.000	982.440	-	988.440	9,88,440
Regular Plan - Weekly Dividend Option	108.000	207.276	-	315.276	3,15,276
Direct Plan - Growth Option	6,38,147.698	6,12,541.619	4,42,473.289	8,08,216.028	80,82,16,028
Direct Plan - Daily Dividend Option	3,60,031.000	1,91,636.923	3,60,632.851	1,91,035.072	19,10,35,072
Direct Plan - Weekly Dividend Option	5.000	299.541	-	304.541	3,04,541
Direct Plan - Monthly Dividend Option	127.000	240.335	-	367.335	3,67,335

- 5 There are no contingent liabilities of the schemes as at March 31, 2017.
- 6 Expenses other than Management Fees are inclusive of service tax wherever applicable.
- 7 The schemes of Mahindra Mutual Fund have been launched during the financial year ended March 31, 2017 and hence the previous year's figures are not available.
- 8 Auditors' Report and Abridged Audited Results have been extracted from the Auditors' Report, Audited Balance Sheet, Revenue Account and Notes to Accounts. Full Annual Report shall be disclosed on the website (www.mahindramutualfund.com)

Mahindra MUTUAL FUND

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