

Board's Report

To,
The Members of
Mahindra Trustee Company Private Limited

Your Directors have pleasure in presenting their Fifth Annual Report together with the Audited Accounts of your Company for the year ended March 31, 2018.

1. FINANCIAL RESULTS

Particulars	Amount in Rs. Lakhs	
	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Income	24.60	3.17
Less :		
Expenditure	(24.25)	(23.52)
Total Expenses	(24.25)	(23.52)
Profit Before Tax	0.35	(20.35)
Less : Provision for Tax		
Current Tax	0	0
Deferred Tax	0	0
Profit / (Loss) for the year	0.35	(20.35)
Profit / (Loss) brought forward from previous year	(27.80)	(7.45)
Transfer to Reserves	0	0

2. DIVIDEND

Your Directors do not recommend any dividend for the year under review.

3. TRANSFER TO RESERVES

The Company did not transfer any amount to reserves during the year under review.

4. OPERATIONS

Your Company is engaged as a Trustee to Mahindra Mutual Fund and has appointed Mahindra Asset Management Company Private Limited as the Investment Manager for the schemes of Mahindra Mutual Fund.

During the Financial Year 2017-18, the AMC launched the following two schemes in the market:

1. Mahindra Mutual Fund Badhat Yojana, Multi Cap Fund - An open ended equity scheme investing across large cap, mid cap, small cap stocks, launched on April 20, 2017;
2. Mahindra Unnati Emerging Business Yojana, Mid Cap Fund – An open ended equity scheme predominantly investing in mid cap stocks, launched on January 8, 2018.

In addition, the AMC also launched Mahindra Mutual Fund Bal Vikaas Yojana on April 20, 2017. The AMC was unable to collect the minimum amount of subscription in this scheme and hence the scheme was withdrawn. As on March 31, 2018, the AMC is acting as the investment manager for six schemes. The Assets under Management in these six schemes were Rs. 3,352 crores in March 2018 as compared to Rs 2,050 crores in the month of March 2017. Of these assets, Rs. 1,173 crores were in retail schemes in March 2018 as compared to Rs 319 crores in March 2017. The AMC has empanelled more than 7,500 distributors and opened 1,26,737 investor accounts in these schemes showing a rise of more than 235%. During the next year, the AMC will continue to expand its product range as well as increase its engagement activities with the distributors and customers via new offices and employees across the country. With the increase in assets under management of Mahindra Mutual Fund, your Company's trusteeship fees will also increase.

Your Directors would like to present the overview of the Economy and Financial Markets in general and the Mutual Fund Industry in particular.

Indian Economy

The year 2017-18 witnessed two key events. The Goods and Services Tax ('GST') was implemented from July 1, 2017 thus paving the way towards a 'One Nation, One Tax' system. Further, a new Insolvency and Bankruptcy Code was notified which is expected to resolve the issues related to non-performing assets of the Banking system.

The second advance estimate of Gross Domestic Product (GDP) released by the Central Statistics Office in February 2018 estimated the real GDP growth at 6.60 percent (constant 2011-12 prices) in 2017-18 (7.10 percent in 2016-17). While the GDP growth was lower than last year, partly because of adjustments to the GST regime, there were silver linings on the horizon. Credit Growth started accelerating and after several quarters, investment activity showed some green shoots and the Gross Capital Formation (GCF) to GDP ratio inched up to 31.40%. Global economic activity has continued to strengthen and is becoming synchronized gradually.

Inflation measured by Consumer Price Index (CPI) remained benign, averaging around 3.50% during the year and the exchange rate measured against the US Dollar was broadly stable through the year.

The year also marked an upward movement in crude prices. Such movements, if they continue, could possibly endanger both inflation and growth expectations for the next financial year.

Equity Markets

The S&P BSE Sensex ended the year with gains of more than 11% to close at 32,968 while the NIFTY 50 closed with gains of more than 10% to close at 10,113. The S&P BSE mid cap index after rallying ahead of frontline indices for major part of the year closed at a commensurate gain of more than 12% during the year. Globally majority of the equity indices did well.

The rally was led by infusion of liquidity by Domestic Institutional Investors (~USD 22bn) due to strong retail participation despite Foreign Institutional Investors being net sellers (~USD 1.4 bn). Majority of the sectors participated in the rally in the indices barring the pharmaceutical sector.

The year 2018-19 may see higher volatility in global equity markets due to rising global interest rates. India, despite its strong long term macro fundamentals, may also see high volatility due to the upcoming elections.

Fixed Income Markets

The interest rate environment, which was benign in 2016-17, saw a sharp upward movement in rates. The benchmark sovereign 10-year rates, moved up by around 70 basis points to close at 7.35%. The year was marked by volatility as the bench mark saw a low of around 6.40% in the first half of the year and moved up to a high of around 7.80% during the latter part of the fiscal year. What contributed to the upward bias was a combination of increase in fiscal deficit and rising crude and commodity prices resulted in increased inflationary expectations. The US Fed act of increasing the Fed rates and shrinking its balance sheet acted as headwinds to the interest rate environment.

Overview of the Mutual Fund Industry

The Mutual Fund Industry had another good year. The Assets under Management (AUM) as on March 31, 2018 were Rs. 21.36 lakh crores compared to Rs. 17.54 lakh crores as on March 31, 2017. Assets grew by 21.7 percent during the year.

Net inflows into mutual funds during the year were Rs. 2.72 lakh crores showing a decline over net inflows over the previous year. However, the decline was mainly due to sharp reduction in inflows into debt and liquid schemes. Both these scheme classes actually witnessed a net outflow in assets. There was a surge in inflows in equity schemes. Equity schemes saw net inflows of Rs. 1.57 lakh crores which was more than 2.6 times of the inflows in the previous year. The popularity of balanced schemes continued with inflows growing more than 2.4 times last year and touching Rs. 89,757 crores. Inflows into ELSS schemes also increased by 43%.

The top ten players increased their market share during this year. Their combined share of total assets increased to 81% from 74% last year.

During the year, SEBI issued the product classification guidelines and requested all Asset Management Companies to review their product portfolio in accordance with these guidelines and submit their rationalization proposal to SEBI. This circular had a minimal impact on your Company's products. Going forward, this provides clarity to AMCs, distributors and customers and allows them to have a better understanding of the different schemes offered by Mutual Funds.

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 will continue to attract new households from the smaller towns and cities as well as urban centres. Your Company aims to reach customers in the smaller towns by leveraging the Mahindra brand as well as distribution reach of its parent, Mahindra & Mahindra Financial Services Limited. Your Company will also leverage the traditional distributors of mutual fund products viz. banks, national distributors as well as individual distributors to welcome new customers to the Mahindra family.

5. SHARE CAPITAL

During the year under review, the Company has neither issued shares with differential voting rights as to dividend, voting or otherwise nor has issued any sweat equity. The Company has not formulated any Employees' Stock Option Scheme during the year under review. 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.

As on March 31, 2018, none of the Directors of the Company holds instruments convertible into Equity Shares of the Company.

6. 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 March 31, 2018, the Company has four directors. Mr. Gautam Parekh (DIN: 00365417), Dr. Narendra Mairpady (DIN: 00536905) and Mr. Debabrata Bandyopadhyay (DIN: 06972463) were appointed as Independent Directors of the Company for a period of five years with effect from September 21, 2015. These Independent Directors shall hold the office of directorship for a term of five years and none of the Independent Directors are eligible for re-appointment.

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. M. G. Bhide (DIN:00001826), Non-Executive Non-Independent Director of the Company retires by rotation at the forthcoming Annual General Meeting scheduled to be held on July 17, 2018 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.

7. KEY MANAGERIAL PERSONNEL

Mr. Ravi Dayma, Company Secretary who was appointed as a Key Managerial Personnel under the provisions of Section 203 of the Companies Act, 2013 resigned as a Company Secretary of the Company with effect from March 1, 2018.

8. NUMBER OF MEETINGS OF THE BOARD

The Board met six times in Financial Year viz. April 15, 2017, June 22, 2017, July 14, 2017, October 17, 2017, December 5, 2017 and January 17, 2018. The Board of Directors have passed eight Circular Resolutions on May 24, 2017, June 10, 2017, September 9, 2017, November 4, 2017, November 15, 2017, December 9, 2017, March 22, 2018 and March 28, 2018.

The names and categories of the Directors of the Company, their attendance at the Board Meetings held during the Financial Year 2017-18 and at the last Annual General Meeting of the Company held on July 14, 2017 are as follows:

Name	Category	Number of Meetings during the Financial Year 2017-18		Attendance at the last AGM held on July 14, 2017 (Yes/No/N.A.)
		Held	Attended	
Mr. M. G. Bhide	Non-Executive, Non-Independent	6	6	Yes
Dr. Narendra Mairpady	Non-Executive, Independent	6	6@	Yes
Mr. Debabrata Bandyopadhyay	Non-Executive, Independent	6	6	Yes
Mr. Gautam Parekh	Non-Executive, Independent	6	6	Yes

@ Dr. Narendra Mairpady attended the Board Meeting held on December 5, 2017 by means of Video Conference.

9. 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.

10. MEETING OF INDEPENDENT DIRECTORS

The Independent Directors met once during the year under review. The meeting was conducted in an informal manner without the presence of the Non-Executive Non-Independent Director and any of the Key Managerial Personnel.

11. COMMITTEE OF THE BOARD

The Board of Directors of the Company at its meeting held on January 12, 2016, constituted an Audit Committee and approved the terms of reference and the role of the said Committee. This Committee was formed in order to comply with the requirements prescribed under SEBI (Mutual Fund Regulations), 1996 and circulars issued thereunder.

The Audit Committee comprises of Mr. Gautam Parekh, Dr. Narendra Mairpady and Mr. Debabrata Bandyopadhyay, Independent Directors of the Company. The Committee met four times during the year viz. April 15, 2017, June 22, 2017, October 17, 2017, and January 17, 2018. The meetings were well attended by all the Members of the Committee.

12. COMPLIANCE WITH SECRETARIAL STANDARDS

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

13. 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 March 31, 2018, 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 March 31, 2018 and of the profit 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 March 31, 2018 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.

14. 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 March 31, 2018 forms part of this Report and is appended as **Annexure I**.

15. 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 the public was outstanding as on the date of balance sheet.

16. AUDITORS

Messrs. B. K. Khare & Co., Chartered Accountants [ICAI Firm Registration No. 105102W], Statutory Auditors of the Company hold the office till the conclusion of the forthcoming Annual General Meeting (AGM) and are eligible for re-appointment. Pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules framed thereunder, it is proposed to appoint Messrs. B. K. Khare & Co., as the Statutory Auditors of the Company from the conclusion of the forthcoming AGM till the conclusion of the 8th AGM.

As required under the provisions of Sections 139(1) read with Section 141 of the Companies Act, 2013, the Company has received a written certificate from Messrs. B. K. Khare & Co., Chartered Accountants to their re-appointment, and a Certificate to the effect that their re-appointment, if made, would be in accordance with the provisions of the Companies Act, 2013 and the Rules framed thereunder and that they satisfy the criteria provided in Section 141 of the Companies Act, 2013.

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. B. K. Khare & Co., Statutory Auditors, in their report.

17. 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.

18. 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.

19. CODE OF CONDUCT

The Board of Directors of the Company had adopted Code of Conduct at its meeting held on June 14, 2016, for Corporate Governance ("the Code") for its Directors. These Codes enunciate the underlying principles governing the conduct of the Company's business and seek to reiterate the fundamental precept that good governance must and would always be an integral part of the Company's ethos. The Company has for the year under review, received declarations under the Code from the Board Members, affirming compliance with the Code.

20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has not advanced any loans, provided any guarantees or made investments under Section 186 of the Companies Act, 2013 during the year under review.

The Company has not made any loans/advances and investments 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.

21. 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 has any pecuniary relationships or transactions vis-à-vis the Company.

22. 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 the Report.

23. 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 are given in **Annexure II**.

24. RISK MANAGEMENT POLICY

The main business of the Company is to act as a Trustee to the schemes of Mahindra Mutual Fund. The Trustee Company has appointed Mahindra Asset Management Company Private Limited (AMC) to manage the schemes of the Trust such as launching of new schemes, marketing and collection of funds, investment management of the funds, settlement and valuation of securities, risk management, etc. Accordingly, the Trustee Company supervises the management of the schemes by requesting MIS, Management Reports and Internal Audit reports from the AMC. The AMC has put in place a risk management policy in order to effectively manage the schemes of the Trust. The Trustee Company regularly reviews the risk management processes of the AMC and gets reports on the same from the internal auditor.

25. INTERNAL FINANCIAL CONTROL SYSTEM

The Company has adequate internal control procedures commensurate with its size and nature of the business. These business control procedures ensure efficient use and protection of the resources and compliance with the policies, procedures and statutes. A firm of experienced Chartered Accountants had carried Internal Audit throughout the year. Whenever it is required, the systems and procedures are upgraded. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

26. SUBSIDIARIES

The Company does not have any subsidiary as on March 31, 2018 or during the Financial Year ended on that date.

27. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

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

Mumbai, April 17, 2018

28. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions/events on these items during the year under review:

- ❖ There are no employees in the Company and hence during the year under review the Company has not received any complaint under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- ❖ Change in the nature of business carried out by the Company during the year under review.
- ❖ Payment of Remuneration or Commission to the Managing Director or the Whole Time Director of the Company from any of its subsidiaries.
- ❖ Details about the policy developed and implemented by the Company on Corporate Social Responsibility initiative taken during the year.

For and on behalf of the Board

M. G. BHIDE

Chairman

ANNEXURE I TO THE DIRECTORS' REPORT
Form No. MGT-9
Extract of Annual Return for the year ended on March 31, 2018

[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	July 10, 2013
iii. Name of the Company	Mahindra Trustee Company Private Limited
iv. Category / Sub-Category of the Company	Public Limited Company by shares (being a subsidiary of a Public Limited Company)
v. Address of the Registered office and contact details	4th Floor, Mahindra Towers, A Wing, P. B. Marg, Worli, Mumbai - 400018. Tel.: 91 22 6652 6000 Fax: 91 22 24984170 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:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Trusteeship	74	98%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Mahindra & Mahindra Limited Gateway Building, Apollo Bunder, Mumbai – 400001.	L65990MH1945PLC004558	Ultimate Holding Company	100%*	Section 2(46)
2.	Mahindra & Mahindra Financial Services Limited Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai – 400018.	L65921MH1991PLC059642	Holding Company	100%	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.

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Shareholding

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	
A. PROMOTERS									
(1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	5,00,000	5,00,000	100	-	5,00,000	5,00,000	100	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	-	5,00,000	5,00,000	100	-	5,00,000	5,00,000	100	-
(2) Foreign									
a) NRIs -									
Individuals	-	-	-	-	-	-	-	-	-
b) Other -									
Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	-	5,00,000	5,00,000	100	-	5,00,000	5,00,000	100	-
B. PUBLIC SHAREHOLDING									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corporate	-	-	-	-	-	-	-	-	-
i) Indian									
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	5,00,000	5,00,000	100	-	5,00,000	5,00,000	100	-

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1.	Mahindra & Mahindra Financial Services Limited	4,99,998	100	-	4,99,998	100	-	-
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		5,00,000	100	-	5,00,000	100	-	-

(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
1.	At the beginning of the year				
(i)	Mahindra & Mahindra Financial Services Limited (MMFSL)	4,99,998	100	4,99,998	100
(ii)	Mahindra & Mahindra Financial Services Limited Jointly with Mr. M. G. Bhide	1	-	1	-
(iii)	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.)		No Change		
2.	At the end of the year	5,00,000	100	5,00,000	100

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1.	At the beginning of the year				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:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during themYear	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. M.G. Bhide (jointly with Mahindra & Mahindra Financial Services Limited)				
	At the beginning of the year (As on April 1, 2017)	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 March 31, 2018)	1	0.00	1	0.00
2	Mr. Gautam Parekh				
	At the beginning of the year (As on April 1, 2017)	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 March 31, 2018)	Nil	0.00	Nil	0.00
3	Dr. Narendra Mairpady				
	At the beginning of the year (As on April 1, 2017)	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 March 31, 2018)	Nil	0.00	Nil	0.00
4	Mr. Debabrata Bandyopadhyay				
	At the beginning of the year (As on April 1, 2017)	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 March 31, 2018)	Nil	0.00	Nil	0.00
5	Mr. Ravi Dayma				
	At the beginning of the year (As on April 1, 2017)@	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 March 31, 2018)	Nil	0.00	Nil	0.00

@ Mr. Ravi Dayma resigned as a Company Secretary of the Company with effect from March 1, 2018.

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			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				Total Amount
1. Independent Directors	Mr. Gautam Parekh	Dr. Narendra Mairpady	Mr. Debabrata Bandyopadhyay	
♦ Fee for attending board / committee meetings	5,80,000	5,80,000	5,80,000	17,40,000
♦ Commission	-	-	-	-
♦ Others	-	-	-	-
Total (1)	5,80,000	5,80,000	5,80,000	17,40,000
2. Other Non-Executive Directors	Mr. M.G. Bhide			
♦ Fee for attending board / committee meetings	5,40,000			5,40,000
♦ Commission	-	-	-	-
♦ Others	-	-	-	-
Total (2)	5,40,000			5,40,000
Total (B)=(1+2)				22,80,000
Total Managerial Remuneration				22,80,000
Overall Ceiling as per the Act (Please see the note below)			-	

Note: Pursuant to the provisions of Section 197 (2) of the Companies Act, 2013, the overall ceiling on the remuneration to directors is exclusive of sitting fee paid to directors for attending the meetings of the Board or committees thereof. The sitting fees paid to directors is within the limit prescribed therefor under Section 197(5) of the Companies Act, 2013 read with rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) 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		-	-	-	-

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					
Punishment					
Compounding					
B. Directors					
Penalty			None		
Punishment					
Compounding					
C. Other Officers in Default					
Penalty					
Punishment					
Compounding					

ANNEXURE II TO THE DIRECTORS' REPORT

Information pursuant to section 134(3)(m) of the Companies Act, 2013, read with 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

Mumbai, April 17, 2018

M. G. BHIDE
Chairman

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, 2018, and the statements of profit and loss and cash flow for the period from April 1, 2017 to March 31, 2018, 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, 2018, and its profit and its cash flows for the period from April 1, 2017 to March 31, 2018.

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, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, 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 does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses that need provision.
 - 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 and Co.

Chartered Accountants
Firm's Registration Number 105102W

Padmini Khare Kaicker

Partner
Membership Number: 044784
Mumbai, April 17, 2018

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, 2018

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(i)(a) and 3(i)(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. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, clause 3(iv) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.
- 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 with the appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Goods and Services Tax, Excise Duty, Service Tax, Customs Duty, value added tax, and other statutory dues applicable to it with the concerned authorities.
 - (b) According to the information and explanations given to us, there are no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Sales Tax, Goods and Services Tax, Wealth Tax, Excise Duty, Service Tax, Customs Duty and Value Added Tax that were outstanding, at the year-end for a period of more than six months from the date they became payable.
 - (c) 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, Government 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 managerial remuneration is not payable to any managerial person, therefore, clause 3(xi) of the Companies (Auditor's Report) Order, 2016 is not applicable to the Company.
- 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 and Co.
Chartered Accountants
Firm's Registration Number 105102W

Padmini Khare Kaicker
Partner
Membership Number: 044784
Mumbai, April 17, 2018

Annexure II 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, 2018 in conjunction with our audit of the standalone financial statements of the Company for the period from April 1, 2017 to March 31, 2018.

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, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

For B. K. Khare and Co.

Chartered Accountants

Firm's Registration Number 105102W

Padmini Khare Kaicker

Partner

Membership Number: 044784

Mumbai, April 17, 2018

Balance Sheet

as at 31 March 2018

In Rupees

Particulars	Note No.	As at March 31,	
		2018	2017
A EQUITY & LIABILITIES			
1) Shareholders' funds			
a) Share Capital	1	50,00,000	50,00,000
b) Reserves and Surplus	2	(27,45,072)	(27,80,060)
		22,54,928	22,19,940
2) Non-current liabilities			
a) Other Long-term liabilities	3	1,00,000	1,00,000
		1,00,000	1,00,000
3) Current liabilities			
a) Trade payables	4		
i) Micro and Small Enterprises			
ii) Other Trade Payables		23,490	55,784
b) Other current liabilities	5	53,731	2,070
		77,221	57,854
Total Equity and Liabilities		24,32,149	23,77,794
B ASSETS			
1) Current assets			
a) Current investments	6	13,77,885	17,06,406
b) Trade Receivable	7	3,08,925	69,246
c) Cash and Cash Equivalents	8	1,48,300	2,54,818
d) Other current assets	9	5,97,039	3,47,324
		24,32,149	23,77,794
Total Assets		24,32,149	23,77,794
Summary of significant accounting policies and notes to the financial statements	I & II		

The accompanying Significant Accounting Policies and 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 and Co.**
Chartered Accountants
Firm Regn No. 105102W

For and on behalf of the Board

M.G.Bhide
Chairman

Padmini Khare Kaicker
Partner
Membership No.044784

Narendra Mairpady
Director

Gautam Parekh
Director

Debabrata Bandyopadhyay
Director

Place : Mumbai
Date : April 17, 2018

Statement of Profit and Loss

for the year ended March 31, 2018

Particulars	Note No.	In Rupees	
		For the year ended March 31	
		2018	2017
1) Revenue from operations	10	23,86,903	3,10,928
2) Other income	11	73,027	6,406
3) Total Revenue (1 + 2)		24,59,930	3,17,334
4) Expenses:			
Other expenses	12	24,24,942	23,52,172
5) Total expenses		24,24,942	23,52,172
6) Profit/(Loss) before tax (3 - 5)		34,988	(20,34,838)
7) Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
8) Profit/(Loss) for the year (6 - 7)		34,988	(20,34,838)
9) Earnings per equity share (Rupees) :	13		
(1) Basic		0.07	(6.62)
(2) Diluted		0.07	(6.62)
Summary of significant accounting policies and notes to the financial statements	I & II		

The accompanying Significant Accounting Policies and 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 and Co.
Chartered Accountants
Firm Regn No. 105102W

For and on behalf of the Board

M.G.Bhide
Chairman

Padmini Khare Kaicker
Partner
Membership No.044784

Narendra Mairpady
Director

Gautam Parekh
Director

Debabrata Bandyopadhyay
Director

Place : Mumbai
Date : April 17, 2018

Cash Flow Statement

for the year ended March 31, 2018

In Rupees

Sr No	Particulars	For the Year Ended March 31	
		2018	2017
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit/(Loss) before taxes and contingencies	34,988	(20,34,838)
	Add: Items considered separately:		
	(Profit)/Loss on sale of Investment	(71,479)	(6,406)
		(71,479)	(6,406)
	Operating Loss before working capital changes	(I) (36,491)	(20,41,244)
	Add/Less:		
	(Increase)/Decrease in Trade Receivable	(2,39,679)	(69,246)
	(Increase)/Decrease in Other Current Assets	(2,49,715)	(2,85,403)
		(4,89,394)	(3,54,649)
	Add: Increase in Current Liabilities & Provisions	19,366	8,494
		(II) (4,70,028)	(3,46,155)
	Cash used in operations	(I+II) (5,06,519)	(23,87,399)
	NET CASH USED IN OPERATING ACTIVITIES (A)	(5,06,519)	(23,87,399)
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Investments	(14,95,000)	(27,00,000)
	Sale of Investments	18,95,000	10,00,000
	NET CASH FROM/ (USED) IN INVESTING ACTIVITIES (B)	4,00,000	(17,00,000)
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Issue of Equity Shares	-	35,00,000
	NET CASH FLOW FROM FINANCING ACTIVITIES (C)	-	35,00,000
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENT (A+B+C)	(1,06,519)	(5,87,399)
	CASH AND CASH EQUIVALENTS AS AT:		
	Beginning of the year	2,54,818	8,42,217
	End of the year	1,48,299	2,54,818

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

As per our report of even date attached

For **B. K. Khare and Co.**
Chartered Accountants
Firm Regn No. 105102W

For and on behalf of the Board

M.G. Bhide
Chairman

Padmini Khare Kaicker
Partner
Membership No.044784

Narendra Mairpady
Director

Gautam Parekh
Director

Debabrata Bandyopadhyay
Director

Place : Mumbai
Date : April 17, 2018

Significant Accounting Policies and Notes

to the financial statements for the year ended March 31, 2018

CORPORATE INFORMATION

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 Mahindra Mutual Fund and has been granted a license by SEBI to act as a Trustee. The Company has entered into an Investment Management Agreement with Mahindra Asset Management Company Private Limited ('Investment Manager') for managing the schemes of Mahindra Mutual Fund.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES :

1. Basis of preparation of financial statements

The financial statements have been prepared and presented in accordance with the Generally Accepted Accounting Principles (IGAAP) under the historical cost convention as a going concern and on an 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 read with Rule 7 of the Company's (Accounts) Rules 2014 and other accounting principles generally accepted in India to the extent applicable.

2. Current and Non-current classification

All assets and liabilities have been classified as current and 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 realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose.

3. 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 recognised prospectively in future years.

4. Segment reporting

The Company has a single reporting segment viz income from trustee services provided to the schemes of Mahindra Mutual Fund. Accordingly, for the purpose of Accounting Standard 17 on segment reporting, the financial statements of the Company show the results of the Company for this single segment only.

5. 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 the value of investments in accordance with the Accounting Standard on 'Accounting for Investments' (AS 13) notified by Companies (Accounting Standards) Rules, 2006.

6. Revenue recognition

Trustee Fees are recognised as revenue when the trustee services are performed for the schemes of Mahindra Mutual Fund.

Dividend from investments is accounted as income when the right to receive dividend is established. Interest income is accounted on an accrual basis. The difference between the cost of investments and the redemption/sale proceeds (net of expenses) is recognised in the statement of Profit and Loss. For calculation of profit/loss on investment, cost is calculated on weighted average basis.

7. 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.

8. Taxes on income

Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax is recognised, subject to consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more

Significant Accounting Policies and Notes

to the financial statements for the year ended March 31, 2018

subsequent periods. Deferred tax assets arising on account of unabsorbed depreciation or carry forward of tax losses are recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future tax income will be available against which such deferred tax assets can be realised.

9. Provisions and contingent liabilities

- a) Provision for doubtful debts is made on the basis of standard norms and also, where required, on actual evaluation.
- b) Provisions are recognised 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.

10. Earnings 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.

II. NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

1. SHARE CAPITAL:

In Rupees

Particulars	As at March 31	
	2018	2017
Authorised Capital :		
10,00,000 Equity shares of Rs.10/- each (March 2017 : 10,00,000 shares)	1,00,00,000	1,00,00,000
Issued Capital :		
5,00,000 Equity shares of Rs.10/- each (March 2017 : 5,00,000 shares)	50,00,000	50,00,000
Subscribed and Paid-up Capital :		
5,00,000 Equity shares of Rs.10/- each (March 2017 : 5,00,000 shares)	50,00,000	50,00,000
Total	50,00,000	50,00,000

Significant Accounting Policies and Notes

to the financial statements as at March 31, 2018

Particulars	As at March 31			
	2018		2017	
	Number of Shares	Rupees	Number of Shares	Rupees
a) Reconciliation of the number of shares				
Number of equity shares outstanding at the beginning of the year	5,00,000	50,00,000	1,50,000	15,00,000
Add : Fresh allotment of shares during the year	-	-	3,50,000	35,00,000
Less : Shares bought back during the year	-	-	-	-
Number of equity shares outstanding at the end of the year	5,00,000	50,00,000	5,00,000	50,00,000
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)	5,00,000	50,00,000	5,00,000	50,00,000
Percentage of holding (%)	100	100	100	100
c) Shareholders holding more than 5 percent shares :				
Mahindra & Mahindra Financial Services Limited	5,00,000	50,00,000	5,00,000	50,00,000

2. RESERVES & SURPLUS:

Particulars	As at March 31	
	In Rupees	
	2018	2017
Surplus :		
Balance Loss as per last Balance Sheet	(27,80,060)	(7,45,222)
Add : Profit/(Loss) for the current year transferred from Statement of Profit & Loss	34,988	(20,34,838)
Balance Profit carried to Balance Sheet	(27,45,072)	(27,80,060)
Less : Allocations & Appropriations :		
Balance as at the end of the period	(27,45,072)	(27,80,060)
Total	(27,45,072)	(27,80,060)

3. OTHER LONG TERM LIABILITIES (Unsecured)

Particulars	As at March 31	
	In Rupees	
	2018	2017
Initial Corpus of Mahindra Mutual Fund (*)	1,00,000	1,00,000
Total	1,00,000	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

Significant Accounting Policies and Notes

to the financial statements as at March 31, 2018

4. TRADE PAYABLES:

In Rupees

Particulars	As at March 31	
	2018	2017
Trade payables for expenses		
Micro and Small Enterprises (Refer Note No 15)	-	-
Other than Micro and Small Enterprises	23,490	55,784
Total	23,490	55,784

5. OTHER CURRENT LIABILITIES:

In Rupees

Particulars	As at March 31	
	2018	2017
Statutory dues payable		
TDS Payable	2,243	2,000
Service Tax Payable	-	70
GST Payable	51,488	-
Total	53,731	2,070

6. CURRENT INVESTMENTS:

In Rupees

Particulars	As at March 31	
	2018	2017
Unquoted (at cost)		
Investment in Schemes of Mutual Fund		
Mahindra Liquid Fund – Direct Growth	11,27,885	17,06,406
Mahindra Low Duration Bachat Yojana – Direct Growth	2,50,000	-
Total	13,77,885	17,06,406
Net Asset Value of mutual fund units	14,26,477	17,46,324

7. TRADE RECEIVABLES:

In Rupees

Particulars	As at March 31	
	2018	2017
Unsecured, considered good unless otherwise stated		
- Outstanding for a period exceeding six months	-	-
- Others	3,08,925	69,246
Total	3,08,925	69,246

8. CASH AND CASH EQUIVALENTS:

In Rupees

Particulars	As at March 31	
	2018	2017
Balance with Scheduled Banks in Current Accounts	1,48,300	2,54,818
Total	1,48,300	2,54,818

Significant Accounting Policies and Notes

to the financial statements as at March 31, 2018 / for the year ended March 31, 2018

9. OTHER CURRENT ASSETS:

Particulars	In Rupees	
	As at March 31	
	2018	2017
TDS Receivable	2,38,701	31,092
Service tax credit	-	3,16,233
GST Input Credit	3,58,338	-
Total	5,97,039	3,47,325

10. REVENUE FROM OPERATIONS:

Particulars	In Rupees	
	As at March 31	
	2018	2017
Trusteeship fees (Gross)	28,08,081	3,57,567
Less: Taxes	4,21,178	46,639
Trusteeship fees (Net)	23,86,903	3,10,928
Total	23,86,903	3,10,928

11. OTHER INCOME:

Particulars	In Rupees	
	For the year ended March 31	
	2018	2017
Profit on redemption of current investment	71,479	6,406
Interest on income tax refund	1,548	-
Total	73,027	6,406

12. OTHER EXPENSES:

Particulars	In Rupees	
	As at March 31	
	2018	2017
Rates and Taxes	11,035	17,500
Directors sitting fees	22,83,900	20,29,700
Legal and Professional Fees	57,680	56,777
Audit Fees (Net)		
- Audit	20,075	20,100
- Other Services	10,000	-
Share Issue Expenses	-	1,57,000
Travelling expenses	40,252	60,893
Other Expenses	2,000	10,202
Total	24,24,942	23,52,172

Significant Accounting Policies and Notes

to the financial statements for the year ended March 31, 2018

13. In Accordance with the Accounting Standard 20 on “Earning Per Share” (EPS) issued by the Institute of Chartered Accountants of India, the EPS is as follows:

Particulars	In Rupees	
	FY 2017-18	FY 2016-17
Net Profit/ (Loss) attributable to Equity Share Holders	34,988	(20,34,838)
Weighted Average Numbers of Shares	5,00,000	3,07,397
EPS – (Basic)	0.07	(6.62)
EPS – (Diluted)	0.07	(6.62)

14. 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
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B) Related party transactions are as under:

Sr No	Nature of Transactions	Holding Company	In Rupees Lakhs
1	Issue of Equity Shares	Mahindra and Mahindra Financial Services Ltd	NIL (35)

Note: Figures in bracket represent corresponding figure of previous year.

15. None of the suppliers have submitted their confirmation towards Micro, Small and Medium Enterprises, thus there is no principal or interest dues thereon outstanding to any such supplier at the end of accounting year.

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

For B. K. Khare and Co.
Chartered Accountants
(FRN:105102W)

For and on behalf of the Board

M.G.Bhide
Chairman

Padmini Khare Kaicker
Partner
Membership No.044784

Narendra Mairpady
Director

Gautam Parekh
Director

Debabrata Bandyopadhyay
Director

Mumbai, April 17, 2018