



**ANNUAL REPORT**  
**2021-2022**

## DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the **Thirteenth Annual Report** of your Company together with the Audited Financial Statements for the financial year April 1, 2021 to March 31, 2022. During the year the Company registered a net profit after tax of Rs.16,10,624/-

### FINANCIAL RESULTS

A summary of the financial performance of the Company for the financial year ended on March 31, 2022 are given below:

| Particulars                            | Amount (Rs. In Lakhs)              |                                    |
|--|------------------------------------|------------------------------------|
|  | Financial Year Ended<br>31.03.2022 | Financial Year Ended<br>31.03.2021 |
| Gross Income                           | 84.67                              | 58.07                              |
| Expenses                               | 63.20                              | 38.47                              |
| <b>Profit/(Loss) before Tax</b>        | 21.47                              | 19.60                              |
| Provision for Taxation                 | 5.36                               | 4.93                               |
| <b>Profit/(Loss) after Tax</b>         | 16.11                              | 14.67                              |
| Profit available for appropriation     | -                                  | -                                  |
| <b>APPROPRIATIONS</b>                  | -                                  | -                                  |
| Transfer to General Reserve            | -                                  | -                                  |
| Transfer to Contingency Reserve        | -                                  | -                                  |
| Balance after appropriations           | -                                  | -                                  |
| Balance Profit /(Loss) Carried Forward | 89.08                              | 72.97                              |

### DISCLOSURES ABOUT CAPITAL INFUSION DURING THE YEAR, CHANGE IN SHAREHOLDING PATTERN, DIVIDEND AND AMOUNT TRANSFERRED TO THE RESERVES

There was no capital infusion during the financial year 2021 – 22.

The issued share capital of the Company as at March 31, 2022, was Rs. 5,00,000 divided into 50,000 equity shares of Rs. 10/- each.

Your Directors are pleased to inform that Axis Bank Limited continues to hold 75% (less one share) of the total issued and paid up equity shares of the company. Schroder Singapore Holdings Private Limited (SSHPL) continues to hold 25% (plus one share) of the total issued and paid up equity shares of the company. The company continues to act as the Trustee to Axis Mutual Fund.

### DIVIDENDS

Your Directors have not recommended payment of dividend for the year ended March 31, 2022.

### AMOUNT CARRIED TO RESERVES

No amount is proposed to be transferred to reserves.

### MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There were no such changes /commitments.

### ISSUANCE OF DEBENTURES

The Company did not issue any debenture(s) during the year.

## STATE OF COMPANY'S AFFAIRS

### MUTUAL FUND ACTIVITY

Axis Asset Management Company Limited ("Axis AMC") had another strong financial year managing the assets of Axis Mutual Fund (Axis MF). Since its launch in 2009, Axis MF has gotten firmly established as a leading Mutual Fund brand offering best in class products across all key product categories. Axis AMC has consistently been amongst the fastest growing asset managers in the country over this period.

The year gone by was the 2<sup>nd</sup> year affected by the Covid pandemic and continued a challenging backdrop for the Mutual Fund industry. Despite the challenging circumstances the industry continued its growth trajectory helped by supportive equity market conditions even though fixed income markets did witness some volatility. Equity and hybrid fund saw flows return after witnessing large net redemptions during the previous year. Axis AMC continued to witness good inflows across its product basket. Investment performance continues to remain robust across asset classes with all key funds well placed in their respective segments over the long term. The company has also continued growing its investor base as well as its SIP book. The company continued working towards launching new products that help cover product gaps while also looking at product innovations such as investing in global equities. The last year was notable in the large addition to the passive product basket of the AMC.

Following is a summary of the major product highlights/ initiatives:

1. Digital offerings - Axis AMC continues to leverage technology to deliver a differential business and customer experience. This has been made possible by continuous investment in improving our customer and distributor facing mobile apps, websites, leveraging technology as well as digital mediums like Mobile, web interfaces, social media, digital marketing, fintechs relationships to deliver on business and make Axis AMC one of the leading players in digital business.
2. Passive funds – Axis AMC significantly expanded its passive offerings by launches across both ETFs and Index funds and across debt and equity in the current year. The launches were well received by the market and led to a significant improvement in the passive AuM managed by Axis. Passives will be an important segment in the market, and Axis AMC will continue to take steps to improve its share in this space.
3. Significant expansion of the alternatives platform – The AMC added to its investment capability by making a number of key hires in the alternatives space. Axis had a number of successful launches during the year including in quantitative equity, private equity and structured credit. The AMC has a large and diverse slate of launches planned in the coming year.
4. Global Allocations – Axis AMC continued to expand its offerings that provide Indian investors access to global markets with a large additional launch – Axis Global Innovation Fund of Fund. However, challenges around exhaustion of offshore limits forced restrictions to be put in for fresh flows by the industry including Axis AMC. We await further clarity on the issue.

Details of products/schemes launched and allotted during the year 2021-2022:

| Sr No | FUND NAME                                      | Type of Scheme | Allotment Month | NFO Collections (In Rs. Cr.) |
|-------|--|----------------|-----------------|------------------------------|
| 1     | Axis AAA Bond Plus SDL ETF - 2026 Maturity     | ETFs - Others  | May-21          | 293.14                       |
| 2     | AXIS Healthcare ETF                            | ETFs - Others  | May-21          | 28.22                        |
| 3     | Axis Global Innovation FoF                     | FoF - Overseas | May-21          | 1,625.83                     |
| 4     | Axis Quant Fund                                | Thematic       | Jul-21          | 1,552.08                     |
| 5     | Axis Floater Fund                              | Floater Fund   | Jul-21          | 848.73                       |
| 6     | Axis Consumption ETF                           | ETFs - Others  | Sep-21          | 20.86                        |
| 7     | Axis Value Fund                                | Value Fund     | Sep-21          | 176.81                       |
| 8     | Axis AAA Bond Plus SDL ETF - 2026 Maturity FoF | FoF - Domestic | Oct-21          | 35.12                        |
| 9     | Axis Nifty 50 Index Fund                       | Index Funds    | Dec-21          | 63.81                        |
| 10    | Axis Multicap Fund                             | Multi Cap Fund | Dec-21          | 5,042.11                     |
| 11    | Axis CPSE Plus SDL 2025 70:30 Debt Index Fund  | Index Funds    | Jan-22          | 231.41                       |
| 12    | Axis Nifty Next 50 Index Fund                  | Index Funds    | Jan-22          | 48.69                        |
| 13    | Axis Equity ETFs FoF                           | FoF - Domestic | Feb-22          | 20.31                        |
| 14    | Axis Crisil SDL 2027 Debt Index Fund           | Index Funds    | Feb-22          | 131.54                       |
| 15    | Axis Nifty Smallcap 50 Index Fund              | Index Funds    | Mar-22          | 24.77                        |
| 16    | Axis Nifty Midcap 50 Index Fund                | Index Funds    | Mar-22          | 20.13                        |

#### SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

#### RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arms length basis and were in the ordinary course of business. There were no materially significant related party transactions made by the Company with Promoters, Directors, which may have a potential conflict with the interest of the Company at large. All Related Party Transactions are approved / ratified by the Audit and Risk Committee as well as the Board of the Company. Details of related party transactions are attached in form AOC-2 as Annexure - 1.

#### DIRECTORS

During the year, Mr. Venkat Chalasani (DIN: 07234179) and Mr. Rudrapriya Ray (DIN: 07993464) were appointed as an Additional director(s) with effect from July 07, 2021 and September 27, 2021 respectively, in terms of section 161 of the Act and enabling provisions of Articles of Association of the Company and who holds office up to the date of ensuing Annual General Meeting.

Mr. Uday Madhav Chitale (DIN: 00043268) and Mr. Bapi Munshi (DIN: 02470242) ceased to be Director(s) of the Company pursuant to completion of their maximum term. The Board

appreciated the contribution of Mr. Chitale and Mr. Munshi on the board and thanked them for their valuable inputs.

In accordance with the provision of the Companies Act, 2013, and other applicable laws and the Articles of Association of the Company, Mrs. Vijayalakshmi Rajaram Iyer (DIN: 05242960) and Mr. Gopalakrishna Gurrappa (DIN: 06407040) retire by rotation at the ensuing Annual General Meeting, and are eligible, have offered themselves for re-appointment.

#### **PUBLIC DEPOSITS**

During the financial year ended March 31, 2022, the company has not accepted any deposit from the members or public under the provisions of sec. 73 to 76 of the Companies Act, 2013. The Company has not accepted any funds from the Directors of the Company during the financial year under review.

#### **CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION**

Since the Company does not own any manufacturing facility, the disclosure under this head is not applicable. Further, other requirements of the Companies (Accounts) Rules, 2014 are also not applicable.

#### **FOREIGN EXCHANGE EARNINGS AND OUTGO**

- a. Income from Foreign Currency – Nil
- b. Payments in Foreign Currency – Nil

#### **NUMBER OF MEETINGS OF BOARD OF DIRECTORS**

During the financial year 2021-22, 7 Meetings of the Board of Directors of the company were conducted on April 16, 2021, May 25, 2021, July 16, 2021, September 16, 2021, October 18, 2021, January 17, 2022 and March 17, 2022. The status of attendance of Directors at the Board Meetings is as follows:

| <b>Name</b>                                | <b>Designation</b> | <b>Director's Identification Number (DIN)</b> | <b>Meetings Attended</b> |
|--|--------------------|---|--------------------------|
| Mr. Radhakrishnan Nair                     | Director           | 07225354                                      | 7                        |
| Mr. Murray Alan Coble                      | Director           | 02077837                                      | 7                        |
| Mr. G Gopalakrishna                        | Director           | 06407040                                      | 7                        |
| Mrs. Vijayalakshmi Iyer                    | Director           | 05242960                                      | 5                        |
| Mr. Venkat Chalasani**                     | Director           | 07234179                                      | 5                        |
| Mr. Rudrapriya Ray**                       | Director           | 07993464                                      | 2                        |
| Mr. Bapi Munshi*                           | Director           | 02470242                                      | 4                        |
| Mr. Uday Madhav Chitale*                   | Director           | 00043268                                      | 2                        |
| <b>Total Meetings held during the year</b> |                    |   | <b>7</b>                 |

\*\* Appointed as Director during the year 2021-22

\* Ceased to be Director during the year 2021-22

#### **CONSTITUTION OF AUDIT AND RISK COMMITTEE OF DIRECTORS**

Though the company is not required to have an Audit and Risk Committee under the Companies Act, 2013, an Audit and Risk Committee of the Board of Directors of the Company has been in place.

As on March 31, 2022, the Audit and Risk Committee consisted of the following Directors:

Mr. Radhakrishnan Nair  
Mr. Murray Coble

Mr. G. Gopalakrishna  
 Mrs. Vijayalakshmi Iyer  
 Mr. Venkat Chalasani  
 Mr. Rudrapriya Ray

The directors appoint one amongst themselves as the Chairman of the audit and risk committee meeting.

There was no such case where recommendations of Audit and Risk Committee were not accepted.

During the Financial Year, 6 Audit and Risk Committee Meetings were held on April 16, 2021, May 25, 2021, July 16, 2021, September 16, 2021, October 18, 2021 and January 17, 2022. The status of attendance of the committee members at these committee meetings is as follows:

| Name of Members                            | Designation | No. of Audit and Risk Committee Meetings held |
|--|-------------|---|
| Mr. Radhakrishnan Nair                     | Director    | 6   |
| Mr. Murray Alan Coble                      | Director    | 6   |
| Mr. G Gopalakrishna                        | Director    | 6   |
| Mrs. Vijayalakshmi Iyer                    | Director    | 4   |
| Mr. Venkat Chalasani**                     | Director    | 3   |
| Mr. Rudrapriya Ray**                       | Director    | 2   |
| Mr. Bapi Munshi*                           | Director    | 4   |
| Mr. Uday Madhav Chitale*                   | Director    | 2   |
| <b>Total Meetings held during the year</b> |             | <b>6</b>                                      |

\*\* Appointed as Director during the year 2021-22

\* Ceased to be Director during the year 2021-22

## RISK MANAGEMENT

To enable better and more focused attention on the affairs of the Company and the mutual fund activity, the Board of Directors has constituted the Audit and Risk Committee. Various committees of the management of the asset management company namely Risk Management Committee, Investment Review Committee, Valuation Committee etc. have also been constituted to which specific matters have been delegated by the Board of Directors. The management of the AMC and these committees play an important role in establishing, monitoring and reviewing various risk management practices in the company and with respect to the Mutual Fund Operations. The Board of Directors of the company has also appointed a reputed firm as the Internal Auditor of the Company and of the Mutual Fund. The Internal Auditors review the adequacy of risk management practices and report on the same to the Audit and Risk Committee and the Board of the Company.

## INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has in place proper and adequate internal control systems commensurate with the nature of its business, size and complexity of its operations. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, compliance with policies, procedure, applicable laws and regulations, and that all assets and resources are acquired economically, used efficiently and adequately protected.

The Company has engaged an external auditing firm who carries out periodic audits based on the annual audit plan. The audit plan is designed keeping in mind various key risks and critical operations of the company and of the Mutual Fund.

During the year, the Audit and Risk Committee met regularly to review various observations and recommendations for improvement of business processes made by the external auditing firm and monitored the progress in implementation of various audit recommendations.

## STATUTORY AUDITORS

The Statutory Auditors, M/s S. R. Batliboi & Co. LLP (erstwhile known as M/s S. R. Batliboi & Co.), Chartered Accountants, having firm registration number 301003E, were re-appointed for the period of 5 years in the Annual General Meeting held on June 14, 2019 to hold the office till the conclusion of the 15<sup>th</sup> Annual General Meeting of the company.

## QUALIFICATION IN THE AUDITORS' REPORT

The report of the Statutory Auditor does not have any qualification, reservation, any adverse observations or any disclaimer.

Further, no frauds have been reported by the Auditors under section 143(12) of the Companies Act, 2013.

## EMPLOYEES

The Company has an employee on its rolls. However, the statement containing particulars of employees as required under Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of the Companies Act, 2013, is not applicable.

## PARTICULARS OF INVESTMENTS, LOANS AND GUARANTEE GIVEN OR SECURITY PROVIDED U/S 186 OF THE COMPANIES ACT, 2013

Followings are the details of loans and guarantee given, security provided and Investments made during the year:

1. Loans and guarantee given – Nil
2. Security provided – Nil
3. Investment made:

Amount in rupees & (units)

| Details of Investment         | Purpose                            | Opening                | Purchase                | Redemption            | Gain                  | Closing                |
|-------------------------------|------------------------------------|------------------------|-------------------------|-----------------------|-----------------------|------------------------|
| Units of:<br>Axis Liquid fund | Parking of surplus working capital | 70,51,485<br>(3341.66) | 31,60,000<br>(1,360.33) | 8,30,000<br>(361.171) | 1,07,253<br>(361.171) | 94,43,583<br>(4340.82) |
| Axis Treasury Advantage Fund  | Non Current Investment             | 100,000<br>(99.513)    | -                       | -                     | -                     | 100,000<br>(99.513)    |

## EXTRACT OF ANNUAL RETURN

Details forming part of the extract of the Annual Return in form MGT 9 is given in an Annexure (MGT – 9) and forms part of this report.

## DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm that:

1. in the preparation of the annual accounts, the applicable accounting standards had been followed. No material departures have been made during the financial year under review;
2. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and

fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

3. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. the Directors had prepared the annual accounts on a going concern basis;
5. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **COMPLIANCE WITH SECRETARIAL STANDARD – 1**

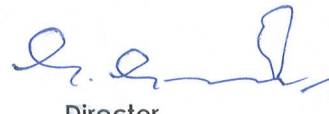
The Company has complied with Secretarial Standard -1 (SS-1) on meeting of Board of Directors.

#### **ACKNOWLEDGEMENT**

The Board of Directors places on record, its gratitude to the Securities and Exchange Board of India, Reserve Bank of India, other government and regulatory authorities, financial institutions and correspondent banks, distributor partners for their strong support and guidance. The Board acknowledges the support of the shareholders and also places on record its sincere thanks to valued clients and customers for their continued patronage. The Board also expresses its deep sense of appreciation to all the employees of Axis Asset Management Company Limited for their strong work ethic, excellent performance, professionalism, team work, commitment and initiative which has led to the Mutual Fund making commendable progress in today's challenging environment.

**for and on behalf of the Board of Directors**

  
Director  
DIN: 07225354

  
Director  
DIN: 06407040

Place: Mumbai  
Date: April 20, 2022



**Form No. MGT-9**

EXTRACT OF ANNUAL RETURN  
as on the financial year ended on March 31, 2022

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. Registration and other details:**

- i) CIN: U66020MH2009PLC189325
- ii) Registration Date: January 2, 2009
- iii) Name of the Company: Axis Mutual Fund Trustee Ltd.
- iv) Category / Sub-Category of the Company: Company Limited by Shares, Indian Non-Government Company
- v) Address of the Registered office and contact details: Axis House, 1st Floor, C-2, Wadia International Centre, Pandurang Budhkar Marg, Worli
- vi) Whether listed company Yes / No: No
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any

**II. Principal business activities of the company**

All the Business activities contributing 10 % or more of the total turnover of the company are:-

| Sl. No | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|--------|--|----------------------------------|------------------------------------|
| 1      | Trustee to Axis Mutual Fund                      | 9971                             | 99%                                |

**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      | Axis Bank Limited               | L65110GJ1993<br>PLC020769 | Holding                        | 75%*             | 2(46)              |

\*Schroder Singapore Holdings Private Limited holds 25% plus one share



|  |       |   |       |     |       |   |       |     |   |
|--|-------|---|-------|-----|-------|---|-------|-----|---|
| e) Venture Capital Funds   | -     | - | -     | -   | -     | - | -     | -   | - |
| f) Insurance Companies   | -     | - | -     | -   | -     | - | -     | -   | - |
| g) FIs   | -     | - | -     | -   | -     | - | -     | -   | - |
| h) Foreign Venture Capital Funds   | -     | - | -     | -   | -     | - | -     | -   | - |
| i) Others (specify)  | -     | - | -     | -   | -     | - | -     | -   | - |
| <b>Sub-total (B)(1):-</b>  | -     | - | -     | -   | -     | - | -     | -   | - |
| <b>2. Non-Institutions</b>   |       |   |       |     |       |   |       |     |   |
| a) Bodies Corp.  |       |   |       |     |       |   |       |     |   |
| i) Indian  | -     | - | -     | -   | -     | - | -     | -   | - |
| ii) Overseas   | -     | - | -     | -   | -     | - | -     | -   | - |
| b) Individuals   |       |   |       |     |       |   |       |     |   |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh         | -     | - | -     | -   | -     | - | -     | -   | - |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | -     | - | -     | -   | -     | - | -     | -   | - |
| c) Others (specify)  | -     | - | -     | -   | -     | - | -     | -   | - |
| <b>Sub-total (B)(2):-</b>  |       |   |       |     |       |   |       |     |   |
| Total Public Shareholding (B)=(B)(1)+ (B)(2)                                     | -     | - | -     | -   | -     | - | -     | -   | - |
| C. Shares held by Custodian for GDRs & ADRs                                      | -     | - | -     | -   | -     | - | -     | -   | - |
| Grand Total (A+B+C)  | 50000 | 0 | 50000 | 100 | 50000 | 0 | 50000 | 100 | 0 |

@ shares held by nominees of Axis Bank Limited.

ii) Shareholding of Promoters

| Sl No | Shareholders' Name                          | Shareholding at the beginning of the year |                                  |  | Shareholding at the end of 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     | Axis Bank Ltd.                              | 37499                                     | 74.998                           | 0  | 37499                               | 74.998                           | 0  | 0        |
| 2     | Schroder Singapore Holdings Private Limited | 12501                                     | 25.002                           | 0  | 12501                               | 25.002                           | 0  | 0        |
|       | <b>Total</b>                                | <b>50000</b>                              | <b>100</b>                       | <b>0</b>   | <b>50000</b>                        | <b>100</b>                       | <b>0</b>   | <b>0</b> |

@ Out of 37,499 shares held by Axis Bank Limited, 70 shares are held by nominees of Axis Bank Limited

iii) Change in Promoters' Shareholding - No change during the year

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

| Sr. No. | For Each of the Top 10 Shareholders | Shareholding at the beginning of the year |                                  | Shareholding at the end of the year |                                  |
|---------|-------------------------------------|---|----------------------------------|-------------------------------------|----------------------------------|
|         |                                     | No. of shares                             | % of total shares of the company | No. of shares                       | % of total shares of the company |
| Nil     |                                     |   |                                  |                                     |                                  |

v) Shareholding of Directors and Key Managerial Personnel: Nil

V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payments - NIL

## VI. Remuneration of directors and Key Managerial Personnel

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

| Sl. no. | Particulars of Remuneration  | Name of MD/WTD/ Manager  | Total Amount (in Rs.) |
|---------|--|--|-----------------------|
| 1.      | Gross salary   | -  | -                     |
|         | (a) Salary as per provisions contained in section 17(1) of the Income- tax Act, 1961 | -  | -                     |
|         | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                              | -  | -                     |
|         | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961               | -  | -                     |
| 2.      | Stock Option   | -  | -                     |
| 3.      | Sweat Equity   | -  | -                     |
| 4.      | Commission<br>- as % of profit<br>- others, specify                                  | -  | -                     |
| 5.      | Others, please specify   | -  | -                     |
|         | Total (A)  | -  | -                     |
|         | Ceiling as per the Act   | As specified in section 197, 198 and Schedule V of Companies Act, 2013 and any other applicable rules, regulation of Companies Act, 2013 |                       |

B. Remuneration to other directors:

| Sl. no. | Particulars of Remuneration   | Name of Directors       |                 |                 |                    |                  | Total Amount (in Rs.)   |
|---------|---|-------------------------|-----------------|-----------------|--------------------|------------------|---|
|         |   | Uday Chitale            | R. K Nair       | G Gopalakrishna | Vijayalakshmi Iyer | Venkat Chalasani |   |
|         | Independent Directors Fee for attending board/committee meetings Commission             | 2,00,000                | 8,00,000        | 8,00,000        | 5,00,000           | 5,50,000         | 28,50,000   |
|         | <b>Total(1)</b>   | <b>2,00,000</b>         | <b>8,00,000</b> | <b>8,00,000</b> | <b>5,00,000</b>    | <b>5,50,000</b>  | <b>28,50,000</b>  |
|         | Other Non-Executive Directors Fee for attending board Commission Others, please specify | Bapi Munshi<br>4,00,000 | -               | -               | -                  |                  | 4,00,000  |
|         | <b>Total(2)</b>   | <b>4,00,000</b>         | <b>-</b>        | <b>-</b>        | <b>-</b>           |                  | <b>4,00,000</b>   |
|         | <b>Total(B)=(1+2)</b>   |                         |                 |                 |                    |                  | <b>32,50,000</b>  |
|         | <b>Total Managerial Remuneration (B)</b>  | <b>6,00,000</b>         | <b>8,00,000</b> | <b>8,00,000</b> | <b>5,00,000</b>    | <b>5,50,000</b>  | <b>32,50,000</b>  |
|         | Overall Ceiling as per the Act  |                         |                 |                 |                    |                  | <p>197 (1)(ii) the remuneration payable to directors who are neither managing directors nor whole-time directors shall not exceed,—</p> <p>(A) one per cent. of the net profits of the company, if there is a managing or whole-time director or manager;</p> <p>(B) three per cent of the net profits in any other case.</p> <p>197 (2) The percentages aforesaid shall be exclusive of any fees payable to directors under sub-section (5).</p> <p>197 (5) A director may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board.</p> |

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD: The Company has no employees on its rolls.

**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) |
|-------------------------------------|------------------------------|-------------------|---|------------------------------|------------------------------------|
| <b>A. Company</b>                   |                              |                   |   |                              |                                    |
| Penalty                             | Nil                          |                   |   |                              |                                    |
| Punishment                          |                              |                   |   |                              |                                    |
| Compounding                         |                              |                   |   |                              |                                    |
| <b>B. Directors</b>                 |                              |                   |   |                              |                                    |
| Penalty                             | Nil                          |                   |   |                              |                                    |
| Punishment                          |                              |                   |   |                              |                                    |
| Compounding                         |                              |                   |   |                              |                                    |
| <b>C. Other officers in default</b> |                              |                   |   |                              |                                    |
| Penalty                             | Nil                          |                   |   |                              |                                    |
| Punishment                          |                              |                   |   |                              |                                    |
| Compounding                         |                              |                   |   |                              |                                    |

for and on behalf of the Board of Directors

  
Director

DIN:  
07225354

  
Director

DIN: 06407040

Place: Mumbai

Date: April 20, 2022

## Form No. AOC-2

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

## 1. Details of contracts or arrangements or transactions not at arm's length basis:

| Sr No | Name of the related party | Nature of relationship | Nature of the contract | Duration of the contract | Particulars of the contract or arrangement | Material terms of the contract or arrangement including the value, if any |
|-------|---------------------------|------------------------|------------------------|--------------------------|--|---|
|-------|---------------------------|------------------------|------------------------|--------------------------|--|---|

## 2. Details of contracts or arrangements or transactions at arm's length basis:

| Sr No | Name of the related party         | Nature of relationship            | Nature of the contract                     | Duration of the contract               | Particulars of the contract or arrangement  | Material terms of the contract or arrangement including the value, if any   |
|-------|-----------------------------------|-----------------------------------|--|--|---|---|
| NIL   |                                   |                                   |  |  |   |   |
| 1     | Axis Bank Limited                 | Holding Company                   | Royalty Charges/Brand usage charges        | Ongoing, effective till not terminated | Brand usage policy of Axis Bank allows usage of Axis brand by the Bank's subsidiaries, step-down subsidiaries, associates, co-partners etc. Axis AMC and other subsidiaries use the "Axis" brand in various official communications/signboards/hoardings and other marketing materials without any consideration being charged for that.<br><br>In terms of section 7 (c) read with Schedule I of Central Goods and Service Tax Act, 2017, any supply of goods or services between related persons when made in the course or furtherance of business will be treated as a supply even if made without consideration. | Brand usage policy of Axis Bank allows usage of Axis brand by the Bank's subsidiaries, step-down subsidiaries, associates, co-partners etc. Axis AMC and other subsidiaries use the "Axis" brand in various official communications/signboards/hoardings and other marketing materials without any consideration being charged for that.<br><br>Axis Bank will charge 0.15 % p.a. of adjusted operating revenue in lieu of grant of "Right to Use" of the Axis brand. Total annual value is Rs 12600 plus GST |
| 2     | Axis Bank Limited                 | Holding Company                   | Reimbursement of Staff Insurance recovered | Ongoing, effective till not terminated | ABT incurs cost towards Staff insurance premium.  | Based on Actuals paid by Axis Bank.   |
| 3     | Independent/Associate Directors : | Independent/Associate Directors : | Directors Sitting Fees                     | Ongoing, effective till not terminated | For every meeting attended the director is paid Rs 50,000/- till 31st December 2021 and Rs.1,00,000/- w.e.f 1st January 2022 per meeting attended.  | 50,000/- per meeting attended till 31st December 2021 and Rs.1,00,000/- w.e.f 1st January 2022  |
|       | Bapi Munshi                       | Associate                         |  |  |   | 4,00,000  |
|       | Gopalakrishna                     | Independent                       |  |  |   | 8,00,000  |
|       | Radhakrishnan Nair                | Independent                       |  |  |   | 8,00,000  |
|       | Uday M. Chitale                   | Independent                       |  |  |   | 2,00,000  |
|       | Vijayalakshmi R Iyer              | Independent                       |  |  |   | 5,00,000  |
|       | Venkat Chalasani                  | Independent                       |  |  |   | 5,50,000  |

for and on behalf of the Board of Directors

  
Director  
DIN: 07225354

  
Director  
DIN: 06407040

Place: Mumbai  
Date: April 20, 2022



## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Axis Mutual Fund Trustee Limited

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of Axis Mutual Fund Trustee Limited ("the Company"), which comprise the Balance sheet as at March 31 2022, the Statement of Profit and Loss, the Cash Flow Statement and for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 Companies Act, 2013, as amended ("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, 2022, its profit and its cash flows for the year ended on that date.

#### **Basis for Opinion**

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

#### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibility of Management for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to

# **S.R. BATLIBOI & Co. LLP**

## **Chartered Accountants**

the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



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- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014;
  - (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2022;
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position;



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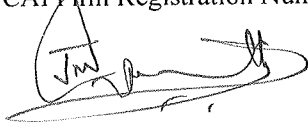
## **Chartered Accountants**

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and  
  
c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company and hence no reporting is required on compliance of section 123 of the Act.

**For S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



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**per Jayesh Gandhi**

Partner

Membership Number: 037924

UDIN: 22037924AHKXJI9232

Place of Signature: Mumbai

Date: April 20, 2022

**Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date**


Re: Axis Mutual Fund Trustee Limited ("the company")

**In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:**

- (i)(a)(A)(B) The Company did not have any property, plant and equipment during the year, and accordingly, the requirement to report on clause 3(i)(a)(A) and clause 3(i)(a)(B) of the Order is not applicable to the Company.
- (i)(b) The Company did not have any property, plant and equipment during the year, and accordingly, the requirement to report on clause 3(i)(b) of the Order is not applicable to the Company.
- (i)(c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
- (i)(d) The Company did not have any property, plant and equipment or intangible asset during the year, and accordingly, the requirement to report on clause 3(i)(d) of the Order is not applicable to the Company.
- (i)(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii)(a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
- (ii)(b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii)(a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (iii)(b) During the year the company has made investment in mutual fund schemes which is not prejudicial to the Company's interest; The Company has not provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties.
- (iii)(c)(d)(e) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c), clause 3(iii)(d) and clause 3(iii)(e) of the Order is not applicable to the Company.

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- (iii)(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
  - (iv) Investment for which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.
  - (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
  - (vi) The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.
  - (vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
  - (vii)(b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess, goods and service tax and other statutory dues which have not been deposited on account of any dispute.
  - (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
  - (ix)(a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.
  - (ix)(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - (ix)(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
  - (ix)(d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.
  - (ix)(e)(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.
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# S.R. BATLIBOI & CO. LLP

## Chartered Accountants

- (x)(a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (x)(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi)(a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (xi)(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (xi)(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii)(a)(b)(c) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), clause 3(xii)(b) and clause 3(xii)(c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv)(a) The Company has implemented internal audit system on a voluntary basis which is commensurate with the size of the Company and nature of its business though it is not required to have an internal audit system under Section 138 of the Companies Act, 2013.
- (xiv)(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi)(a) The provisions of section 45-1A of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (xvi)(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (xvi)(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (xvi)(d) There are no other Companies which is part of the Group, hence, the requirement to report on clause 3(xvi) (d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year.



# **S.R. BATLIBOI & CO. LLP**

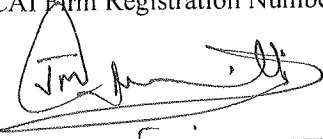
## **Chartered Accountants**

- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 17 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx)(a) The provision of sub section 5 of section 135 of the Act are not applicable to the company and accordingly requirement to report on Clause 3(xx)(a) of the Order is not applicable to the Company.
- (xx)(b) The provision of sub section 6 of section 135 of the Act are not applicable to the company and accordingly requirement to report on Clause 3(xx)(b) of the Order is not applicable to the Company.
- (xxi) The Company does not have any subsidiary, associate or joint venture and is not required to prepare consolidated financial statements. Accordingly, the requirement to report on clause 3(xx) of the Order is not applicable to the Company

**For S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



**per Jayesh Gandhi**

Partner

Membership Number: 037924

UDIN: 22037924AHKXJI9232

Place of Signature: Mumbai

Date: April 20, 2022



**ANNEXURE-2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF AXIS MUTUAL FUND TRUSTEE LIMITED**

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

To the Members of Axis Mutual Fund Trustee Limited

We have audited the internal financial controls with reference to financial statements of Axis Mutual Fund Trustee Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, 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 with reference to these financial statements 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, 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 with reference to these financial statements.

# **S.R. BATLIBOI & CO. LLP**

Chartered Accountants

## **Meaning of Internal Financial Controls With Reference to these Financial Statements**

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements 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 with Reference to Financial statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

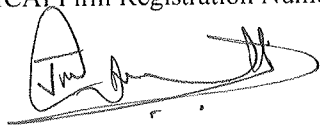
## **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & CO. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



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**per Jayesh Gandhi**

Partner

Membership Number: 037924

UDIN: 22037924AHKXJI9232

Place of Signature: Mumbai

Date: April 20, 2022

AXIS MUTUAL FUND TRUSTEE LIMITED

Balance sheet as at March 31, 2022

|  | Notes | March 31, 2022<br>₹ | March 31, 2021<br>₹ |
|--|-------|---------------------|---------------------|
| <b>EQUITY AND LIABILITIES</b>              |       |                     |                     |
| <b>Shareholders' funds</b>                 |       |                     |                     |
| (a) Share capital                          | 3     | 5,00,000            | 5,00,000            |
| (b) Reserves and surplus                   | 4     | 90,07,712           | 73,97,087           |
|  |       | <b>95,07,712</b>    | <b>78,97,087</b>    |
| <b>Current liabilities</b>                 |       |                     |                     |
| (a) Trade payables                         | 5     | 2,14,362            | 1,92,192            |
| (b) Other current liabilities              | 6     | 11,23,001           | 2,13,367            |
|  |       | <b>13,37,363</b>    | <b>4,05,559</b>     |
| <b>TOTAL</b>                               |       | <b>1,08,45,075</b>  | <b>83,02,646</b>    |
| <b>ASSETS</b>                              |       |                     |                     |
| <b>Non-current assets</b>                  |       |                     |                     |
| (a) Non current investments                | 7     | 1,00,000            | 1,00,000            |
| (b) Deferred tax assets (net)              | 8     | 51,169              | 33,876              |
| (c) Other loans and advances               | 12    | 3,78,523            | 1,06,611            |
|  |       | <b>5,29,692</b>     | <b>2,40,487</b>     |
| <b>Current assets</b>                      |       |                     |                     |
| (a) Current investments                    | 9     | 94,44,083           | 70,51,986           |
| (b) Trade receivables                      | 10    | 7,56,000            | 7,73,500            |
| (c) Cash and cash equivalents              | 11    | 26,042              | 1,66,727            |
| (d) Other loans and advances               | 12    | 89,258              | 69,946              |
|  |       | <b>1,03,15,383</b>  | <b>80,62,159</b>    |
| <b>TOTAL</b>                               |       | <b>1,08,45,075</b>  | <b>83,02,646</b>    |
| Summary of significant accounting policies | 2.1   |                     |                     |

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R.BATLIBOI & CO. LLP  
ICAI Firm Registration No. 301003E/E300005  
Chartered Accountants

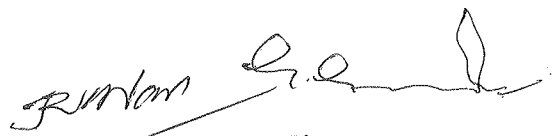


Per Jayesh Gandhi  
Partner  
Membership No.037924

Place: Mumbai  
Date :April 20,2022



For and on behalf of the Board of Directors



Director  
DIN : 0122535A

Director  
DIN : 06407040

Place: Mumbai  
Date :April 20,2022



**AXIS MUTUAL FUND TRUSTEE LIMITED**

Statement of Profit and Loss for the year ended March 31, 2022

|  | Notes | March 31, 2022<br>₹ | March 31, 2021<br>₹ |
|--|-------|---------------------|---------------------|
| <b>Income</b>  |       |                     |                     |
| <b>Revenue from operations</b>                                       |       |                     |                     |
| Trusteeship fee  |       | 84,00,000           | 57,00,000           |
| <b>Other income</b>  |       |                     |                     |
| Profit on sale of investments  |       | 62,098              | 1,07,253            |
| Other Income   |       | 4,524               | -                   |
| <b>Total revenue</b>   |       | <b>84,66,622</b>    | <b>58,07,253</b>    |
| <b>Expenses:</b>   |       |                     |                     |
| Employee Benefit Expenses  | 13    | 25,35,326           | 2,86,144            |
| Administrative and Other Expenses                                    | 14    | 37,84,623           | 35,60,658           |
| <b>Total expenses</b>  |       | <b>63,19,949</b>    | <b>38,46,802</b>    |
| <b>Profit before tax</b>   |       | <b>21,46,673</b>    | <b>19,60,451</b>    |
| <b>Tax expense:</b>  |       |                     |                     |
| (1) Current tax  |       | 5,57,417            | 5,11,559            |
| (3) (Excess)/short provision of income-tax of earlier years provided |       | (4,076)             | -                   |
| (2) Deferred tax (assets)/liability                                  |       | (17,293)            | (18,129)            |
|  |       | <b>5,36,048</b>     | <b>4,93,430</b>     |
| <b>Profit for the year after tax</b>                                 |       | <b>16,10,625</b>    | <b>14,67,021</b>    |
| <b>Basic and diluted earnings per equity share</b>                   |       | <b>32.21</b>        | <b>29.34</b>        |
| [Nominal value of share ₹10 (March 31, 2021 : ₹10)]                  |       |                     |                     |

Summary of significant accounting policies 2.1

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R.BATLIBOI & CO. LLP  
ICAI Firm Registration No. 301003E/E300005  
Chartered Accountants





Per Jayesh Gandhi  
Partner  
Membership No.037924

Place: Mumbai  
Date :April 20,2022



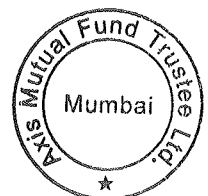
For and on behalf of the Board of Director:

Director  
DIN : 07225354

Director  
DIN : 06407040

Place: Mumbai  
Date :April 20,2022



AXIS MUTUAL FUND TRUSTEE LIMITED

Cash Flow statement for the year ended March 31, 2022

|   | March 31, 2022     | March 31, 2021    |
|---|--------------------|-------------------|
|   | ₹                  | ₹                 |
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>           |                    |                   |
| Profit before tax                                       | 21,46,673          | 19,60,451         |
| Profit on Sale of Investment                            | (62,098)           | (1,07,253)        |
| <b>Operating profit before working capital changes</b>  | <b>20,84,575</b>   | <b>18,53,198</b>  |
| (Increase)/ Decrease in other Loans and Advances        | (19,312)           | 36,328            |
| (Increase)/ Decrease in Trade Receivables               | 17,500             | (3,41,500)        |
| Increase/ (Decrease) in Current Liabilities             | 9,31,805           | (1,11,763)        |
| <b>Cash generated from operations</b>                   | <b>30,14,567</b>   | <b>14,36,263</b>  |
| Income Tax Paid   | (8,40,002)         | (6,07,500)        |
| Income tax refund received                              | 14,750             | -                 |
| <b>Net cash from operating activities</b>               | <b>21,89,315</b>   | <b>8,28,763</b>   |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>           |                    |                   |
| Purchase of Investments                                 | (31,60,000)        | (21,80,000)       |
| Proceeds from Sale of Investments                       | 8,30,000           | 13,80,000         |
| <b>Net cash from/ (used in) investing activities</b>    | <b>(23,30,000)</b> | <b>(8,00,000)</b> |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>           |                    |                   |
|   | -                  | -                 |
| Net (Decrease)/ Increase in cash and cash equivalents   | (1,40,685)         | 28,762            |
| Cash and cash equivalents at the beginning of the Year  | 1,66,727           | 1,37,965          |
| <b>Cash and cash equivalents at the end of the Year</b> | <b>26,042</b>      | <b>1,66,727</b>   |

As per our report of even date

For S.R.BATLIBOI & CO. LLP  
ICAI Firm Registration No. 301003E/E300005  
Chartered Accountants




Per Jayesh Gandhi  
Partner  
Membership No.037924


Place: Mumbai  
Date :April 20,2022



For and on behalf of the Board of Directors

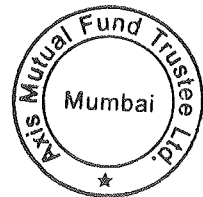


Director  
DIN : 07225354



Director  
DIN : 06407040

Place: Mumbai  
Date :April 20,2022



## Axis Mutual Fund Trustee Limited

Notes to financial statements for the year ended March 31, 2022

### 1. Corporate information

Axis Mutual Fund Trustee Limited ('the Company') was incorporated on January 2, 2009 under the Companies Act, 1956 and a limited company within the meaning of Companies Act, 2013. Axis Bank Limited holds 75% of the total issued and paid up equity share capital, the balance 25% plus one equity share is held by Schroder Investment Management (Singapore) Limited (SIMSL) through its wholly owned subsidiary, Schroder Singapore Holdings Private Limited (SSHPL), both subsidiaries of Schroders plc.

The Company's principal activity is to act as a trustee to Axis Mutual Fund ('the Fund') The registered office of the company is located at Axis House, First Floor, C-2 Wadia International Center, Pandurang Budhkar Marg, Worli, Mumbai – 400025.

### 2. Basis of preparation

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

The financial statements were approved for issue in accordance with a resolution of the directors on 20<sup>th</sup> April 2022.

#### 2.1 Summary of significant accounting policies

##### a. Use of estimates

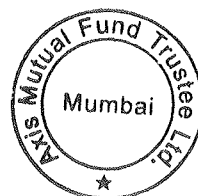
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

##### b. Investments

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

##### c. Revenue recognition

Trustee fee is recognized on accrual basis, at the specific rates/ amount approved by the Board of Directors of the Company, within the limits specified under the Deed of Trust, and is applied on the net assets of each scheme of Axis Mutual Fund.



## Axis Mutual Fund Trustee Limited

Notes to financial statements for the year ended March 31, 2022

Purchase and sale of investments are recorded on trade date. The profit/ loss on sale of investments is recognized in the statement of profit and loss on trade date, using the weighted average cost method.

### d. Taxes on income

Tax expense comprises current tax and deferred taxes. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India.

Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

At each balance sheet date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

### e. Earnings per share

Basic earnings per share is 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.

Diluted earnings per share is 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 adjusted for the effects of all dilutive potential equity shares.

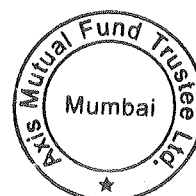
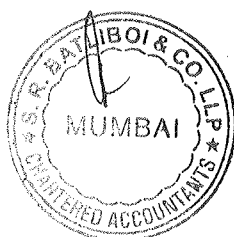
### f. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

### g. Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.



**Axis Mutual Fund Trustee Limited**

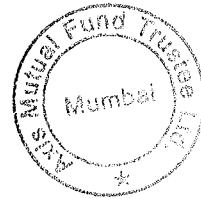
Notes to financial statements for the year ended March 31, 2022

**h. Contingent Liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an out flow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize the contingent liability but discloses its existence in the financial statements.

**i. Retirements and other employee benefits**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of the defined benefit plan is calculated by management.





AXIS MUTUAL FUND TRUSTEE LIMITED

Notes to financial statements for the year ended March 31, 2022

3. Share capital

| Particulars  | March 31, 2022 | March 31, 2021 |
|--|----------------|----------------|
|  | ₹              | ₹              |
| <b>Authorised shares</b><br>100,000 (March 31, 2021 : 100,000) Equity Shares of ₹10 each                         | 10,00,000      | 10,00,000      |
| <b>Issued, subscribed and fully paid up shares</b><br>50,000 (March 31, 2021 : 50,000) Equity Shares of ₹10 each | 5,00,000       | 5,00,000       |
| <b>Total Issued, subscribed and fully paid up shares</b>   | 5,00,000       | 5,00,000       |

a. Reconciliation of the shares outstanding at the beginning and end of the year

| Particulars                               | March 31, 2022 |          | March 31, 2021 |          |
|---|----------------|----------|----------------|----------|
|   | No. of shares  | ₹        | No. of shares  | ₹        |
| <b>Equity shares</b>                      |                |          |                |          |
| At the beginning of the year              |                |          | 50,000         | 5,00,000 |
| Add: Issued during the year               | 50,000         | 5,00,000 |                |          |
| <b>Outstanding at the end of the year</b> | 50,000         | 5,00,000 | 50,000         | 5,00,000 |

b. Terms /rights attached to equity shares

The company has only one class of shares referred to as equity shares having par value of ₹10/-. Each holder of equity shares is entitled to one vote per share.

The company has not declared any dividends during the year.

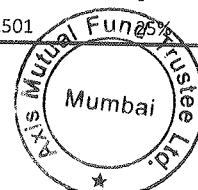
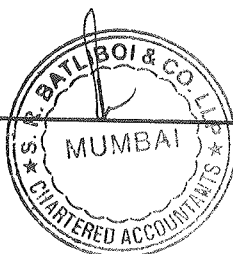
In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distributions of all preferential amounts. However, no such preferential amount exists currently. The distribution will be in proportion to the number of equity shares held by the shareholder.

c. Details of shares held by holding company and shareholders holding more than 5% shares

| Name of the shareholders   | March 31, 2022 |                        | March 31, 2021 |                        |
|--|----------------|------------------------|----------------|------------------------|
|  | ₹              | % holding in the class | ₹              | % holding in the class |
| holding company held 37,499 (March 31, 2021 : 37,499) Equity shares of ₹10 each fully paid                           | 3,74,990       | 75%                    | 3,74,990       | 75%                    |
| Schroder Singapore Holdings Private Limited<br>12,501 (March 31, 2021 : 12,501) Equity Shares of ₹10 each fully paid | 1,25,010       | 25%                    | 1,25,010       | 25%                    |

d. Details of shares held by promoters

|                                    | Axis Bank limited (holding company) and its nominees |        | Schroder Singapore Holdings Private Limited |        | Total        |        |
|------------------------------------|--|--------|---|--------|--------------|--------|
|                                    | No of Shares   | % Held | No of Shares                                | % Held | No of Shares | % Held |
| <b>Equity Shares, Rs 10/- each</b> |  |        |   |        |              |        |
| As at April 01, 2020               | 37,499   | 75%    | 12501                                       | 25%    | 50,000       | 100%   |
| Change during the year             | -  | -      | -   | -      | -            | -      |
| As at March 31, 2021               | 37,499   | 75%    | 12501                                       | 25%    | 50,000       | 100%   |
| Change during the year             | -  | -      | -   | -      | -            | -      |
| As at March 31, 2022               | 37,499   | 75%    | 12501                                       | 25%    | 50,000       | 100%   |



AXIS MUTUAL FUND TRUSTEE LIMITED

Notes to financial statements for the year ended March 31, 2022

4. Reserves and surplus

| Particulars                                    | March 31, 2022   | March 31, 2021   |
|--|------------------|------------------|
|  | ₹                | ₹                |
| <b>Capital Fund</b>                            | <b>1,00,000</b>  | <b>1,00,000</b>  |
| <b>Surplus in statement of profit and loss</b> |                  |                  |
| Balance as per last financial statements       | 72,97,087        | 58,30,066        |
| Add: Profit for the year                       | 16,10,625        | 14,67,021        |
| <b>Closing balance</b>                         | <b>89,07,712</b> | <b>72,97,087</b> |
| <b>Total reserves and surplus</b>              | <b>90,07,712</b> | <b>73,97,087</b> |

5. Trade payables

| Particulars  | March 31, 2022  | March 31, 2021  |
|--|-----------------|-----------------|
|  | ₹               | ₹               |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 2,10,960        | 1,88,900        |
| - Related party  | 3,402           | 3,292           |
| - Others   |                 |                 |
|  | <b>2,14,362</b> | <b>1,92,192</b> |

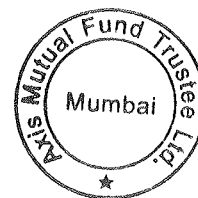
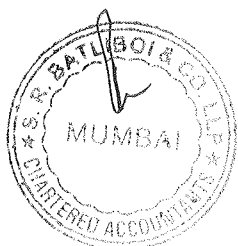
Trade payable ageing schedule

As at March 31, 2022

| Particulars  | Outstanding for following periods from due date of payment |          |          |                  |                 |
|--|--|----------|----------|------------------|-----------------|
|  | Less than 1 year   | 1-2 year | 2-3 year | more than 3 year | Total           |
|  | ₹  | ₹        | ₹        | ₹                | ₹               |
| Total outstanding dues of micro enterprises and small enterprises                      | -  | -        | -        | -                | -               |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 2,14,362   | -        | -        | -                | 2,14,362        |
| Disputed dues of micro enterprises and small enterprises                               | -  | -        | -        | -                | -               |
| Disputed dues of creditors other than micro enterprises and small enterprises          | -  | -        | -        | -                | -               |
|  | <b>2,14,362</b>  | <b>-</b> | <b>-</b> | <b>-</b>         | <b>2,14,362</b> |

As at March 31, 2021

| Particulars  | Outstanding for following periods from due date of payment |          |          |                  |                 |
|--|--|----------|----------|------------------|-----------------|
|  | Less than 1 year   | 1-2 year | 2-3 year | more than 3 year | Total           |
|  | ₹  | ₹        | ₹        | ₹                | ₹               |
| Total outstanding dues of micro enterprises and small enterprises                      | -  | -        | -        | -                | -               |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 1,92,192   | -        | -        | -                | 1,92,192        |
| Disputed dues of micro enterprises and small enterprises                               | -  | -        | -        | -                | -               |
| Disputed dues of creditors other than micro enterprises and small enterprises          | -  | -        | -        | -                | -               |
|  | <b>1,92,192</b>  | <b>-</b> | <b>-</b> | <b>-</b>         | <b>1,92,192</b> |



**AXIS MUTUAL FUND TRUSTEE LIMITED**

Notes to financial statements for the year ended March 31, 2022

**6. Other current liabilities**

| Particulars                            | March 31, 2022<br>₹ | March 31, 2021<br>₹ |
|--|---------------------|---------------------|
| Statutory dues payable                 | 2,81,920            | 2,04,611            |
| Provision for employee benefits        | 8,28,606            | 8,756               |
| Provident fund payable                 | 12,475              | -                   |
| <b>Total other current liabilities</b> | <b>11,23,001</b>    | <b>2,13,367</b>     |

**7. Non-current investments**

| Investments in mutual funds   | March 31, 2022<br>₹ | March 31, 2021<br>₹ |
|---|---------------------|---------------------|
| 99.513 Units (Previous year 99.513 units) in Axis Treasury Advantage Fund - Retail Growth | 1,00,000            | 1,00,000            |
| <b>Total investments</b>  | <b>1,00,000</b>     | <b>1,00,000</b>     |
| <b>Market value (Net Assets Value)</b>  | <b>2,32,977</b>     | <b>2,24,006</b>     |

Above investments are unquoted.

**8. Deferred tax**

| Particulars               | March 31, 2022<br>₹ | March 31, 2021<br>₹ |
|---------------------------|---------------------|---------------------|
| Deferred tax assets (net) | 51,169              | 33,876              |
|                           | <b>51,169</b>       | <b>33,876</b>       |

**9. Current investments**

| Investments in mutual funds  | March 31, 2022<br>₹ | March 31, 2021<br>₹ |
|--|---------------------|---------------------|
| 4340.952 Units (Previous year 3441.792 units) in Axis Liquid Fund - Direct Growth Plan | 94,44,083           | 70,51,986           |
| <b>Total investments</b>   | <b>94,44,083</b>    | <b>70,51,986</b>    |
| <b>Market value (Net Assets Value)</b>   | <b>1,02,62,366</b>  | <b>76,35,295</b>    |

Above investments are unquoted.

**10. Trade receivables**

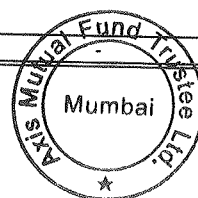
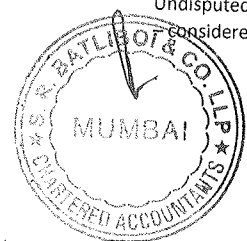
| Particulars   | March 31, 2022<br>₹ | March 31, 2021<br>₹ |
|---|---------------------|---------------------|
| Unsecured, considered good and outstanding for less than six months - Trusteeship fee receivable* | 7,56,000            | 7,73,500            |
|   | <b>7,56,000</b>     | <b>7,73,500</b>     |

\* Represents amounts due from Axis Mutual Fund (the Company acts as a trustee to the Fund)

**Trade receivable ageing schedule**

As at March 31, 2022

| Particulars                                  | Outstanding for following periods from due date of payment |                        |                 |                 |                       | Total           |
|--|--|------------------------|-----------------|-----------------|-----------------------|-----------------|
|  | Less than 6 months<br>₹                                    | 6 months - 1 year<br>₹ | 1 - 2 year<br>₹ | 2 - 3 year<br>₹ | more than 3 year<br>₹ |                 |
| Undisputed Trade Receivables considered good | 7,56,000   | -                      | -               | -               | -                     | 7,56,000        |
|  | <b>7,56,000</b>  | -                      | -               | -               | -                     | <b>7,56,000</b> |



**AXIS MUTUAL FUND TRUSTEE LIMITED**

Notes to financial statements for the year ended March 31, 2022

| As at March 31, 2021         |  |                   |           |           |                  |                 |
|------------------------------|--|-------------------|-----------|-----------|------------------|-----------------|
| Particulars                  | Outstanding for following periods from due date of payment |                   |           |           |                  | Total           |
|                              | Less than 6 months   | 6 months - 1 year | 1 -2 year | 2 -3 year | more than 3 year |                 |
|                              | ₹  | ₹                 | ₹         | ₹         | ₹                | ₹               |
| Undisputed Trade Receivables |  |                   |           |           |                  |                 |
| - considered good            | 7,73,500   | -                 | -         | -         | -                | 7,73,500        |
|                              | <u>7,73,500</u>  | <u>-</u>          | <u>-</u>  | <u>-</u>  | <u>-</u>         | <u>7,73,500</u> |

**11. Cash and cash equivalents**

| Particulars  | March 31, 2022 | March 31, 2021  |
|--|----------------|-----------------|
|  | ₹              | ₹               |
| Balances with bank in current account (Scheduled bank) | 26,042         | 1,66,727        |
|  | <u>26,042</u>  | <u>1,66,727</u> |

**12. Other loans and advances**

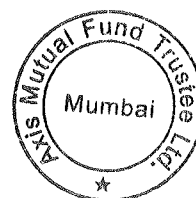
| Particulars                            | Non Current     |                 | Current        |                |
|--|-----------------|-----------------|----------------|----------------|
|  | March 31, 2022  | March 31, 2021  | March 31, 2022 | March 31, 2021 |
|  | ₹               | ₹               | ₹              | ₹              |
| Advance tax and tax deducted at source | 3,78,523        | 1,06,611        | -              | -              |
| GST Input Tax Credit                   | -               | -               | 89,258         | 69,946         |
|  | <u>3,78,523</u> | <u>1,06,611</u> | <u>89,258</u>  | <u>69,946</u>  |

**13. Employee Benefit Expenses**

| Particulars                               | March 31, 2022   | March 31, 2021  |
|---|------------------|-----------------|
|   | ₹                | ₹               |
| Salaries & Allowances                     | 24,56,551        | 2,73,244        |
| Contribution to Provident and Other Funds | 78,775           | 12,900          |
|   | <u>25,35,326</u> | <u>2,86,144</u> |

**14. Administrative and other Expenses**

| Particulars                 | March 31, 2022   | March 31, 2021   |
|-----------------------------|------------------|------------------|
|                             | ₹                | ₹                |
| Legal and professional fees |                  |                  |
| Payment to auditors         | 2,67,100         | 2,22,300         |
| - Audit fee                 |                  |                  |
| Directors sitting fees      | 1,00,000         | 75,000           |
| Miscellaneous expenses      | 32,50,000        | 32,50,000        |
| Recruitment & Oter Expenses |                  | 2,006            |
| GST Expenses                | 1,54,925         | -                |
| Establishment Expenses      | -                | 2,802            |
|                             | 12,598           | 8,550            |
|                             | <u>37,84,623</u> | <u>35,60,658</u> |



## Axis Mutual Fund Trustee Limited

Notes to financial statements for the year ended March 31, 2022

### 15. Earnings Per Share ('EPS')

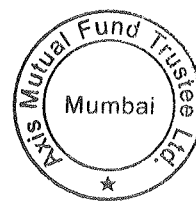
EPS is computed in accordance with AS-20 "Earnings Per Share" issued by the Institute of Chartered Accountants of India (ICAI). The numerators and denominators used to calculate Basic and Diluted Earnings per Share are given below:

| Particulars  | March 31, 2022 | March 31, 2021 |
|--|----------------|----------------|
| (a) Nominal value of equity share (₹)                    | 10             | 10             |
| (b) Net profit available to equity shareholders (₹)      | 16,10,625      | 14,67,021      |
| (c) Weighted average number of equity shares outstanding | 50,000         | 50,000         |
| (d) Basic and Diluted EPS (₹) = (b)/ (c)                 | 32.21          | 29.34          |

The Company does not have any potential equity shares and, accordingly, the basic EPS and diluted EPS are the same.

### 16. Other statutory information

- The company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property
- The company do not have any transactions with companies struck off.
- The company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- The company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- The company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- The company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961



**Axis Mutual Fund Trustee Limited**

Notes to financial statements for the year ended March 31, 2022

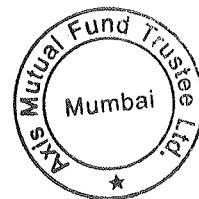
**17. Discloser Ratios**

| Sr. No. | Ratio                           | Numerator               | Denominator  | As on 31st March 2022 | As on 31st March 2021 | % change | Reason for variance  |
|---------|---------------------------------|-------------------------|--|-----------------------|-----------------------|----------|--|
| 1       | Current ratio                   | Current Assets          | Current Liabilities                                    | 7.71                  | 19.88                 | 61.20    | Increase in provision employee benefit has reduced the current ratio   |
| 2       | Return on Equity ratio          | Net Profits after taxes | Average Shareholder's Equity                           | 19%                   | 21%                   | 12.78    |  |
| 3       | Trade Receivable Turnover Ratio | Trusteeship fee         | Average Trade Receivable                               | 10.98                 | 10.11                 | (8.61)   |  |
| 4       | Trade Payable Turnover Ratio    | Other expenses          | Average Trade Payables                                 | 17.66                 | 18.53                 | 4.70     |  |
| 5       | Net Capital Turnover Ratio      | Revenue from operations | Working capital = Current assets – Current liabilities | 0.94                  | 0.74                  | (25.68)  | Increased revenue from operation has consequentially increase in ratio |
| 6       | Net Profit ratio                | Net Profits after taxes | Total Income   | 19.02                 | 25.26                 | 24.70    |  |

**18. Related Party Disclosure**

The related parties of the company are as follows

- A) Holding Company : Axis Bank Limited
- B) Key Management Personnel : Mr. Bapi Munshi  
Mr. G Gopalakrishna  
Mr. Radhakrishnan Nair  
Mr. Uday M. Chitale  
Mrs Vijayalakshmi R Iyer  
Mr. Venkat Chalasani



## Axis Mutual Fund Trustee Limited

Notes to financial statements for the year ended March 31, 2022

The nature and volume of transactions of the Company with the above related parties for the year ended March 31, 2022 were as follows:

(Amount in ₹)

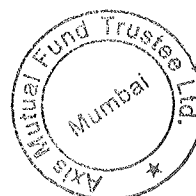
| Sr. No | Name of Related Party           | Description of Transactions/Categories | Transaction    |                | Balance  |  |
|--------|---------------------------------|--|----------------|----------------|--|--|
|        |                                 |  | March 31, 2022 | March 31, 2021 | Outstanding carried out to balance sheet as on 31 <sup>st</sup> March 2022 | Outstanding carried out to balance sheet as on 31 <sup>st</sup> March 2021 |
| 1      | Axis Bank Limited               | Royalty Fees                           | 12,600         | 8,550          |  |  |
|        |                                 | Current account balance with Axis Bank |                |                | 26,042   | 1,66,727   |
|        |                                 | Equity share capital                   |                |                | 3,74,990   | 3,74,990   |
|        |                                 | Sponsor's contribution                 |                |                | 1,00,000   | 1,00,000   |
|        |                                 | Sundry Creditors towards Royalty Fees  |                |                | 3,402  | 3,292  |
| 2      | Bapi Munshi (till-26/09/2021)   | Sitting Fees                           | 4,00,000       | 6,50,000       |  |  |
| 3      | G Gopalakrishna                 | Sitting Fees                           | 8,00,000       | 6,50,000       |  |  |
| 4      | Radhakrishnan Nair              | Sitting Fees                           | 8,00,000       | 6,50,000       |  |  |
| 5      | Uday M. Chitale till-02/06/2021 | Sitting Fees                           | 2,00,000       | 6,50,000       |  |  |
| 6      | Vijayalakshmi R Iyer            | Sitting Fees                           | 5,00,000       | 6,50,000       |  |  |
| 7      | Venkat Chalasani                | Sitting Fees                           | 5,50,000       |                |  |  |

### 19. Segment reporting

The Company acts as a Trustee for the schemes of Axis Mutual Fund. As the Company is engaged only in one business segment and has no geographical segments, the Balance Sheet and the Statement of Profit and Loss pertain to one business segment.

### 20. Capital fund

Capital fund comprises an amount received, on an irrevocable basis, from the Sponsor, as a contribution to the Fund in accordance with the terms of the Deed of Trust. The amount is held by the Company in its fiduciary capacity as the trustee to Axis Mutual Fund and is intended to be utilised only for the purposes as mentioned in the Deed of Trust.



**Axis Mutual Fund Trustee Limited**

Notes to financial statements for the year ended March 31, 2022

21. Contingent Liabilities and capital commitments are Nil (March 31,2021 : Nil)

**22. Prior period comparatives**

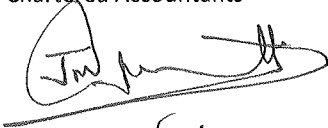
Figures of the previous year have been regrouped / reclassified wherever necessary to conform to current year's presentation.

As per our report of even date.

**For S.R.BATLIBOI & CO. LLP**

ICAI Firm Registration No. 301003E/E300005

Chartered Accountants




Per Jayesh Gandhi

Partner

Membership No.037924

**For and on behalf of the Board of Directors**



Director  
DIN : 07225354

Director  
DIN : 06407040

Place: Mumbai

Date: April 20, 2022

Place: Mumbai

Date: April 20, 2022

