

AXIS TRUSTEE SERVICES LIMITED

DIRECTORS' REPORT – 2020-21

DIRECTORS' REPORT: 2020-21

To,
The Members,
AXIS TRUSTEE SERVICES LIMITED

The Board of Directors has the pleasure of presenting the Thirteenth Annual Report of the Company together with the Audited Financial Statements, Auditors' Report and the report on the business of the Company, for the financial year ended March 31, 2021.

FINANCIAL PERFORMANCE

The financial highlights of the Company for the year ended March 31, 2021 are presented below:-

(Rs. In Crores)

Particulars	For the year ended 31.03.2021	For the year ended 31.03.2020
Operating Income	34.08	31.73
Interest and other income	3.01	3.56
Gross Income	37.09	35.29
Operating Expenses	9.12	9.23
Depreciation	0.28	0.29
Non –operating expenditure including provisions	2.52	2.02
Profit before Tax	25.17	23.75
Provision for Tax	5.05	5.51
Net Profit for the period	20.11	18.23
Appropriations:		
Transfer to General Reserve	2.01	1.82
Surplus carried to Balance Sheet	18.10	16.41

NATURE OF BUSINESS, OPERATIONS AND FUTURE OUTLOOK OF THE COMPANY

Axis Trustee Services Ltd. (ATSL) is into trusteeship and agency & administration services for over a decade. The Company's trusteeship offerings cover debt securities (debentures/bonds), loan backed securities, Alternative Investment Fund Trust (AIFT), Real Estate Investment Trust (REIT), Infrastructure Investment Trust (InVIT), Securitised debt instruments, etc. The agency services primarily relate to managing and monitoring syndicated credit facilities, Escrow Account, Trust & Retention Account, Safe custody of documents, etc

The FY under review began with full of uncertainty to the business environment caused by the unprecedented economic disruptions arising on account of COVID 19 pandemic. The Company redefined its business strategies in line with the changing environment and laid special emphasis on developing new relationships across service categories. Further, the Company recalibrated its operations and compliance functions to suit the hybrid work environment (work from home as well as work from office) , this not only improved operating efficiency but also helped address customer's requirements proficiently. The operating income grew by 7.4% and net profit by 10.30% y-o-y.

The Company continued with its focus on Trusteeship Services opportunities arising out of the funding extended by the banks/financial companies to the companies and Agency Services (Escrow / Facility Agent). The Company consolidated its leadership position in the

trusteeship services for new asset classes - REIT & InVIT. The Company also took steps to consolidate its position in listed debenture segment.

The Company has also taken steps to put in place required infrastructure to meet effectively its debenture trustee responsibilities in line with the changes in the debenture trustee regulations by SEBI.

The Company has pleasure in sharing that it has obtained approval from IFSCA, GIFT SEZ, Gujarat to offer trusteeship services in IFSC GIFT City, SC. The Company is the only Indian trustee company providing facility agency services from IFSC GIFT City.

RESERVES

The Company proposes to transfer an amount of Rs. 2.01 Crs to the General Reserves.

DIVIDEND

The Board of Directors is pleased to recommend a dividend of Rs. 95 per share for the financial year ended March 31, 2021, subject to the approval of the members in the ensuing Annual General Meeting (AGM). The total cash outflow shall be Rs 14.25 Crore.

BOARD OF DIRECTORS

The existing Board of Directors of the Company are as follows:

1. Mr. Rajesh Kumar Dahiya (DIN: 07508488)
2. Mr. Ganesh Sankaran (DIN: 07580955)
3. Mr. Sanjay Sinha (DIN: 08253225)

During the year under review there were no changes in the Board. The Board considered appointment and approved the appointment of Ms. Deepa Rath as Managing Director & CEO of the Company at its meeting held on April 15, 2021 w.e.f. May 01, 2021 and noted the cessation of employment of Mr. Sanjay Sinha as MD & CEO w.e.f April 30, 2021.

Sr. No	Name of the Directors	Designation	Appointment/ Cessation	With effect From
1.	Ms. Deepa Rath	Additional Director	Appointment	May 01, 2021
2.	Ms. Deepa Rath	Managing Director & CEO	Appointment	May 01, 2021
3.	Mr. Sanjay Sinha	Managing Director & CEO	Cessation	April 30, 2021

The tenure of Mr. Sanjay Sinha (DIN: 08253225) Managing Director & CEO, had ceased with effect from the close of business hours on April 30, 2021 due to completion of tenure as governed by guidelines for functioning of Boards of Axis Group. Accordingly, he also ceased to be the member of the CSR Committee effective same date and Ms. Deepa Rath is inducted in the same position.

KEY MANAGERIAL PERSONNEL

Mr. Sanjay Sinha occupied the position of Managing Director & CEO upto the close of working hours of April 30, 2021.

Ms. Deepa Rath, Managing Director & CEO of the Company, has been appointed for period of 5 years with effect from May 01, 2021.

The Company is not required to appoint any other Key Managerial Personnel in terms of the provisions of Section 203 of the Companies Act, 2013.

RETIREMENT BY ROTATION

Mr. Ganesh Sankaran (DIN: 07580955) Non-Executive Director (NED) of the Company will retire by rotation at the ensuing Annual General Meeting [AGM] and being eligible, offered himself for reappointment. The Board placed on record its appreciation for his contribution in guiding and supporting the Company's business and operations during his tenure as NED and recommended his reappointment for consideration in the ensuing Annual General Meeting. Mr. Rajesh Kumar Dahiya (DIN: 07508488) has also confirmed his eligibility to be re-appointed as Non Executive Director at the AGM.

DETAILS OF BOARD MEETINGS

During the financial year under review, four meetings of the Board of Directors of the Company were held and the gap between the said meetings did not exceed the limit of 120 days, as prescribed under the relevant provisions of the Companies Act, 2013 and the Rules made thereunder. The details of the Board Meetings of the Company for the Financial Year 2019-2020 are summarized below:

Sr. No.	Date of the meeting	No. of Directors who attended the meeting
1.	April 23, 2020	3(Three)
2.	July 14, 2020	3(Three)
3.	October 15, 2020	3(Three)
4.	January 13, 2021	3(Three)

COMMITTEES OF THE BOARD:

The Company falls under the provisions of Section 135(1) of the Companies Act, 2013, and hence has constituted the CSR Committee. The CSR Committee met twice on April 23, 2020 and July 14, 2020.-

The constitution of the CSR Committee as on March 31, 2021 is as follows:

Name of the Member	Position
Mr. Rajesh Kumar Dahiya	Chairman
Mr. Sanjay Sinha	Member

Pursuant to the provisions of Section 177 and 178, the Company is not required to constitute any Audit Committee or Nomination & Remuneration Committee of the Board of Directors.

BOARD AGENDA

The Board agenda is prepared based on inputs received from the concerned departments of the Company and finalised in consultation with the MD & CEO of the Company. The Board agenda and notes thereof are sent to the Members of the Board in advance to enable them to read and comprehend the matters to be dealt with and seek further information / clarification. The Members of the Board are free to recommend inclusion of any matter in the agenda for discussion. The Minutes of the Board meetings are circulated to the Chairman for his review and approval and thereafter circulated to the other Members of the Board for their comments, in accordance with the Secretarial Standards on meetings of the Board of Directors (SS-1) issued by the Institute of Company Secretaries of India (ICSI). In case of business exigencies or urgency of matters, resolutions are also passed by the Board through circulation. Video conferencing facilities are also used to facilitate participation by Directors who are unable to physically attend the meetings of the Board

PARTICULARS OF EMPLOYEES



During the year under review, no employee of the Company was in receipt of remuneration in excess of limits as prescribed under sub-rule (2) of Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of the Company hereby declare and confirm the following statements, in terms of Section 134(3) (c) of the Companies Act, 2013:

- (a) That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) That such accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2021 and of the profit of the company for the year ended on that date ;
- (c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) That the annual accounts have been prepared on a going concern basis;
- (e) That proper systems to ensure compliance with the provisions of all applicable laws have been in place and the same have been considered adequate and operating effectively.

DIRECTORS' COMMENTS ON AUDITORS' REPORT

The observations made by the Auditors in their Report read with relevant notes given in the Notes to Accounts are self-explanatory and therefore, do not require any comments from the Board of Directors pursuant to Section 134 (3) (f) of the Companies Act, 2013.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return in Form MGT-9 is enclosed herewith as "Annexure-I" to this report.

Please find link to the annual return on our website:

[https://axistrustee.in/_____](https://axistrustee.in/)

RELATED PARTY TRANSACTIONS

The details of transactions entered into by the Company with the Related Parties referred to in sub-section (1) of section 188, pursuant to Clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 in the Form AOC-2 are enclosed herewith as "Annexure-II" to this report.

HOLDING COMPANY

The Company continues to remain the wholly owned non-material subsidiary of Axis Bank Limited and there has been no change in the status of the company during the financial year under review.



PUBLIC DEPOSITS

During the year under review, the Company has neither invited nor accepted / renewed any "Deposit" from public within the meaning of the term "Deposits" under the Companies (Acceptance of Deposits) Rules, 2014 made under Chapter V read with Section 73 and 76 of the Companies Act, 2013 as amended from time to time.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(a) Conservation of energy

(i)	the steps taken or impact on conservation of energy	NA
(ii)	the steps taken by the company for utilizing alternate sources of energy	NA
(iii)	the capital investment on energy conservation equipment	NA

(b) Technology absorption

(i)	the efforts made towards technology absorption	The Company has a customised ERP system for managing its business requirements. The company continuously evaluates the ERP system to improve efficiency.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	The recent modifications/upgradations in the ERP system have helped improve monitoring mechanism.
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	
	(a) the details of technology imported	NA
	(b) the year of import;	NA
	(c) whether the technology been fully absorbed	NA
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	NA
(iv)	the expenditure incurred on Research and Development	NA

(c) Foreign exchange earnings and outgo

During the year, the company had earned foreign income (INR equivalent Rs.1.60 crores) and had not spent any foreign exchange .

RISK MANAGEMENT POLICY

The Company has a Risk Management Policy with an objective to formalize the process of identification of potential risk and adopt appropriate risk mitigation measures through a risk management structure. The Risk Policy is a step taken by the Company towards

strengthening the existing internal controls and updating the same as may be required from time to time.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has constituted the Corporate Social Responsibility (CSR) Committee of the Board in accordance with the provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibilities) Rules, 2014, as amended. During the year, the said policy has been reviewed by the Board and the same has been hosted on the website of the company at <https://www.axistrustee.in/pdf/ATSL-CSR-Policy.pdf>.

As part of its initiative under "Corporate Social Responsibility" (CSR), the Company has contributed to Axis Bank Foundation (ABF) to support projects run by CInI (Collectives for Integrated Livelihood Initiatives), a nodal agency of the Trusts established in 2007. CInI is working in thematic areas of agriculture productivity stabilisation, forest based livelihoods, water resource development, micro finance and strengthening of community based organisations to transform the lives of tribal households in the tribal belt in the states of Odisha, Gujarat, and Jharkhand & Maharashtra. These activities are in accordance with Schedule VII of the Companies Act, 2013.

During the Financial Year 2020-21, the CSR Committee met twice on April 23, 2020 and July 14, 2020. During the year under review, the Company has spent Rs. 52,85,321/- (Rupees Fifty Two Lakhs Eighty Five Thousand Three Hundred and Twenty One only) towards CSR activities under the theme of creating sustainable livelihoods by ABF's partner CInI.

The brief outline of the CSR Policy, including overview of the programs undertaken by the Company, the composition of the CSR Committee, average net profits of the Company for the past three financial years, prescribed CSR expenditure and details of the amounts spent by the Company on CSR activities during the year under review have been provided in the Annexure - III to this report.

A responsibility statement received from the members of the CSR Committee is also enclosed to the said report.

COMPLIANCE OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION, REDRESSAL) ACT, 2013

The Company has a Policy for Prevention of Sexual Harassment (POSH) to deal with the matters pertaining to the complaints of Sexual Harassment against Women under the Sexual Harassment of Women at Workplace (Prevention, Prohibition, Redressal) Act, 2013.

The company has complied with the provision relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013.

No complaints were received by the Company during the Financial Year under this Act.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Your Company has not taken Loan, Guarantees or made Investments covered under Section 134(3) (g) of the Companies Act, 2013.

STATUTORY AUDITORS

The Statutory Auditors, M/s. S. R. Batliboi & Co LLP, Chartered Accountants, (ICAI Firm Registration No: 301003E/ E30-0005) were appointed as the Statutory Auditors of the



Company in the 11th AGM held in 2019 for a period of 5 (five) years till the 16th AGM to be held on 2024.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS RELATED TO FINANCIAL STATEMENTS

The Board has inter alia reviewed the adequacy and effectiveness of the internal policies and procedures of the company in respect of the financial statements to ensure that there is an orderly and efficient conduct of business, prevention and detection of frauds and errors. Further, internal policies and procedures are in place to determine the accuracy and completeness of the accounting records and there is a system in place for preparation of reliable financial information.

SECRETARIAL COMPLIANCE

The company is not mandatorily required to obtain a Secretarial Audit Report as per the Companies Act, 2013 but has got a limited verification carried out by a practicing firm of Company Secretaries in line with the Companies Act 2013 and Secretarial Standards-1 & 2 and rules, regulations as issued by Ministry of Corporate Affairs. The said firm has certified that the company has generally complied with the provisions of the Companies Act, 2013 & the Secretarial Standards.

OTHER DISCLOSURES:

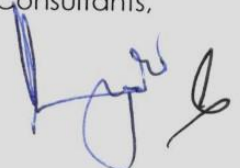
1. The Company has not issued any Securities under the ESOP Scheme or as Sweat Equity to its employees, requiring any disclosures of the same in this Report.
2. The Company has not accepted any deposits, under the provisions of the Companies Act, 2013 during the period of review.
3. The Board of Directors confirm their compliance with the provisions of the Secretarial Standards – 1 & 2 issued by the ICSI under the provisions of Section 118(10) of the Companies Act, 2013, during the year under review.
4. There are no frauds reported by the Auditors under sub-section (12) of Section 143 of the Companies Act, 2013.
5. There are no material changes and commitments other than those disclosed in this report, 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 and can affect the financial position of the Company.
6. The Company is not required to maintain any cost records under the provisions of Section 148(1) of the Companies Act, 2013, during the Financial Year under review

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY ANY REGULATOR, COURT, TRIBUNAL, STATUTORY AND QUASI-JUDICIAL BODY, IMPACTING THE GOING CONCERN STATUS OF THE COMPANY AND ITS FUTURE OPERATIONS

NIL

ACKNOWLEDGEMENT

The Board of Directors would like to express its gratitude for all the guidance and co-operation received from its Holding Company – Axis Bank Limited. The Board also places on record its gratitude to Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA), Reserve Bank of India, Financial Institutions, Bankers, Advisors, Consultants,

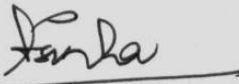


Central, State and Local Government Departments and Bodies, Registrar and Transfer Agent and other Government and Regulatory authorities for their continued support and guidance.

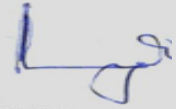
The Board acknowledges the support of Members and also places on record its sincere thanks to its valued clients and partners for their continued patronage.

The Board also expresses its warm appreciation to all the employees and officers of the Company for their strong work ethic, excellent performance, professionalism, team work, commitment and initiative, which has helped the Company in its business pursuits in today's challenging environment

For and on behalf of the Board of Director

[•] 
MD&CEO
DIN - 08253225

Date: [*] 15.04.2021
Place: Mumbai

[•] 
DIRECTOR
DIN 07508488

Date: [*] 15.04.2021
Place: Mumbai

Form No. MGT-9

The same is accessible on ATSL's Official Website.

(Annexure-I)

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31.03.2021

[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	U74999MH2008PLC182264
ii.	Registration Date	16-05-2008
iii.	Name of the Company	Axis Trustee Services Limited
	Category / Sub-Category of the Company	Public Company limited by shares / Indian Non-Government Company
iv.	Address of the Registered office and contact details	Registered Office: Axis House, Bombay Dyeing Mills Compound, Pandhurang Budhkar Marg, Worli, Mumbai, Maharashtra-400025, India Telephone No: 022-66260054 Corporate Office :



		The Ruby, 2nd Floor, SW, 29, Senapati Bapat Marg, Dadar West, Mumbai- 400 028 Phone: + 91 022 6230 0451
v.	Whether listed company	No
vi.	Name, Address and Contact details of Registrar and Transfer Agent, if any	KFin Technologies Private Limited Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, India Telephone No - +91-40-671612222 e-mail: support@karvy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Trusteeship Services	99715410	91.00%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES


Sr. No	Name And Address Of The Company	CIN/GLN	Holding / Subsidiary / Associate	%of shares held	Applicable Section
1.	Axis Bank Limited, Trishul, 3rd Floor, Opp. Samartheshwar Temple Law Garden, Ellisbridge, Ahmedabad GJ 380 006 India.	L65110GJ1993PLC020769	Holding	99.99	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Handwritten signature

Category of Shareholders	No. of Shares held at the beginning of the year-2020				No. of Shares held at the end of the year-2021				% Change during the year
	Demat	Physical	Total*	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
) Indian									
i) Individual/ HUF	0	0	0	0	0	0	0	0	0
j) Central Govt	0	0	0	0	0	0	0	0	0
k) State Govt(s)	0	0	0	0	0	0	0	0	0
l) Bodies Corp	0	0	0	0	0	0	0	0	0
m) Banks / FI	1499940	0	1499940	99.996	1499940	0	1499940	99.996	0
n) Any Other*	60	0	60	0.004	60	0	60	0.004	0
ub-total(A)(1):-	1500000	0	1500000	100	1500000	0	1500000	100	0
) Foreign									
a) NRIs-Individuals	0	0	0	0	0	0	0	0	0
b) Other-Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
ub-total(A)(2):-	0	0	0	0	0	0	0	0	0
B. Public Shareholding									
. Institutions									
i) Mutual Funds	0	0	0	0	0	0	0	0	0
j) Banks / FI	0	0	0	0	0	0	0	0	0
k) Central Govt	0	0	0	0	0	0	0	0	0
l) State Govt(s)	0	0	0	0	0	0	0	0	0
m) Venture Capital Funds	0	0	0	0	0	0	0	0	0
n) Insurance Companies	0	0	0	0	0	0	0	0	0
o) FIs	0	0	0	0	0	0	0	0	0
p) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
q) Others (specify)	0	0	0	0	0	0	0	0	0
ub-total(B)(1)	0	0	0	0	0	0	0	0	0
. Non Institutions									
i) Bodies Corp.									
(i) Indian	0	0	0	0	0	0	0	0	0
(ii) Overseas									



Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0	0	0	0	0	0
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh									
) Others (Specify)	0	0	0	0	0	0	0	0	0
ub-total (B) (2)	0	0	0	0	0	0	0	0	0
otal Public shareholding (3)=(B)(1)+ (B)(2)	0	0	0	0	0	0	0	0	0
Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	1500000	0	1500000	100	1500000	0	1500000	100	

* The 60 Shares disclosed in "Any Other" Category belong to the Nominees of Axis Bank Limited, who hold shares in the Company on behalf of Axis Bank Limited

ii. Shareholding of Promoters

Sr. No	Shareholder's 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	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total	% change in shareholding during the year
1.	Axis Bank Limited	1499930	99.995	0	1499940	99.996	0	0
2.	Mr. Himadri Shekhar Chatterjee (Nominee of Axis Bank Limited)	10	0.000667	0	10	0.000667	0	0
3.	Mr. Rajiv Anand (Nominee of Axis Bank Limited)	10	0.000667	0	10	0.000667	0	0

Handwritten signature

4.	Mr. Rudrapriyo Ray (Nominee of Axis Bank Limited)	0	0	0	10	0.000667	0	0.000667
5.	Mr. Rajesh Kumar Dahiya (Nominee of Axis Bank Limited)	0	0	0	10	0.000667	0	0.000667
6.	Mr. Pralay mondal (Nominee of Axis Bank Limited)	10	0.000667	0	0	0	0	0
7.	Mr. Ravi Narayanan (Nominee of Axis Bank Limited)	0	0	0	10	0.000667	0	0.000667
8.	Mr. Ganesh Sankaran	0	0	0	10	0.000667	0	0.000667
	Total	1500000	100	0	1500000	100	0	100

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

Sr. No	Name of the shareholders	Shareholding at the beginning of the year 2020		Transaction during the year		Cumulative shareholding at the end of the year 2021	
		No of shares held	% of Total shares of the Company	*Date of Transfer/ change in the Nominee Shareholders	No of shares	No of shares held	% of Total shares of the Company
1.	Mr. Pralay mondal (Nominee of Axis Bank Limited)	10	0.00067	04-12-2020	10	0	0
	At the end of the year	10	0.00067	--	0	0	0
2.	Mr. Ganesh Sankaran	0	0	04-12-2020	10	10	0.00067
	At the end of the year	0	0	--	10	10	0.00067

Lyalo B

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid				
iii) Interest accrued but not				
Total (i + ii + iii)	0	0	0	0
Change in Indebtedness during the financial year				
- Addition	0	0	0	0
- Reduction				
Net Change	0	0	0	0
Indebtedness at the end of the financial year				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i + ii + iii)	0	0	0	0

VI. REMUNERATION OF DIRECTORS AND KEYMANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of Managing Director & CEO	Total Amount
Mr. Sanjay Sinha, Managing Director & CEO			
1.	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	28,29,708/- p.a	28,29,708/- p.a.
	(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 (in		

3.	Sweat Equity	-	-
4.	Commission	-	-
	- as % of profit	-	-
	- others, specify		
5.	Others, please specify: 1. House Rent Allowance 2. Other Allowances	1. 14,14,860/-p.a	1. 14,14,860/-p.a
6.	Total(A)	/- p.a.	/- p.a.
	Ceiling As per the Act	Within the limits (5% of Profit After Tax)	Within the limits (5% of Profit After Tax)

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount
	<u>Independent Directors:</u> · Fee for attending Board and Committee Meetings · Commission · Others, please specify	Nil	Nil	Nil
	Total(1)	-	-	-
	<u>Other Non-Executive Directors:</u> · Fee for attending Board & Committee Meetings · Commission · Others, please specify		0	
	Total(2)	---	---	---
	Total(B)=(1+2)	---	0	0
	Total Managerial Remuneration	Within the prescribed limit		
	Overall Ceiling as per the Act			

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO*	Company Secretary	CFO	Total

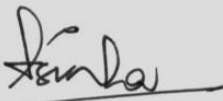
Lynd 6

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	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961				
2.	Stock Option	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission				
	- as% of profit	0	0	0	0
	- others, specify				
5.	Others, please specify	0	0	0	0
6.	Total	0	0	0	0
<i>Details of remuneration paid to CEO already stated in Point A. above</i>					


VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ Court]	Appeal made, If any (give details)
A. Company					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. Directors					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. Other Officers In Default					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

For and on behalf of the Board of Director


[•]
MD&CEO
DIN 08253225

Date: [*] 15.04.2021
Place: Mumbai


[•]
DIRECTOR
DIN 07508488

Date: [*] 15.04.2021
Place: Mumbai

ANNEXURE-II

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)

Form for Disclosure of Particulars of Contracts / Arrangements entered into by the Company with Related Parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain Arm's Length Transactions under third proviso thereto.

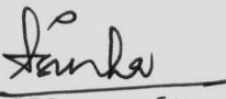
1. Details of contracts or arrangements or transactions not at arm's length basis

(a)	Names of the related party and nature of relationship	:	NIL
(b)	Nature of contracts/ arrangements/ transactions	:	NIL
(c)	Duration of the contracts / arrangements/ transactions	:	NIL
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	:	NIL
(e)	Justification for entering into such contracts or arrangements or transactions	:	NIL
(f)	Date (s) of approval by the Board	:	NIL
(g)	Amount paid as advances, if any	:	NIL
3(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	:	NIL


2. Details of material contracts or arrangement or transactions at arm's length basis:

(a)	Name(s) of the related party and Nature of relationship	:	<ol style="list-style-type: none"> 1. Axis Bank Limited (Holding Company) 2. Axis Capital Limited (Fellow Subsidiary) 3. Axis Finance Limited (Fellow Subsidiary) 4. Axis Asset Management Company Limited (Fellow Subsidiary)
(b)	Nature of contracts / arrangements / transactions	:	<ol style="list-style-type: none"> 1. Re-imbusement of costs incurred in respect of employee deputation 2. Rentals paid on shared premises between the Company and the Bank.

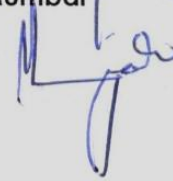
		<ul style="list-style-type: none"> 3. Payment of services charges (i.e. Bank charges such as I.T Support Services and others). 4. Fees/ commission for trusteeship / custodian / agency services. 5. Receipt of Interest on Fixed Deposit. 6. Reimbursement related to usage of common facilities / other expenses to / from related parties. 7. Payment of Referral Fee 8. Payment of Dividend
(c)	Duration of the contracts / arrangements / transactions	: Varies with the nature of the contract / arrangement / transaction
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	: The Contract/ arrangement / transaction are entered at arms' length price and in normal course of business. Refer Financial Statements.
(e)	Date(s) of approval by the Board, if any	: 23-04-2020
(f)	Amount paid as advances, if any	: NIL

[*] 
 MD&CEO
 DIN 08253225

Date: [*] 15.04.2025
 Place: Mumbai

[•] 
 DIRECTOR
 DIN 07508488

Date: [*] ~~15/04~~ 15/04/2021
 Place: Mumbai



REPORT ON CSR ACTIVITIES/ INITIATIVES

[Pursuant to Section 135 of the Companies Act, 2013 & Rules made thereunder]

A brief outline of the Company's CSR policy, including overview of the projects or programs proposed to be undertaken and reference to the web-link to the CSR Policy and projects or programs

The Company recognizes the importance of good corporate governance and corporate social responsibility in promoting and strengthening the trust of its shareholders and other stakeholders. The CSR Policy is guided by the Company's corporate vision and the aspiration to be the Trustee of Choice for Customers, Investors, Employees and Community.

1. **Your Company has identified the following program/activity for assistance under CSR initiative:** Livelihood enhancement and rural development; Special education for disabled, Skill development through vocational education and training; Medical Relief and trauma care, Disaster management including relief, rehabilitation and reconstruction activities
2. **The CSR Policy is also accessible on the web portal of the Company at the following link:** Web link: <https://www.axistrustee.in/pdf/ATSL-CSR-Policy.pdf>
3. **The composition of the CSR Committee:**
 1. Mr. Rajesh Kumar Dahiya - Chairman
 2. Mr. Sanjay Sinha - MD& CEO

4. **Average Net Profit (before tax) of the company for last 3 financial year:**

Financial Year	Profit before Tax	Average of three years
2017-2018	28,42,06,298	26,40,62,808
2018-2019	27,04,55,639	
2019-2020	23,75,26,489	

5. **Prescribed CSR expenditure (2% of amount):**

Based on the average profit for last three years, your company earmarked a sum of Rs. 52,85,321/- (Rupees Fifty Two Lakhs Eighty Five Thousand Three Hundred and Twenty One only) for CSR activities in FY 2020-21.

6. **Details of CSR activities/projects undertaken during the year:**

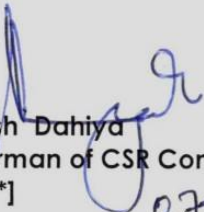
- a) Total amount spent – Rs. 52,85,321/- (Rupees Fifty Two Lakhs Eighty Five Thousand Three Hundred and Twenty One only)/-
- b) Amount un-spent (if any) – Nil

c) Manner in which the amount spent during financial year is detailed below:


1	2	3	4	5	6	7	8	9	10	11	12
Sr. No.	Name of the CSR project/activity	Item from the list of activities in Schedule VII to the Act.	Local Area Yes/No	Project duration	Sector	Projects/ Programmes 1. Local area/others- 2. specify the state / where project / programme was undertaken	Amount outlay (budget) project/ program wise	Amount spent on the project/ program <u>Sub-heads:</u> 1. Direct expenditure on project / program, 2. Overheads	Cumulative spend upto the reporting period	Mode of Implementation - Direct (Yes/No)	Amount spent: Direct/ through implementing agency*
1.	Rural Livelihood	(x)	No	Ongoing	Agriculture Productivity, Livestock and Rural Entrepreneurship	a) 1. CINL (Collective for Integrated Livelihood Initiatives) 2. Churchu Block, Hazaribagh district, Jharkhand	Rs. 52.85 Lacs	Rs. 52.85 Lacs	Rs. 52.85 Lacs	Through Axis Bank Foundation	Rs. 52.85 Lacs

7. In case the company has failed to spend the 2% of the average net profit of the last 3 financial years or any part thereof, reasons for not spending the amount in its Board Report - NA

8. A responsibility statement by the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company - The CSR Committee of the Company confirms that the implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company.


Rajesh Dahiya
Chairman of CSR Committee
DIN[*] 07508488

Date: [*] 15.04.2021
Place: [*] Mumbai


Sanjay Sinha
MD and CEO
DIN [*] 08253225

Date: [*] 15.04.2021
Place: [*] Mumbai


To,
The Board of Directors,
Axis Trustee Services Limited

Dear Sirs,

Subject: Responsibility Statement by the CSR Committee

With reference to the responsibility statement to be submitted by the CSR Committee under the provisions of Companies Act, 2013, the CSR Committee hereby confirms that the implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company.


Rajesh Dahiya
Chairman of CSR Committee
DIN[*] 07508488


Sanjay Sinha
MD and CEO
DIN [*] 08253225

Date: [*] 15.04.2021
Place: [*] Mumbai

Date: [*] 15.04.2021
Place: [*] Mumbai

INDEPENDENT AUDITOR'S REPORT
To the Members of Axis Trustee Services Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Axis Trustee Services Limited ("the Company"), which comprise the Balance sheet as at March 31 2021, the Statement of Profit and Loss, the Cash Flow Statement 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, 2021, 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.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors 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 the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the 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



Axis Trustee Services Limited
Auditor's report for the year ended 31 March 2021

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 charged with governance are also responsible for overseeing the Company's financial reporting process.

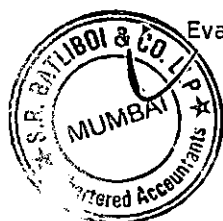
Auditor's Responsibilities for the Audit of the Financial Statements

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.

Evaluate the overall presentation, structure and content of the financial statements, including the



Axis Trustee Services Limited
Auditor's report for the year ended 31 March 2021

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, 2016 ("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 and 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 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, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - (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;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

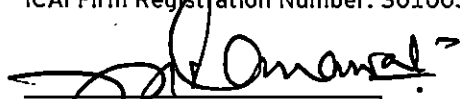


S.R. BATLIBOI & Co. LLP
Chartered Accountants

Axis Trustee Services Limited
Auditor's report for the year ended 31 March 2021

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005



per Vitendra H. Ranawat
Partner
Membership Number: 103380
UDIN: 21103380AAAABG4690
Place of Signature: Mumbai
Date: 15 April 2021



S.R. BATLIBOI & Co. LLP

Chartered Accountants

Axis Trustee Services Limited

Auditor's report for the year ended 31 March 2021

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

Re: Axis Trustee Services Limited ('the Company')

- (i)(a) The Company has maintained proper records showing full particulars, including quantitative details and location of fixed assets.
- (i)(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification.
- (i)(c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment/fixed assets of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanation given to us, there are no loans, investments, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods & services tax and other statutory dues applicable to it. The provisions relating to, duty of customs, duty of excise, value added tax and cess are not applicable to the Company.
- (vii)(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods & services tax and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to duty of customs, duty of excise, value added tax and cess are not applicable to the Company.
- (vii)(c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, goods and service tax and cess which have not been deposited on account of any dispute. The provisions relating to duty of custom, duty of excise and employees' state insurance are not applicable to the Company.
- (viii) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.



S.R. BATLIBOI & Co. LLP

Chartered Accountants

Axis Trustee Services Limited

Auditor's report for the year ended 31 March 2021

- (ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer/further public offer/debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purposes of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanation given by the management, the managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xi) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 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) According to the information and explanations given to us and on overall examination of the Balance sheet, the Company has not made any preferential allotment or private placement of the shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005


per Jitendra H. Ranawat

Partner

Membership Number: 103380

UDIN: 21103380AAAABG4690

Place: Mumbai

Date: 15 April 2021



Axis Trustee Services Limited

Auditor's report for the year ended 31 March 2021

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF AXIS TRUSTEE SERVICES LIMITED

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

We have audited the internal financial controls with reference to financial statements of Axis Trustee Services Limited ("the Company") as of March 31, 2021 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.

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



S.R. BATLIBOI & CO. LLP
Chartered Accountants

Axis Trustee Services Limited
Auditor's report for the year ended 31 March 2021

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.

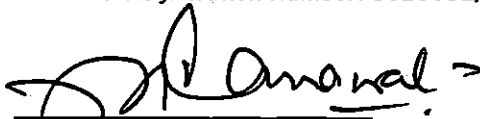
Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

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, 2021, 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



per **Jitendra H. Ranawat**
Partner

Membership Number: 103380
UDIN: 21103380AAAABG4690
Place of Signature: Mumbai
Date: 15 April 2021



Axis Trustee Services Limited
Balance Sheet as at 31 March 2021

	Note No.	Amount (Rs) 31 March 2021	Amount (Rs) 31 March 2020
Equity and liabilities			
Shareholders' funds			
Share capital	3	1,50,00,000	1,50,00,000
Reserves & surplus	4	69,29,03,856	63,42,51,802
		70,79,03,856	64,92,51,802
Non-current liabilities			
Other long term liabilities	5	32,342	12,937
Long term provisions	6	15,21,906	12,12,369
		15,54,248	12,25,306
Current liabilities			
Trade payables	7	1,28,63,812	1,09,63,508
Other current liabilities	7	5,15,88,298	6,61,22,730
Short term provisions	6	84,40,778	89,78,493
		7,28,92,888	8,60,64,731
Total		78,23,50,992	73,65,41,839
Assets			
Non-current assets			
Fixed assets			
Property, Plant & Equipment	8	20,15,836	15,06,704
Intangible assets	9	24,47,704	30,87,463
Intangible assets under development		8,95,500	9,41,500
Deferred tax assets (net)	10	1,63,03,327	1,15,74,556
Loans & Advances	12	-	-
Other non-current assets	14	5,85,00,000	30,94,08,025
		8,01,62,367	32,65,18,248
Current assets			
Current Investments	11	24,66,32,298	13,46,86,479
Loans & Advances	12	12,61,012	18,77,069
Trade receivables	13	7,93,00,482	6,26,75,113
Cash and Bank balances	15	35,64,01,054	17,76,88,463
Other current assets	14	1,85,93,779	3,30,96,467
		70,21,88,625	41,00,23,591
Total		78,23,50,992	73,65,41,839
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



peritendra H. Ranawat

Partner

Membership No.: 103380

Place: Mumbai

Date: 15 April, 2021



For and on behalf of the Board of Directors
of Axis Trustee Services Limited


Sanjay Sinha

Managing Director & CEO

DIN No: 08253225

Place: Mumbai

Date: 15 April, 2021




Rajesh Dahyia

Director

DIN No.07508488

Place: Mumbai

Date: 15 April, 2021

Axis Trustee Services Limited
Profit and Loss for the year ended 31 March 2021

	Note No.	Amount (Rs) 31 March 2021	Amount (Rs) 31 March 2020
Income			
Revenue from operations	16	34,07,62,341	31,73,34,265
Other income	17	3,01,07,870	3,56,22,607
Total revenue (I)		37,08,70,211	35,29,56,872
Expenses			
Employee benefit expense	18	5,92,36,207	5,89,06,207
Other expenses	19	3,92,95,266	3,88,13,197
Provision for Doubtful Debts & Advances		1,78,56,415	1,48,51,778
Depreciation and amortisation	20	28,25,722	28,59,201
Total expenses (II)		11,92,13,610	11,54,30,383
Profit before tax (I-II)		25,16,56,601	23,75,26,489
Tax expense:			
Tax for earlier years		(89,63,162)	-
Current Tax		6,41,96,480	5,91,24,512
Deferred Tax		(47,28,771)	(39,81,117)
Total tax expense		5,05,04,547	5,51,43,395
Profit/(Loss) for the Year		20,11,52,053	18,23,83,094
Earnings per equity share (nominal value of share Rs. 10 ; previous year Rs. 10)			
Basic	21	134.10	121.59
Diluted	21	134.10	121.59
Statement 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

Kendra H. Ranawat
per Kendra H. Ranawat
Partner
Membership No.: 103380
Place: Mumbai
Date: 15 April, 2021



For and on behalf of the Board of Directors
of Axis Trustee Services Limited

Sanjay Sinha
Sanjay Sinha
Managing Director & CEO
DIN No: 08253225
Place: Mumbai
Date: 15 April, 2021

Rajesh Bahiya
Rajesh Bahiya
Director
DIN No.07508488
Place: Mumbai
Date: 15 April, 2021



Axis Trustee Services Limited
Cash Flow Statement for the year ended 31 March 2021

Cash flow from operating activities	Amount (Rs.)	Amount (Rs.)
	For the Year Ended 31 March 2021	For the Year Ended 31 March 2020
Profit before tax from continuing operations	25,16,56,601	23,75,26,489
Adjustment to reconcile profit before tax to net cash flows		
Depreciation/ amortization on continuing operation	28,25,722	28,59,201
Provision for doubtful debts (net)	1,78,56,415	1,47,63,278
Loss/(Profit) on disposal/ write off on property, plant & equipment / intangible assets pertaining to continuing operations	-	(16,538)
Net Gain on sale of current investments	(29,55,771)	(28,23,779)
Interest Income	(2,36,34,721)	(3,17,74,264)
Operating profit before working capital changes	24,57,48,246	22,05,34,387
Movements in working capital :		
Increase/ (decrease) in trade payables	19,00,305	(1,12,98,203)
Increase / (decrease) in long-term provisions	3,09,537	2,10,311
Increase / (decrease) in short-term provisions	(5,37,715)	(26,50,514)
Increase/ (decrease) in other current liabilities	(1,45,59,060)	5,01,30,477
Increase/ (decrease) in other long-term liabilities	19,405	(5,64,233)
Decrease / (increase) in trade receivables	(3,44,81,785)	(4,49,92,013)
Decrease / (increase) in Loans & Advances	6,16,057	(7,40,734)
Decrease / (increase) in other current assets	1,36,53,203	(52,82,581)
Cash generated from operations	21,26,68,193	20,53,46,897
Direct taxes paid (net of refunds)	(5,52,08,691)	(7,15,00,038)
Net cash flow from operating activities (A)	15,74,59,502	13,38,46,859
Cash flows from investing activities		
Purchase of fixed assets, including CWIP and capital advances	(26,49,095)	(18,14,500)
Proceeds from Sale of Fixed Assets	-	16,510
Investments in bank deposits (having original maturity of more than twelve months)	(16,74,69,242)	(24,51,08,025)
Redemption/ maturity of bank deposits (having original maturity of more than twelve months)	25,09,08,026	39,52,52,253
Purchase of current investments	(19,90,00,000)	(30,85,00,000)
Proceeds from sale/maturity of current investments	9,00,09,951	19,72,79,417
Interest income	2,44,84,207	4,48,22,677
Net cash flow from/ (used in) investing activities (B)	(37,16,152)	8,19,48,332
Cash flows from financing activities		
Dividend paid on equity shares	(14,25,00,000)	(13,50,00,000)
Tax on equity dividend paid	-	(2,77,49,647)
Net cash flow from/ (used in) in financing activities (C)	(14,25,00,000)	(16,27,49,647)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	1,12,43,350	5,30,45,544
Cash and cash equivalents at the beginning of the year	5,92,40,688	61,95,144
Cash and cash equivalents at the end of the year	7,04,84,038	5,92,40,688
Components of cash and cash equivalents		
With banks- on current account incl. Cash in Hand	7,04,84,038	5,92,40,688
Total cash and cash equivalents (note 15)	7,04,84,038	5,92,40,688

Summary of significant accounting policies

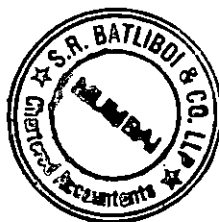
2.1

The accompanying notes are an integral part of the financial statements

Note: The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard (AS) 3 - Cash Flow Statements notified under Section 133 of the Companies Act, 2013 read with the Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. As per our report of even date

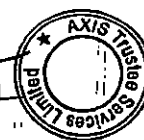
For S.R. BATLIBOI & CO. LLP
ICAI Firm Registration No.: 301003E/ E300005
Chartered Accountants

per Jitendra H. Ranawat
Partner
Membership No.: 103380
Place: Mumbai
Date: 15 April, 2021



For and on behalf of the Board of Directors
of Axis Trustee Services Limited

Sanjay Sinha
Managing Director & CEO
DIN No: 08253225
Place: Mumbai
Date: 15 April, 2021



Rajesh Dahiya
Director
DIN No. 07509488
Place: Mumbai
Date: 15 April, 2021

Axis Trustee Services Limited

Notes to Financial statements for the year ended 31st March 2021

1. Corporate information

Axis Trustee Services Limited (the "Company") is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is a wholly owned Subsidiary of Axis Bank Limited. The Company is engaged in the business of Trusteeship activity namely Debenture Trusteeship/ Security Trusteeship/Security Agency/Lenders' Agency/Facility Agency/ Trusteeship for Securitisation Issuances/Escrow Agency/Custodian Agent/ Alternate Investment Fund/Real Estate Investment Trust/Infrastructure Investment Trust etc.

2. Basis of preparation

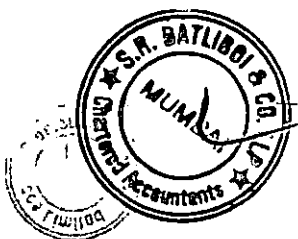
The financial statements of the Company have been prepared in accordance with the accounting principles generally accepted in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the notified accounting standards notified under Section 133 of 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.

2.1. Summary of significant accounting policies :

(a) Use of estimates

-The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the disclosure of contingent liabilities at the end of reporting period. Although these estimates are based upon the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31st March 2021

(b) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund are charged to the Statement of Profit and Loss for the year when an employee renders the related service. The Company has no obligation, other than the contribution payable to the provident fund.

The Company operates gratuity as a defined benefit plan for its employees. The costs of gratuity under the Company's plans are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out using the projected unit credit method. Actuarial gains and losses are recognized in full in the period in which they occur in the statement of profit and loss.

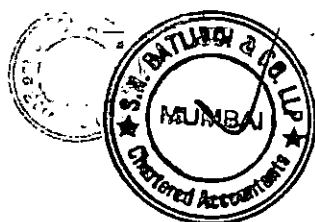
Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

(c) Property, Plant and Equipment

Property, Plant and Equipment (including intangible assets) are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for its intended use. Gain or losses arising from derecognition of property, plant and equipment (including intangible assets) are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

(d) Depreciation/Amortization on Property, Plant and Equipment

Depreciation on property, plant and equipment is provided using the Straight Line Method ('SLM') using the rates arrived at based on the useful lives estimated by the management. Intangible assets are amortized on a straight line basis over the estimated useful life. The Company has used the following rates to provide depreciation/amortization on its Property, Plant and Equipment (including intangible assets):



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31st March 2021

	Useful Life as per Management (SLM)	Useful Life as per Schedule II (SLM)
Computers	3 years	6 years
Computer Server	3 years	6 years
Office equipment	5 years	5 years
Mobile instruments	2 years	5 years
Furniture and Fixtures	10 years	10 years
Software	5 years	5 years

The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets, though these rates in certain cases are different from lives prescribed under Schedule II of Companies Act, 2013.

(e) Impairment of property, plant and equipment and intangible assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

After impairment, depreciation/amortization is provided on the revised carrying amount of the asset over its remaining useful life.

(f) Intangible Assets

Intangible assets are amortized on a straight line basis over the estimated useful economic life. The company uses a rebuttable presumption that the useful life of an intangible asset will not exceed five years from the date when the asset is available for use. If the persuasive evidence exists to the effect that useful life of an intangible asset exceeds five years, the company amortizes the intangible asset



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31st March 2021

over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

(g) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Annual Fees for trusteeship services and servicing fees are recognized, on a straight line basis, over the period when services are performed. Initial acceptance fees for trusteeship services is recognized as and when the 'Offer Letter' for the services to be rendered is accepted by the customer.

Interest income on fixed deposits is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other income" in the statement of profit and loss.

Realized gains and losses on mutual funds are dealt with in the statement of profit and loss. The cost of units in mutual fund sold are determined on FIFO basis for the purpose of calculating gains or losses on sale/redemption of such units.

(h) Income taxes

Tax expense comprises current tax and deferred tax. 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. The tax rates and the tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originated during the current year and reversal of timing differences of earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences 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. In situations, where the



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31st March 2021

Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset 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 are reviewed at each reporting 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.

(i) Segment information

The Company is engaged primarily in the trusteeship business and its business operations are concentrated in India. Accordingly there are no separate business segments and geographical segments as per Accounting Standard 17 – Segment Reporting issued by The Institute of Chartered Accountants of India.,

(j) Earnings per share

Basic earnings per share is calculated by dividing the net profit, or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(k) Provisions

A provision is recognized when the Company has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of obligation. Provisions are not discounted to its present



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31st March 2021

value and are determined based on best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

A provision for doubtful debts is recognized where, in the case of Initial Acceptance Fees, the receivables are not realized within 90 days from the date of invoice, and in the case of Annual Fees, the receivables are not received within 90 days from the end of the period for which the invoice is issued.

Where doubtful debt remains unrecovered till the end of the year, the same is written off and reversed from the debtors account.

Specific provisions are created in certain cases where recovery is assessed as doubtful even before the due date.

(l) 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 outflow 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 a contingent liability but discloses its existence in the financial statements.

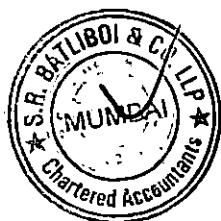
(m) Cash and Cash Equivalents

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash at bank and in hand and short-term investment with an original maturity of three months or less.

(n) Leases

Where the company is lessee;

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31st March 2021

3. Share capital

	31 March 2021	31 March 2020
	Amount (Rs.)	Amount (Rs.)
Authorized shares		
5,000,000 (31 March 2020: 5,000,000) equity shares of Rs.10/- each	50,000,000	50,000,000
Issued, subscribed and fully paid-up shares		
1,500,000 (31 March 2020: 1,500,000) equity shares of Rs. 10/- each	15,000,000	15,000,000
Total issued, subscribed and fully paid-up share capital	15,000,000	15,000,000

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares

	31 March 2021		31 March 2020	
	No.	Amount (Rs.)	No.	Amount (Rs.)
At the beginning of the period	1,500,000	15,000,000	1,500,000	15,000,000
Issued during the period	-	-	-	-
Outstanding at the end of the period	1,500,000	15,000,000	1,500,000	15,000,000



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31st March 2021

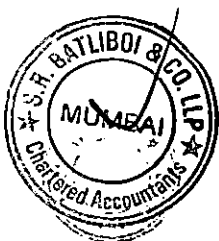
(n) The Company has registered itself into as MSME unit having Udyog Aadhar Numabr-MH19E0033585 dt.26th June 2018 under the Micro, Small and Medium Enterprise Development Act , 2006

(p) Impact of COVID-19

As the global pandemic COVID-19 continues to spread, the management has assessed the internal and external information up to the date of approval of these financial statements including economic forecasts and concluded that there is no material impact of Covid-19 on the Company's future performance.

(q) Social Security Code

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31st March 2021

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. For the year ended 31 March, 2020 the amount of per share dividend recognized as distributions to equity shareholders is Rs.95 per share (31 March, 2019: Rs. 90 per share paid in current 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 distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

Out of equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

	As at 31 March 2021	As at 31 March 2020
	Amount (Rs.)	Amount (Rs.)
Axis Bank Limited, the holding company and its nominees		
1,500,000 (31 March 2020: 1,500,000) equity shares of Rs.10 each fully paid	15,000,000	15,000,000



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31st March 2021

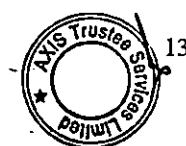
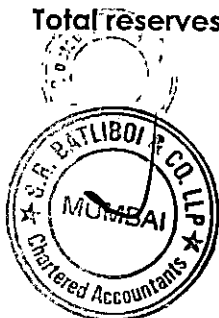
(d) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at 31 March 2021		As at 31 March 2020	
	No.	% holding in the class	No.	% holding in the class
Equity shares of Rs.10 each fully paid				
Axis Bank Limited, the holding company and its nominees	1,500,000	100.00%	1,500,000	100.00%

As per the records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

4. Reserves and surplus

	31 March 2021 Amount (Rs.)	31 March 2020 Amount (Rs.)
General reserve		
Balance as per the last financial statements	157,874,082	139,635,773
Add: amount transferred from surplus balance in the statement of profit and loss	20,115,205	18,238,309
Closing Balance	177,989,287	157,874,082
Surplus/ (deficit) in the statement of profit and loss		
Balance as per last financial statements	476,377,721	474,982,582
Profit for the year	201,152,053	182,383,095
Less: Appropriations		
Dividend on equity shares (amount per share Rs. 95 per share)	(142,500,000)	(135,000,000)
Dividend Distribution Tax	-	(27,749,647)
Transfer to general reserve	(20,115,205)	(18,238,309)
Total appropriations	(162,615,205)	(180,987,956)
Net surplus in the statement of profit and loss	514,914,569	476,377,721
Total reserves and surplus	692,903,856	634,251,803



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31st March 2021

5. Other long-term liabilities

	31 March 2021	31 March 2020
	Amount (Rs.)	Amount (Rs.)
Unearned revenue	-	-
Lease equalization Reserve	32,342	12,937
	32,342	12,937

6. Provisions

	Long-term		Short-term	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Provision for employee benefits				
Provision for gratuity (Refer Note 22)	15,21,906	12,12,369	451,735	320,283
Provision for leave benefits	-	-	338,292	783,364
Provision for variable pay	-	-	46,00,000	57,32,500
	15,21,906	12,12,369	53,90,027	6,836,147
Other provisions				
Provision for expenses	-	-	30,50,751	2,142,346
	-	-	30,50,751	2,142,346
	15,21,906	12,12,369	84,40,778	8,978,493



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31st March 2021

7. Other current liabilities

	31 March 2021 Amount (Rs.)	31 March 2020 Amount (Rs.)
Trade Payables (Refer note 25 for details of dues to micro and small enterprises)	27,86,118	4,086,245
Advance From Customers	1,00,77,614	6,877,263
	1,28,63,812	1,0963,508
Other liabilities		
Unearned revenue	2,727,232	5,894,954
Other Advances		
Others:	35,698,879	51,246,262
Undisputed Statutory Dues Payable	48,45,839	2,806,722
Due to the holding company (Axis Bank)	2818,094	701,164
Provision for income tax after adjusting Advance Tax (after adjusting advance tax : Rs. 3,05,00,000 Current Year & Rs.3,04,20,000 Previous year)	54,98,254	54,73,628
	51,588,298	66,122,730
	64,452,110	77,086,238

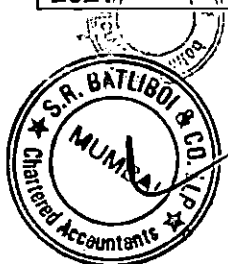


Axis Trustee Services Limited

Notes to Financial statements for the year ended 31st March 2021

8. Property plant and equipment

	Computers	Computer Servers	Office Equipment's	Mobiles	Furniture and Fixtures	Total
Cost						
At 1 April 2019	3,633,214	1,012,200	23,521	73,750	1,358,374	6,101,059
Additions	7,27,500	-	-	-	-	7,27,500
Disposals	-	-	-	-	-	-
At 31 March 2020	4,360,714	1,012,200	23,521	73,750	1,358,374	68,28,559
Additions	6,47,378	-	7,15,399	-	1,15,820	14,78,597
Disposals	-	-	-	-	-	-
At 31 March 2021	50,08,092	1,012,200	7,38,920	73,750	1,474,194	83,07,156
Depreciation						
At 1 April 2019	2,608,958	10,12,000	10,947	73,750	8,75,105	45,80,960
Charge for the year	603,388	-	2,352	-	135,157	740,897
Disposals	-	-	-	-	-	-
At 31 March 2020	32,12,346	1,012,200	13,299	73,750	10,10,262	53,21,857
Charge for the year	790,763	-	6,473	-	172,227	969,463
Disposals	-	-	-	-	-	-
At 31 March 2021	40,03,109	1,012,200	19,772	73,750	1,182,489	62,91,320
Net Block						
At 31 March 2020	1,148,368	-	10,222	-	348,112	15,06,702
At 31-March 2021	1,004,983	-	719,148	-	291705	20,15,836

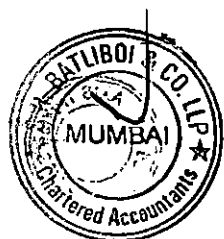


Axis Trustee Services Limited

Notes to Financial statements for the year ended 31st March 2021

9. Intangible assets

	Computer Software
Gross block	
At 1 April 2019	9,805,436
Additions	1,100,000
Disposal/Write off	
At 31 March 2020	10,905,436
Additions (including capitalized during the year)	1,216,500
Disposal/Write off	-
At 31 March 2021	12,121,936
Amortization	
At 1 April 2019	5,699,669
Charge for the year	2,118,304
Disposal/write off	-
At 31 March 2020	7,817,973
Charge for the year	1,856,258
Disposal/Write off	
At 31 March 2021	9,674,231
Net block	
At 31 March 2020	3,087,463
At 31 March 2021	2,447,405



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31st March 2021

10. Deferred tax asset (net)

	31 March 2021	31 March 2020
	Amount (Rs.)	Amount (Rs.)
Deferred tax asset		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	-	-
Property, plant and equipment and intangible assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	586,414	398,679
Provision for Gratuity & leave encashment	1,015,039	968,106
Provision for doubtful debts	14,701,874	10,207,771
Gross deferred tax asset	16,303,327	11,574,556
Deferred tax liability		
Property, plant and equipment and intangible assets : Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	-	-
Gross deferred tax liability	-	-
Net deferred tax asset	16,303,327	11,574,556



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31st March 2021

11. Investments

	Non-Current		Current	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	Amount in (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Investments valued at Cost				
Investment in Mutual Funds (Market Value Rs.25,23,02,313 (Previous Year Rs. 137,287,330)	-	-	246,632,298	134,686,479
	-	-	246,632,298	134,686,479

12. Loans & Advances

	Non-Current		Current	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	Amount in (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Other Loans & Advances				
Unsecured, considered good				
Prepaid expenses	-	-	8,58,487	1,027,362
Deposit with Central Registry	-	-	396,525	849,707
Other Advances	-	-	6,000	-
Less: Provision for Advances			-	-
Advance payment of income tax / tax deducted at source (after adjusting provision for tax: Current Year NIL; previous year : Nil)	-	-		
	-	-	1,261,012	1,877,069



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31st March 2021

13. Trade receivables

	Non-Current		Current	
	31 March 2021 Amount (Rs.)	31 March 2020 Amount (Rs.)	31 March 2021 Amount (Rs.)	31 March 2020 Amount (Rs.)
Outstanding for a period exceeding six months from the date they are due -for payment				
Unsecured, considered good	-	-	17,865,327	26,788,255
Doubtful	-	-	7,614,221	12,011,550
			25,479,548	38,799,805
Provision for doubtful receivables	-	-	7,614,221	12,011,550
(a)	-	-	17,865,327	26,788,255
Other receivables				
Unsecured, considered good	-	-	61,435,156	35,886,858
Doubtful	-	-	55,53,214	3,977,880
			66,988,370	39,864,738
Provision for doubtful receivables	-	-	55,53,214	3,977,880
(b)	-	-	61,435,156	35,886,858
Total (a + b)	-	-	79,300,483	62,675,113

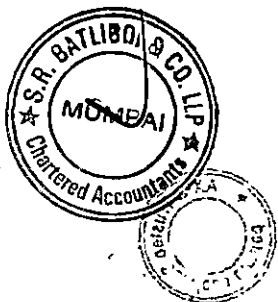


Axis Trustee Services Limited

Notes to Financial statements for the year ended 31st March 2021

14. Other assets

	Non-Current		Current	
	31 March 2021 Amount in (Rs.)	31 March 2020 Amount (Rs.)	31 March 2021 Amount (Rs.)	31 March 2020 Amount (Rs.)
Unsecured, considered good unless stated otherwise				
Non-current bank balances (Note 15)	58,500,000	309,408,025	285,917,016	118,447,774
	58,500,000	309,408,025	285,917,016	118,447,774
Others				
Interest accrued on fixed deposits	-	-	14,075,156	149,24,642
Other Deposits	-	-	193,710	183,068
Due from the holding company (Axis Bank)	-	-	40,80,594	12,506,317
Due From Other Subsidiary	-	-	2,44,319	5,482,440
	-	-	18,593,779	33,096,467
	58,500,000	309,408,025	304,510,795	151,544,241



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31st March 2021

15. Cash and bank balances

	Non-current		Current	
	31 March 2021 Amount (Rs.)	31 March 2020 Amount (Rs.)	31 March 2021 Amount (Rs.)	31 March 2020 Amount (Rs.)
Cash and cash equivalents				
- Cash-in-hand	-	-	-	-
- On current accounts	-	-	70,484,038	59,240,689
			70,484,038	59,240,689
Other bank balances				
- Deposits with remaining maturity for more than 12 months	58,500,000	309,408,025	-	-
- Deposits with remaining maturity for less than 12 months	-	-	285,917,016	118,447,774
	58,500,000	309,408,025	285,917,016	118,447,774
Amount disclosed under non- current assets (Note 14)	(58,500,000)	(309,408,025)		
			356,401,054	177,688,463



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31st March 2021

16. Revenue from operations

	31 March 2021 Amount (Rs.)	31 March 2020 Amount (Rs.)
Revenue from operations		
Rendering of services	340,762,341	317,334,265
Revenue from operations	340,762,341	317,334,265

Detail of services rendered

Initial acceptance fees	68,085,471	59,454,852
Annual fees	244,820,774	225,116,374
Servicing fees	27,856,096	32,763,039
	340,762,341	317,334,265

17. Other income

	31 March 2021 Amount (Rs.)	31 March 2020 Amount (Rs.)
Interest income on bank deposits	23,634,721	31,774,264
Profit on sale of mutual fund	2,955,771	2,823,779
Recovery of Doubtful Debts	2,500,000	88,500
Profit on sale of Fixed Asset	-	16,538
Exchange Gain	318,322	919,526
Insurance Claim Received	699,056	-
	30,107,870	35,622,607



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31st March 2021

18. Employee benefit expense

	31 March 2021	31 March 2020
	Amount (Rs.)	Amount (Rs.)
Salaries, wages and bonus (including amount paid to employees on deputation)	56,271,028	56,493,020
Contribution to provident and other funds,	1,990,364	1,579,749
Gratuity expense (Refer Note 22)	196,419	179,938
Staff welfare expenses	778,396	653,500
	59,236,207	58,906,207



Axis Trustee Services Limited

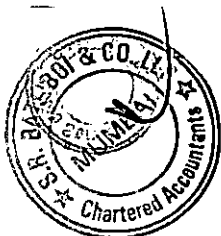
Notes to Financial statements for the year ended 31st March 2021

19. Other expenses

	31 March 2021 Amount (Rs.)	31 March 2020 Amount (Rs.)
Power and fuel	514,484	6,70,556
Rent	10,346,603	10,412,741
Rates and taxes	2,396	528,451
Advertising and business promotion	-	-
Travelling and conveyance	470,119	1,191,164
Conference Expenses	-	1,294,171
Communication expenses	194,928	406,984
Printing and stationery	43,173	124,674
Professional & legal fees	41,20,494	49,83,801
Directors' sitting fees	-	60,000
Bank charges	17,17,072	720,446
DP charges	1,062	900
Registration fees	448,635	564,253
Payment to auditor (Refer details below)	16,00,000	1,313,200
Referral fees	-	-
CSR expenditure (Refer details below)	52,85,321	53,80,860
Office expenses	92,71,124	81,83,639
AMC Charges	18,48,628	2,191,360
Royalty Charges	471,148	515,997
Provision for Doubtful Debts	1,78,56,415	14,851,778
Website Development Expenses	975,580	270,000
Other Payments	19,84,500	-
	57,151,682	53,664,975

Details of CSR Expenditure

	31 March 2021 Amount (Rs.)	31 March 2020 Amount (Rs.)
Gross amount required to be spent by the group during the year		
Amount spent in cash during the year		
i) Construction/acquisition of any asset	-	
ii) On purposes other than (i) above	5,285,321	5,380,860
	5,285,321	5,380,860



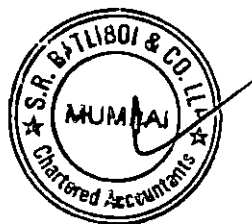
Axis Trustee Services Limited

Notes to Financial statements for the year ended 31st March 2021

<u>Payment to auditor</u>		
	<u>31 March 2021</u>	<u>31 March 2020</u>
	<u>Amount (Rs.)</u>	<u>Amount (Rs.)</u>
As auditor:		
Audit fee	16,00,000	1,300,000
In other capacity:		
Reimbursement of expenses	-	13,200
	<u>16,00,000</u>	<u>13,13,200</u>

20. Depreciation and amortization expense

	<u>31 March</u>	<u>31 March</u>
	<u>2021</u>	<u>2020</u>
	<u>Amount</u>	<u>Amount (Rs.)</u>
	<u>(Rs.)</u>	
Depreciation of Property, plant and equipment assets	9,69,463	740,897
Amortization of intangible assets	1,856,259	2,118,304
	<u>2,825,722</u>	<u>2,859,201</u>



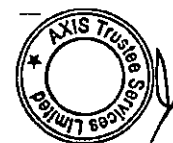
Axis Trustee Services Limited

Notes to Financial statements for the year ended 31st March 2021

21. Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

	31 March 2021 Amount (Rs.)	31 March 2020 Amount (Rs.)
Total operations for the year		
Profit after tax	201,152,053	182,383,094
Net profit for calculation of basic EPS	201,152,053	182,383,094
Net profit as above	201,152,053	182,383,094
Net profit for calculation of diluted EPS	201,152,053	182,383,094
Weighted average number of equity shares in calculating basic EPS	1,500,000	1,500,000
Weighted average number of equity shares in calculating diluted EPS	1,500,000	1,500,000
Earnings per equity share		
Basic earnings per share	Rs.134.10	Rs. 121.59
Diluted earnings per share	Rs.134.10	Rs. 121.59



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31st March 2021

22. Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

The following table summarises the component of net benefit expense recognised in the profit and loss account and the funded status and amounts recognised in the balance sheet for the respective plan.

Net employees benefit expense (recognised in Employee Cost):

Particulars	Gratuity	
	31 March 2021	31 March 2020
Current service cost	307,228	265,598
Net Interest cost	79,851	80,733
Net Actuarial (gains) / losses	(250,329)	(154,050)
Past Services cost-Vested Benefit Recognized during the period	-	-
Net Expenses recognized in the statement of profit or loss	637,408	500,381

Balance Sheet

Particulars	Gratuity	
	31 March 2021	31 March 2020
Defined benefit obligation	1,973,741	1,532,652
Fair value of plan assets	-	-
Unrecognised past service cost	-	-
Net (Liability)/Asset Recognized in the Balance Sheet	(1,943,641)	(1,212,209)



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31st March 2021

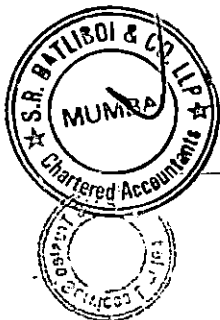
Changes in the present value of the defined benefit obligation are as follows:

Particulars	Gratuity	
	31 March 2021	31 March 2020
Opening defined benefit obligation	1,532,652	1,212,209
Net Interest cost	79,851	80,733
Current service cost	307,228	265,598
Past Services cost-Vested Benefit Recognized during the period	-	-
Benefits paid	(196,419)	(179,938)
Actuarial (gains) / losses on obligation- due to change in Demographic assumptions	(196,746)	(175,711)
Actuarial (gains) / losses on obligation- due to change in financial assumptions	53,583	(21,661)
Actuarial (gains) / losses on obligation – due to experience	196,746	175,711
Present Value of Benefit Obligation at the end of the period	1,973,641	1,532,652

The principal assumptions used in determining gratuity obligation for the Company's plan are shown below:

Particulars	31 March 2021	31 March 2020
Discount rate	4.25%	5.21%
Increment rate	8%	8%
Attrition rate	30%	30%

Estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31st March 2021

Amounts for the current and previous 3 periods are as follows

	31 March 2021	31 March 2020	31 March 2019	31 March 2018
Defined benefit obligation	1,973,641	1,532,652	1,212,209	1,338,296
Fair value of plan assets			-	-
Unrecognised past service cost			-	-
Net (Liability)/Asset Recognised in the Balance Sheet	(1,973,641)	(1,532,652)	(1,212,209)	(1,338,296)

23. Operating Lease : Company as Lessee

The office premises are taken on operating lease. The company has taken certain premises on non-cancellable operating lease basis. The tenure of such agreement ranges from 12 months to 60 months. The minimum lease rentals outstanding in respect of these are as under also the Company has entered into Leave and License Agreement for office premises with Axis Bank Ltd. (the holding company). This agreement has a life of three years. The notice period for this agreement is 3 months.

Description	31 March 2021	31 March 2020
Operating lease payments recognized during the year	1,05,28,042	1,03,99,804
Minimum Lease Obligations		
Not later than one year	47,79,415	1,05,08,248
Later than one year but not later than five years	8,12,796	55,92,211
Later than five years	Nil	Nil



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31st March 2021

24. Related party disclosures

Names of related parties where control exists irrespective of whether transactions have occurred or not:

Holding Company	Axis Bank Limited (the Bank or the Holding Company)
Key Management Personnel	Mr. Sanjay Sinha(Managing Director & CEO)
Fellow Subsidiary Companies	Axis Private Equity Limited
	Axis Finance Limited
	Axis Mutual Fund Trustee Limited
	Axis Asset Management Company Limited
	Axis Bank U.K. Limited
	Axis Capital Limited Step down subsidiary : Axis Capital USA LLC w.e.f 02.08.2017
	Axis Securities Limited
	A. Treds Limited
	Freecharge Payment Technologies Private Limited w.e.f. 6.10.2017
	Accelyst Solutions Private Limited w.e.f. 6.10.2017

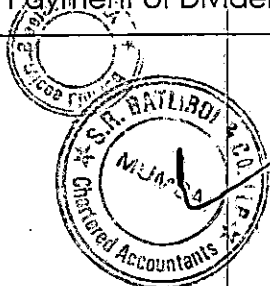


Axis Trustee Services Limited

Notes to Financial statements for the year ended 31st March 2021

Related parties under AS18 with whom transactions have taken place during the year:

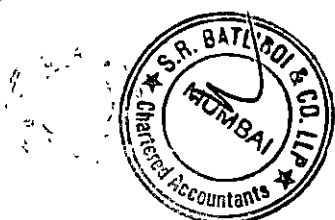
Particulars	Holding Company Amount (Rs.)	Fellow Subsidiary Amount (Rs.)	Key Management Personnel Amount (Rs.)	Total Amount (Rs.)
Income				
Interest Income	23,634,721			23,634,721
	(31,774,264)	-		(31,774,264)
Servicing Fees	31,387,005			31,387,005
	(32,763,039)	-		(32,763,039)
Rendering of services (Axis Securities Limited)	-	3,03,033		3,03,033
	-	-	-	-
Rendering of services (Axis Capital Limited)	-	1,501,026		1,501,026
	-	-		-
Rendering of services (Axis Finance Limited)	-	531,850		531,850
	-	(150,000)		(1,50,200)
Expenses				
Rent Paid	10,009,079	-		10,009,079
	(10,197,989)	-		(10,197,989)
Reimbursement of Staff Cost	39,01,477	-	10,070,484	13,971,961
	(11,850,418)		(11,000,000)	(22,850,418)
Reimbursement of other Expenses (IT Cost & Royalty)	561,831			561,831
	-	-	-	-
Other reimbursement of expenses	53,55,530	-		53,55,530
	(5,851,012)	-		(5,851,012)
Payment of Dividend	14,2500,000	-		14,2500,000



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31st March 2021

Particulars	Holding Company Amount (Rs.)	Fellow Subsidiary Amount (Rs.)	Key Management Personnel Amount (Rs.)	Total Amount (Rs.)
	(135,000,000)	-	-	(135,000,000)
Fees and Bank Charges paid to Axis Bank Ltd.	2,046	-	-	2,046
	(1,025)	-	-	(1,025)
Balance Outstanding				
Fixed Deposits	344,417,016			344,417,016
	(427,855,799)	-	-	(427,855,799)
Balance in current account	42,840,437			42,840,437
	(29,890,865)	-	-	(29,890,865)
Share Capital	15,000,000	-	-	15,000,000
	(15,000,000)	-	-	(15,000,000)
Balance in Other Current Accounts	GBP0.01 USD 308035.35 EUR 18825.06	-	-	GBP0.01 USD 308035.35 EUR 18825.06
	GBP205,000 USD 90,337.51	-	-	GBP205,000 USD 90,337.51
Interest Receivable	14,075,156	-	-	14,075,156
	(14,924,642)	-	-	(14,924,642)
Reimbursement of Staff Cost payable	26,20,536	-	-	26,20,536
	(3,233,564)	-	-	(3,233,564)
Other reimbursement of expenses payable	197,560	-	-	197,560
	(470,308)	-	-	(470,308)
Servicing Fees receivable	40,80,594	-	-	40,80,594
	(12,450,752)	-	-	(12,450,752)
Income Received in Advance	2,020,133	-	-	2,020,133
	(2,483,121)	-	-	(2,483,121)
Other reimbursement of expenses Receivable	-	-	-	-
	(55,566)	-	-	(55,566)
Trusteeship fees (Axis Finance Limited)		224,319		224,319



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31st March 2021

Notes

1. Related party relationships and transactions have been identified by the management and relied upon by the Auditors
2. The remuneration paid to the key managerial person does not include provision made for gratuity and leave benefits as they are determined on actuarial basis for Axis Bank as a whole
3. Figures in bracket pertains to previous year

25. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006.

	31 March 2021 Amount (Rs.)	31 March 2020 Amount (Rs.)
The principal amount and the interest due there on remaining unpaid to any supplier as at the end of each accounting year	-	-

27. Capital and other commitments

As at 31 March 2021, the Company has capital commitments of Rs.8,95,500/- relating to development of Business Software (Previous Year Rs. 9,41,500/-)

28. Previous Year Figures

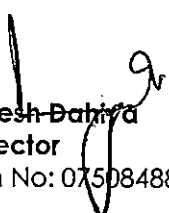
Previous Year figures have been regrouped/reclassified where necessary, to confirm to this year's classification.

As per our report of even date

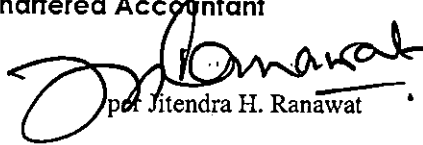
For and on behalf of the Board of Directors
Of Axis Trustee Services Limited


Sanjay Sinha
Managing Director & CEO
DIN No: 08253225




Rajesh Dahiya
Director
Din No: 07508488

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


per Jitendra H. Ranawat
Partner

Place: Mumbai
Date: 15 April,2021

Place: Mumbai
Date: 15 April,2021

Membership No.: 103380
Place: Mumbai
Date: 15 April,2021

