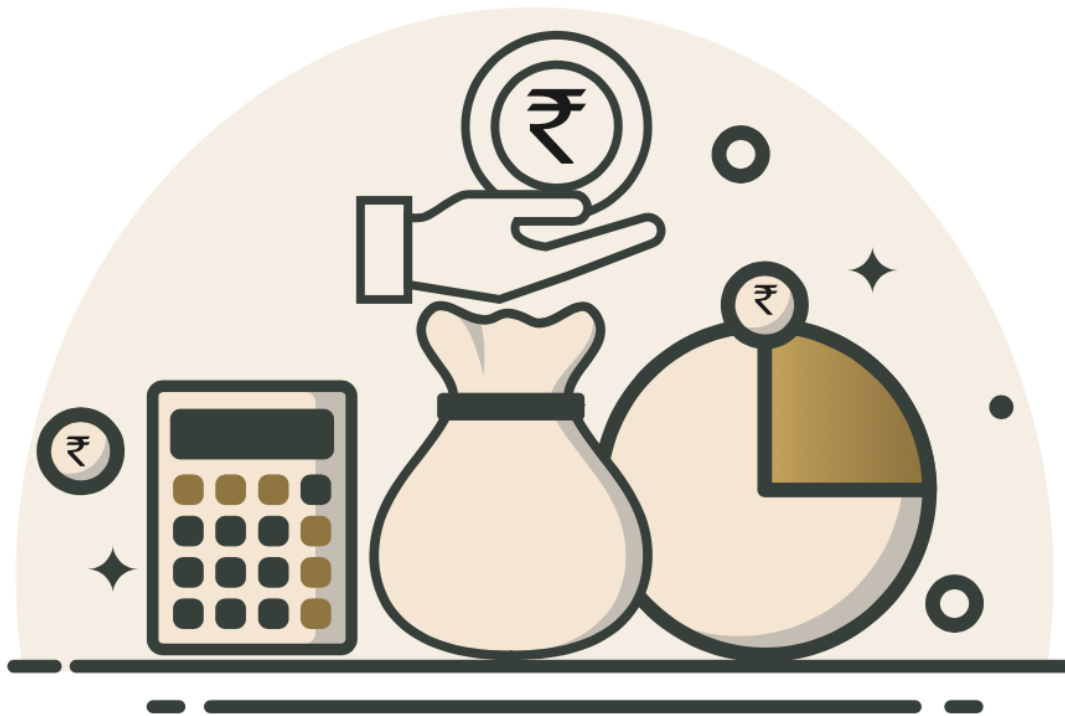


# TRUST ASSET MANAGEMENT PRIVATE LIMITED



## Annual Report FY 2020-2021

**TRUST Asset Management Private Limited (TRUST AMC)**

801, 8<sup>th</sup> Floor, G-Block, Naman Center, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.

Phone: +91 22 6274 6000

CIN: U65929MH2017PTC302677

Website: [www.trustmf.com](http://www.trustmf.com)

## DIRECTOR'S REPORT

**Dear Shareholders,**

Your Directors have pleasure in presenting the 4<sup>th</sup> Annual Report of Trust Asset Management Private Limited ('the Company'), together with the Audited Financial Statements thereof for the year ended on March 31, 2021, prepared in accordance with the Indian Accounting Standards (Ind As).

### 1. FINANCIAL RESULTS

Financial Results of the Company is summarized below:

*(in ₹ lakhs)*

<b>PARTICULARS</b>	<b>Year Ended 31.03.2021</b>	<b>Year Ended 31.03.2020</b>
Revenue from operation	391.15	357.57
Other Income	5.62	5.37
Total Income	396.77	362.94
Total Expenditure	716.65	1,763.87
<b>Profit before Tax and Extra-Ordinary Items</b>	<b>(319.88)</b>	<b>(1400.93)</b>
Less: Provision for current and deferred Tax	(4.36)	(397.77)
Less: Prior Year's Tax Adjustment	-	-
<b>Profit/(Loss) after Tax</b>	<b>(315.52)</b>	<b>(1,003.16)</b>

### 2. STATE OF COMPANY'S AFFAIRS, OPERATIONS REVIEW AND OUTLOOK

Trust Mutual Fund (the Fund) obtained SEBI registration in October 2019. It is sponsored by Trust Investment Advisors Private Limited. Trust AMC Trustee Private Limited acts as the Trustee to the Fund. The Company has been appointed as the Asset Management Company of the Fund by the Trustees vide Investment Management Agreement (IMA) executed between the Trustee and the AMC.

In view of the disruptions caused by the pandemic and the market conditions, the Company launched its maiden scheme, TRUSTMF Banking & PSU Debt Fund and commenced its business

operations in January 2021. The Company has been able to attract investors with its differentiated and structured investment approach. As of 31st March 2021, the AMC empanelled about 260 distributors and had presence across 4 locations.

FY 2020-21 has been a moderate year for industry due to significant outflows in the equity segment on account of higher valuations and higher inflows in the debt segment and ETF/ Index funds coupled with stringent SEBI regulations. Despite challenges caused by pandemic, the total assets managed by the Mutual Fund industry stood at an impressive Rs. 32.17 trillion (as of March 2021.)

The directors have reviewed the operations of the Company. As of March 2021, the total Assets under Management was Rs. 613.12 Cr. and the number of folios were 524 of TRUSTMF Banking & PSU Fund. The gross income of the Company for FY 2020-21 was Rs. 396.77 lakhs.

Contemporary and robust systems have been deployed for assisting the fund management activities through adequate data analysis, seamless execution and accurate information management. The Company is planning to launch numerous schemes tailored as per the needs and requirements of the different investor segments and received a "No-objection" letter from SEBI for launch of certain schemes.

#### **Change in nature of business, if any**

There is no change in the nature of business of the Company during the year under review.

#### **Investor Services**

The number of official points of acceptance of transactions are 187 locations which includes 4 branches of TRUST Mutual Fund & 183 branches of KFIN Technologies Pvt Ltd.

### **3. DIVIDEND& TRANSFER TO RESERVES**

In view of the loss incurred by the Company, the directors are unable to declare dividends and or recommend any amount to be transferred to reserves.

### **4. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

The provisions of Section 125(2) of the Companies Act, 2013 do not apply to the Company.

**5. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

There are no material changes occurred in between the financial year ended March 31, 2021 and the date of report affecting the financial position of the Company.

**6. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The provisions of Section 134(m) of the Companies Act, 2013 read with the applicable rules, do not apply to our Company. There was no foreign exchange inflow or outflow during the year under review.

**7. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

The Company recognizes that risk is an integral part of business and is committed to managing it in a proactive and efficient manner. The Company understands that investment management being a fiduciary responsibility, risk management practices would be given utmost importance. In accordance with the regulatory guidelines, a risk management policy has been adopted by the Company. A Risk Management Manual has been designed for various activities of the mutual fund operations, and these activities are executed within the pre-approved parameters. The said manual is periodically reviewed by the Risk Management Committee constituted in accordance with the regulatory requirements. Adequate controls have been put in place to ensure risk mitigation. The internal auditors closely review the risk management function and periodic reports are presented to the Board of the company and the Trustee Company. Mr. Ragunathan Kannan, Independent Director of the Trustee Company acts as the Chairperson of the Risk Management Committee.

**8. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 does not apply to the Company, and hence the Company has not initiated any activities related to Corporate Social Responsibility.

However, Trust Group through its various companies does have a policy to “give back to the society”. In line with this approach, “Trust Group” has undertaken social activities promoting education, hygiene, health care, child development etc. As COVID-19 has become a global pandemic and to navigate the pandemic, TRUST Group has done vaccination drives for all its employees and their family members.

#### **9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

During the financial year there was no loan, guarantee given or investment made by the Company under section 186 of the Companies Act, 2013 during the year under review.

#### **10. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

All contracts / arrangements / transactions entered by the Company during the period with related parties were in the ordinary course of business and on an arm's length basis. During the period, the Company had entered into certain contract / arrangement / transaction with related parties which could be considered as material in the opinion of the Board.

The particulars of such material Contracts or Arrangements made with related parties made pursuant to Section 188 is furnished in **Annexure-I** and is attached to this report.

#### **11. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS**

There were no qualifications, reservations or adverse remarks made by the Auditors in their report.

#### **12. SECRETARIAL AUDIT**

The provisions of Section 204 of Companies Act, 2013, relating to submission of Secretarial Audit Report are not applicable to the Company.

#### **13. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES**

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

#### **14. ANNUAL RETURN**

In accordance with the requirements under Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the annual return of the Company as on March 31, 2021 has been placed on the website of the Company and can be accessed at weblink <https://www.trustmf.com/StatutoryDisclosure>.

## **15. BOARD MEETINGS CONDUCTED DURING THE PERIOD UNDER REVIEW**

The Board met and would meet at regular intervals to discuss and decide on Company/business policy and strategy apart from other routine board matters. The notice and agenda of Board meeting is given in advance to all the Directors prior to the date of meeting.

The Agenda for the board meetings includes detailed notes and relevant supporting in order to enable the Directors to take an informed decision.

During the year under review, four Board meetings were convened on the following dates:-

1. September 10, 2020
2. October 10, 2020
3. December 19, 2020
4. February 23, 2021

## **16. COMMITTEES**

The Company has constituted various committees as per the provisions of SEBI (Mutual Funds) Regulations, 1996, as on March 31, 2021.

## **17. DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR**

There has been no change in the composition of Directors or key managerial persons during the year under review.

## **18. DECLARATION OF INDEPENDENT DIRECTORS**

The Company has obtained requisite declarations from the independent directors of the Company. All Independent Directors of the Company are meeting the criteria of independence as mentioned under Section 149 (6) of the Companies Act, 2013.

## **19. INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING PROFICIENCY) OF THE INDEPENDENT DIRECTORS:**

The Board is of the opinion that the Independent Directors of the Company have the required integrity, expertise and experience (including the proficiency).

## **20. DIRECTORS RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013, your Directors, based on the representation received from the Management Team, hereby confirm that: -

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;

- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the period and of the profit and loss of the Company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis; and
- e) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## **21. DETAILS OF HOLDING, SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company is the wholly owned subsidiary of Trust Investment Advisors Private Limited, which holds 100% of the shareholding of the Company.

The Company does not have any Subsidiary, Associate or Joint Venture Company in terms of Companies Act, 2013.

## **22. DETAILS OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR WITH THE REASONS THEREOF**

The Company does not have any subsidiary, joint venture company or associate company during the year. Hence, it is not applicable to the company.

## **23. DEPOSITS**

The Company has neither accepted nor renewed any deposits during the period under review within the meaning of Section 73 of the Companies Act, 2013 and the rules made thereunder.

## **24. STATUTORY AUDITORS**

The Shareholders at their 1<sup>st</sup> Annual General Meeting ("AGM") held on December 14, 2018, approved the appointment M/s. Walker Chandiok & Co LLP, Chartered Accountants, (Firm Registration No. 001076N/ N500013) as the Statutory Auditors of the Company for the period of 5 years commencing from the conclusion of the 1<sup>st</sup> AGM till the conclusion of 6<sup>th</sup> AGM.

The notes of the financial statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation or adverse remark.

## **25. DETAILS OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12)**

During the year under review, there have been no instances of fraud reported by the Auditors under sub section (12) of Section 143 of the Companies Act, 2013.

## **26. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

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

## **27. THE DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

The Company has in place adequate financial controls with reference to financial statements. During the year, such controls were reviewed and it did not observe any reportable material weakness in the design or operation of financial controls.

## **28. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM**

During the year under review, the provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 are not applicable to the Company.

## **29. AUTHORISED SHARE CAPITAL**

The Authorised Share Capital of the Company was increased from Rs.70,00,00,000/- (Rupees seventy crores only) divided into 7,00,00,000 (seven crores) equity shares of Rs.10 (Rupees ten) to Rs. 85,00,00,000/- (Rupees eighty-five crores only) divided into 8,50,00,000 (eight crores fifty lakhs) Equity Shares of Rs.10 (Rupees Ten) each by the members at the Annual General Meeting held on October 10, 2020.

## **30. SHARES**

### **RIGHTS ISSUE**

The Company had on March 31, 2021, allotted 50,00,000 Equity Shares of face value of Rs.10 each for cash at par, on a Rights basis, to one of the existing shareholders i.e. Trust Investment Advisors Private Limited.

### **BUY BACK OF SECURITIES**

The Company has not bought back any of its securities during the year under review.



### **SWEAT EQUITY**

The Company has not issued any Sweat Equity Shares during the year under review.

### **BONUS SHARES**

No Bonus Shares were issued during the year under review.

### **EMPLOYEES STOCK OPTION PLAN**

The Company has not provided any Stock Option Scheme to the employees.

## **31. PARTICULARS OF EMPLOYEES**

Provisions of Rule 5(2) and Rule 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of particulars of employees are not applicable to the company. The details shall be made available to shareholders upon a specific request made in writing.

## **32. SEXUAL HARRASSMENT**

During the year 2020-21, there were no complaints filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Annual Report under Section 21 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 for the year ended is as follows:

- No. of Complaints received during the year: Nil
- No. of Complaints disposed of during the year: Nil
- No. of Cases pending for more than 90 days: Nil
- No. of workshop or awareness programmes against Sexual Harassment carried out for during the year: 2

## **33. SECRETARIAL STANDARDS**

The Company has devised proper systems to ensure compliance with the applicable provisions of the prescribed Secretarial Standards and is in compliance with the same.

## **34. MAINTENANCE OF COST RECORDS**

The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act 2013.

**35. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR.**

During the year under review, there is no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016.

**36. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.**

The company does not have any loans from the Banks or Financial Institutions during the period under review.

**37. ACKNOWLEDGEMENTS AND APPRECIATION**

The Directors are thankful to the Securities & Exchange Board of India, Association of Mutual Funds in India and Reserve Bank of India for their continued co-operation and support. The Board also expresses its appreciation and gratitude for the continuous support received from distributors, service providers, statutory and other authorities and auditors, and for guidance received from the Trustees during the period.

The Directors are also thankful to the shareholders for their support and confidence reposed in the Company.

The Director wish to place on record their sincere appreciation of the valuable services rendered by the employees of the company.

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

**Trust Asset Management Private Limited**

**SD/-**

**Nipa Utpal Sheth  
Director  
DIN:00081064**

**SD/-**

**Utpal Sheth  
Director  
DIN: 00081012**

**Date: July 23, 2021  
Place: Mumbai**

## ANNEXURE –I

### Form AOC – 2

**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**

<b>Name(s) of the related party and nature of relationship</b>	<b>Nature of contracts/arrangements/transactions</b>	<b>Duration of the contracts / arrangements/transactions</b>	<b>Salient terms of the contracts or arrangements or transactions including the value, if any</b>	<b>Justification for entering into such contracts or arrangements or transactions</b>	<b>date(s) of approval by the Board</b>	<b>Amount paid as advances, if any:</b>	<b>Date on which the special resolution was passed in general meeting as required under first proviso to section 188</b>
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

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

<b>Name(s) of the related party and nature of relationship</b>	<b>Nature of contracts/arrangements/transactions</b>	<b>Duration of the contracts / arrangements/transactions</b>	<b>Salient terms of the contracts or arrangements or transactions including the value, if any:</b>	<b>Date(s) of approval by the Board, if any:</b>	<b>Amount paid as advances, if any:</b>
Trust AMC Trustee Private Limited, fellow subsidiary	Investment Management Agreement	Ongoing	The Company acts as an Investment Manager for Trust Mutual Fund at a consideration as per the SEBI (Mutual Funds) Regulations, 1996.	May 29, 2018	Nil
Trust Capital Services (India) Private Limited, Ultimate Holding Company	Sale of Bonds / Debentures	During FY 2020-21	The Company sold bonds/debentures of Rs. 2.77 crores to Trust Capital Services (India) Private Limited	NA*	Nil
Mr. Utpal Sheth	Rent Agreement	3 Years	Contract on arm's length	February 7, 2018	Nil

\*The transactions were on arm's length basis and in the ordinary course of business.

For further details on related party transaction, please refer the financial statement of the Company.

## **Independent Auditor's Report**

### **To the Members of Trust Asset Management Private Limited**

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

##### **Opinion**

1. We have audited the accompanying financial statements of **Trust Asset Management Private Limited** ('the Company'), which comprise the Balance Sheet as at **31 March 2021**, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. 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 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2021, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

##### **Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing 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 ('ICAI') 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 opinion.

##### **Information other than the Financial Statements and Auditor's Report thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's 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 the 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.

**Trust Asset Management Private Limited**  
**Independent Auditor's Report on the Audit of Financial Statements**  
**Responsibilities of Management for the Financial Statements**

4. The accompanying financial statements have been approved by the Company's Board of Directors. 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 including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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.
5. 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.

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

6. 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 Standards on Auditing 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.
7. As part of an audit in accordance with Standards on Auditing, 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, but not for the purpose of expressing an opinion on whether the Company has in place adequate internal financial controls with reference to financial statements 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;

**Trust Asset Management Private Limited  
Independent Auditor's Report on the Audit of Financial Statements**

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
8. 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.

**Report on Other Legal and Regulatory Requirements**

9. Based on our audit, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.
10. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure I", a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. Further to our comments in Annexure I, as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;
  - 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 financial statements dealt with by this report are in agreement with the books of account;
  - d) in our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
  - e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of section 164(2) of the Act;
  - f) in our opinion and to the best of our information and according to the explanations given to us, the provisions of section 143(3)(i) for reporting on the adequacy of internal financial controls with reference to financial statements and the operating effectiveness of such controls of the Company, are not applicable; and
  - g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
    - i. the Company does not have any pending litigation which would impact its financial position as at 31 March 2021;

**Trust Asset Management Private Limited**  
**Independent Auditor's Report on the Audit of Financial Statements**

- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021;
- iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021; and
- iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

**Sd/-**

**Manish Gujral**  
Partner  
Membership No.: 105117

**UDIN: 21105117AAAAFT1950**

**Place:** Mumbai  
**Date:** 23 July 2021

**Trust Asset Management Private Limited**  
**Independent Auditor's Report on the Audit of the Financial Statements**

**Annexure I to the Independent Auditor's Report of the even date to the members of Trust Asset Management Private Limited on the financial statement for the year ended 31 March 2021**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) The property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- (v) In our opinion, 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) The Central Government has not specified maintenance of cost records under sub - section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income - tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year -end for a period of more than six months from the date they became payable.
- (b) There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.



**Trust Asset Management Private Limited**  
**Independent Auditor's Report on the Audit of the Financial Statements**

- (x) No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) The provisions of Section 197 of the Act read with Schedule V to the Act are not applicable to the company since the company is not a public company as defined under Section 2(71) of the Act. Accordingly, provisions of clause 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements, as required by the applicable Ind AS. Further, in our opinion, the company is not required to constitute audit committee under Section 177 of the Act.
- (xiv) During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the Order are not applicable.

**For Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

Sd/-

**Manish Gujral**  
Partner  
Membership No.: 105117

**UDIN: 21105117AAAAFT1950**

Place: Mumbai  
Date: 23 July 2021

**Trust Asset Management Private Limited**  
**Balance Sheet**

(in ₹ lakhs)

Particulars	Note No.	As at 31 March 2021	As at 31 March 2020
<b>I. ASSETS</b>			
<b>1 Financial assets</b>			
(a) Cash and cash equivalents	4	1,286.69	16.44
(b) Investments	5	3,894.04	4,913.96
(c) Other financial assets	6	49.18	81.86
<b>Total financial assets [A]</b>		<b>5,229.91</b>	<b>5,012.26</b>
<b>2 Non-financial assets</b>			
(a) Current tax assets (net)	7	30.89	13.12
(b) Deferred tax assets (net)	8	406.52	402.16
(c) Property, plant and equipment	9	336.61	127.33
(d) Intangible assets	10	89.71	5.27
(e) Other non-financial assets	11	173.25	107.29
<b>Total non-financial assets [B]</b>		<b>1,036.98</b>	<b>655.17</b>
<b>Total assets [A+B]</b>		<b>6,266.89</b>	<b>5,667.43</b>
<b>II. LIABILITIES AND EQUITY</b>			
<b>1 Financial liabilities</b>			
(a) Trade payables	12		
(i) total outstanding dues of micro and small enterprises		45.32	-
(ii) total outstanding dues of creditors other than micro and small enterprises		65.11	20.65
(b) Other financial liabilities	13	376.97	88.02
<b>Total financial liabilities [A]</b>		<b>487.40</b>	<b>108.67</b>
<b>2 Non-financial liabilities</b>			
(a) Provisions	14	36.25	-
<b>Total non-financial liabilities [B]</b>		<b>36.25</b>	<b>-</b>
<b>3 Equity</b>			
(a) Equity share capital	15	7,000.00	6,500.00
(b) Other equity	16	(1,256.76)	(941.24)
<b>Total equity [C]</b>		<b>5,743.24</b>	<b>5,558.76</b>
<b>Total liabilities and equity [A+B+C]</b>		<b>6,266.89</b>	<b>5,667.43</b>

Summary of significant accounting policies and other explanatory information

**The accompanying notes 1 to 39 form an integral part of the financial statements**

This is the Balance Sheet referred to in our report of even date

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/N500013

**Sd/-**  
**Manish Gujral**  
Partner  
Membership No.: 105117

Place: Mumbai  
Date: 23 July 2021

For and on behalf of Board of Directors of  
**Trust Asset Management Private Limited**
**Sd/-**  
**Nipa Sheth**  
Director  
DIN: 00081064

Place: Mumbai  
Date: 23 July 2021

**Sd/-**  
**Utpal Sheth**  
Director  
DIN: 00081012

Place: Mumbai  
Date: 23 July 2021

**Sd/-**  
**Puja Trivedi**  
Company Secretary  
ACS - 33258  
Place: Mumbai  
Date: 23 July 2021

Trust Asset Management Private Limited Statement of Profit and Loss			
(in ₹ lakhs)			
Particulars	Note No.	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Revenue from operations</b>	17		
(i) Fees and commission income		2.17	-
(ii) Interest income		388.89	355.53
(iii) Net gain on fair value changes		0.09	2.04
<b>1 Total revenue from operations</b>		<b>391.15</b>	<b>357.57</b>
<b>2 Other income</b>	18	5.62	5.37
<b>3 Total income (1 + 2)</b>		<b>396.77</b>	<b>362.94</b>
<b>4 Expenses</b>			
(i) Finance costs	19	10.91	15.30
(ii) Net loss on derecognition of financial instruments under amortised cost category	20	0.05	-
(iii) Impairment on financial instruments	21	(7.83)	1,400.65
(iv) Employee benefits expenses	22	332.10	86.66
(v) Depreciation and amortisation	23	139.81	179.83
(vi) Other expenses	24	241.61	81.43
<b>Total expenses</b>		<b>716.65</b>	<b>1,763.87</b>
<b>5 Loss before tax (3 - 4)</b>		(319.88)	(1,400.93)
<b>6 Tax expense/ (credit)</b>	32		
(i) Current tax		-	8.00
(ii) Deferred tax expense/(credit)		(4.36)	(405.77)
<b>7 Loss for the year (5+6)</b>		<b>(315.52)</b>	<b>(1,003.16)</b>
<b>8 Other comprehensive income</b>		-	-
<b>9 Total comprehensive loss for the year [7 + 8]</b>		<b>(315.52)</b>	<b>(1,003.16)</b>
<b>Loss per equity share</b>	25		
Basic (in Rupees)		(0.49)	(1.82)
Diluted (in Rupees)		(0.49)	(1.82)
Face value per share (in Rupees)		10	10
Summary of significant accounting policies and other explanatory information			
<b>The accompanying notes 1 to 39 form an integral part of the financial statements</b>			
This is the Statement of Profit and Loss referred to in our report of even date			
For <b>Walker Chandiok &amp; Co LLP</b> Chartered Accountants Firm Registration No.: 001076N/N500013		For and on behalf of Board of Directors of <b>Trust Asset Management Private Limited</b>	
<b>Sd/-</b> <b>Manish Gujral</b> Partner Membership No.: 105117		<b>Sd/-</b> <b>Nipa Sheth</b> Director DIN: 00081064	
Place: Mumbai Date: 23 July 2021		<b>Sd/-</b> <b>Utpal Sheth</b> Director DIN: 00081012	
		Place: Mumbai Date: 23 July 2021	
		<b>Sd/-</b> <b>Puja Trivedi</b> Company Secretary ACS - 33258	
		Place: Mumbai Date: 23 July 2021	

Trust Asset Management Private Limited Cash Flow Statement		
(in ₹ lakhs)		
Particulars	Year ended 31 March 2021	Year ended 31 March 2020
<b>Cash flows from operating activities</b>		
Loss before tax	(319.88)	(1,400.93)
<b>Adjustments for:</b>		
Depreciation and amortisation	139.81	179.83
Profit on sale of assets	(0.15)	-
Prepaid lease rental	(10.31)	5.49
Finance costs	10.91	15.30
Profit on sale of investments (net) held as FVTPL	(0.09)	(2.04)
Impairment of financial instruments	(7.83)	1,400.65
Lease payments	(126.26)	(126.26)
Interest income on securities	(391.06)	(355.53)
Other interest income	(5.62)	(5.37)
	(390.61)	1,112.07
<b>Operating loss before working capital changes</b>	<b>(710.49)</b>	<b>(288.86)</b>
<b>Adjustments for working capital changes</b>		
(Increase) / decrease in other financial assets	32.68	(24.16)
(Increase) / decrease in other non-financial assets	(55.66)	(21.43)
Increase / (decrease) in other payables	89.77	15.61
Increase / (decrease) in other financial liabilities	415.20	(9.06)
Increase / (decrease) in other non-financial liabilities	36.25	-
<b>Cash used in operating activities</b>	<b>(192.24)</b>	<b>(327.90)</b>
Taxes paid	(17.77)	(70.57)
<b>Net cash used in operating activities (a)</b>	<b>(210.00)</b>	<b>(398.47)</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment and other intangible assets	(433.88)	-
Sale of property, plant and equipment and other intangible assets	0.52	-
(Purchase) / sale of investments (net)	1,027.75	(956.97)
Profit on sale of investments (net) held as FVTPL	0.09	2.04
Interest received	385.77	359.24
<b>Net cash generated from / (used in) in investing activities (b)</b>	<b>980.25</b>	<b>(595.68)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of share capital	500.00	1,000.00
<b>Net cash generated from financing activities (c)</b>	<b>500.00</b>	<b>1,000.00</b>
Net increase in cash and cash equivalents (a+b+c)	1,270.25	5.85
Cash and cash equivalents as at the beginning of the year	16.44	10.59
<b>Cash and cash equivalents as at the end of the year (refer note 4)</b>	<b>1,286.69</b>	<b>16.44</b>

**Notes:**

- (i) The above Statement of Cash Flows has been prepared under indirect method as set out in Ind AS 7, 'Statement of Cash Flows', as specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rules, 2015 (as amended).
- (ii) Figures in brackets indicate cash outflows.

Particulars	As at 31 March, 2021	As at 31 March, 2020
<b>Cash and cash equivalents</b>		
a. Cash on hand	0.46	-
b. Balances with banks in current accounts	1,286.23	16.44
	<b>1,286.69</b>	<b>16.44</b>

Summary of significant accounting policies and other explanatory information

**The accompanying notes 1 to 39 form an integral part of the financial statements**

This is the Statement of Cash Flows referred to in our report of even date

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/N500013

Sd/-

**Manish Gujral**

Partner

Membership No.: 105117

Place: Mumbai

Date: 23 July 2021

For and on behalf of Board of Directors of

**Trust Asset Management Private Limited**

Sd/-

**Nipa Sheth**

Director

DIN: 00081064

Place: Mumbai

Date: 23 July 2021

Sd/-

**Utpal Sheth**

Director

DIN: 00081012

Place: Mumbai

Date: 23 July 2021

Sd/-

**Puja Trivedi**

Company Secretary

ACS - 33258

Place: Mumbai

Date: 23 July 2021

**Trust Asset Management Private Limited**
**Statement of changes in equity**
**A. Equity share capital**
**(in ₹ lakhs)**

Particulars	Number of shares	Amount
<b>As at 31 March 2019</b>	<b>5,50,00,000</b>	<b>5,500.00</b>
Issued during the year	1,00,00,000	1,000.00
<b>As at 31 March 2020</b>	<b>6,50,00,000</b>	<b>6,500.00</b>
Issued during the year	50,00,000	500.00
<b>As at 31 March 2021</b>	<b>7,00,00,000</b>	<b>7,000.00</b>

**B. Other equity**
**(in ₹ lakhs)**

Particulars	Retained earnings	Total
<b>Balance as at 31 March 2019</b>	<b>61.92</b>	<b>61.92</b>
Total comprehensive loss for the year	(1,003.16)	(1,003.16)
<b>Balance as at 31 March 2020</b>	<b>(941.24)</b>	<b>(941.24)</b>
Total comprehensive loss for the year	(315.52)	(315.52)
<b>Balance as at 31 March 2021</b>	<b>(1,256.76)</b>	<b>(1,256.76)</b>

Summary of significant accounting policies and other explanatory information

**The accompanying notes 1 to 39 form an integral part of the financial statements**

This is the Statement of Changes in Equity referred to in our report of even date

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/N500013

Sd/-

**Manish Gujral**

Partner

Membership No.: 105117

Place: Mumbai

Date: 23 July 2021

For and on behalf of Board of Directors of

**Trust Asset Management Private Limited**

Sd/-

**Nipa Sheth**

Director

DIN: 00081064

Place: Mumbai

Date: 23 July 2021

Sd/-

**Utpal Sheth**

Director

DIN: 00081012

Place: Mumbai

Date: 23 July 2021

Sd/-

**Puja Trivedi**

Company Secretary

ACS - 33258

Place: Mumbai

Date: 23 July 2021

**Trust Asset Management Private Limited**
**Summary of significant accounting policies and other explanatory information**
**1. Corporate Information**

Trust Asset Management Private Limited [hereinafter referred to as the 'Company'] is a private company limited by shares and incorporated on 11 December 2017 under the provisions of Companies Act, 2013. The registered office of the Company is situated at 801, 8<sup>th</sup> floor, Naman Center Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

The Company acts as an Investment manager to the Trust Mutual Fund. The Company is domiciled in India and is registered with The Securities and Exchange Board of India ("SEBI") as an Asset Management Company under the SEBI Act, 1992. The Company has floated one scheme (Trust MF Banking & PSU Debt Fund) till the end of the current reporting period.

These financial statements contain financial information of the company and were authorised for issue by board of directors on 23 July 2021.

**2. Significant Accounting Policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless stated otherwise.

**A. Basis of Preparation of Financial Statements**
**a. Compliance with Ind AS**

These financial statements of the company comply in all material aspects and have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act, as amended from time to time.

These accounting policies have been applied consistently over all the periods presented in these financial statements.

**b. Historical cost convention**

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial instruments are measured at fair value.
- Investments - measured at amortised cost less impairment loss and fair value through profit and loss (FVTPL).
- Defined benefit plans-measured at Fair value.

**c. Preparation of Financial Statements**

The Company is covered in the definition of Non-Banking Financial Company as defined in Companies (Indian Accounting Standards) (Amendment) Rules, 2016. As per the format prescribed under Division III of Schedule III to the Companies Act, 2013 on 11 October 2018, the Company presents the Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the order of liquidity.

A maturity analysis of recovery or settlement of assets and liabilities within 12 months after the reporting date and more than 12 months after the reporting date is presented in note 34.

**d. Rounding off**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirements.

**B. Standards/ Amendments issued but not effective**

The company has applied the following standards in their annual reporting period commencing April 1, 2019

- Ind AS 116, Leases
- Uncertainty over Income Tax Treatments – Appendix C to Ind AS 12, Income Taxes
- Plan Amendment, Curtailment or Settlement – Amendments to Ind AS 19, Employee Benefits
- Amendment to Ind AS 12, Income Taxes

The amendments listed above did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

**Trust Asset Management Private Limited**  
**Summary of significant accounting policies and other explanatory information**

**C. Revenue Recognition**

Revenue is measured at fair value of the consideration received or receivable. Revenue is recognized when the company satisfies a performance obligation by transferring a promised good or service to a customer based on the 5 step approach as set out in Ind AS 115. When a performance obligation is satisfied, the company recognizes as revenue the amount of the transaction price (excluding estimated of variable consideration) that is allocated to that performance obligation.

**a. Management Fees**

Management Fees (net of GST) from mutual fund schemes are recognized on an accrual basis in accordance with the investment management agreement and provision of SEBI (Mutual Fund) Regulations, 1996. The Company receives investment management fees from the mutual fund which is charged as a percentage of the Assets Under Management (AUM) and is recognized on accrual basis. Revenue from management fees is recognized as and when services are performed over time as the customer simultaneously receives and consumes the benefits provided by the Company.

**b. Interest income**

Interest income or expense is recognised using the effective interest rate method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the carrying amount of the asset (when the asset is not credit impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Interest income / expense on financial instruments at FVTPL is not included in fair value changes but presented separately.

**c. Net gain/ (loss) on fair value changes**

The realised gains / losses from financial instruments at FVTPL represents the difference between the carrying amount of a financial instrument at the beginning of the reporting period, or the transaction price if it was purchased in the current reporting period, and its settlement price.

**D. Income Tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

**Current Tax**

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.



**Trust Asset Management Private Limited**  
**Summary of significant accounting policies and other explanatory information**

**Deferred Tax**

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

**E. Leases**

**a. Leases**

The Company assesses whether the contract is, or contains, a lease at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**As a lessee**

The Company leases some office premises. The Company previously classified these leases as operating leases under AS 19 – Leases when a substantial portion of the risk and rewards of the ownership were retained by the lessor. Under Ind AS 116 – Leases, the Company recognises Right-of-Use (ROU) and lease liabilities for these leases i.e. these leases are on-balance sheet.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date and is discounted using the Company's incremental borrowing rate. The Company's incremental borrowing rate has been determined at 10%.

ROU assets are measured at their carrying amount at the commencement date and are discounted using the Company's incremental borrowing rate at the date of initial application. The ROU assets are subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is remeasured when there is a change in one of the following:

- the Company's estimate of the amount expected to be payable under a residual value guarantee, or
- the Company's assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the ROU asset, or is recorded in the Statement of Profit and Loss if the carrying amount of the ROU asset has been reduced to nil.

**F. Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**Trust Asset Management Private Limited**  
**Summary of significant accounting policies and other explanatory information**

**G. Financial Instruments**

**Initial recognition and measurement:**

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Company commits to purchase or sell the asset.

At initial recognition, the Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss. Immediately after initial recognition, an expected credit loss allowance (ECL) is recognized for financial assets measured at amortized cost.

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the entity recognizes the difference as follows:

- a. When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognized as a gain or loss.
- b. In all other cases, the difference is deferred and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortized over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realized through settlement.

When the Company revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognized in profit or loss.

**Fair value of financial instruments:**

Some of the Company's assets and liabilities are measured at fair value for financial reporting purpose. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date regardless of whether that price is directly observable or estimated using another valuation technique.

Fair value measurement under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurement are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at measurement date
- Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs) that the Company can access at measurement date.

**Financial assets**

- a. Classification and subsequent measurement

The Company has applied Ind AS 109 and classifies its financial assets in the following measurement categories:

- Fair value through profit or loss (FVTPL);
- Fair value through other comprehensive income (FVOCI); or
- Amortised Cost

**Trust Asset Management Private Limited**  
**Summary of significant accounting policies and other explanatory information**

**1. Financial assets carried at amortised cost**

A financial asset is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss.

**2. Equity instruments**

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as revenue from operations in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognized in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'Revenue from operations' in the Statement of Profit and Loss.

**3. Investments in mutual funds**

Investments in mutual funds are measured at fair value through profit and loss (FVTPL).

**b. Impairment**

The Company recognizes impairment allowances using Expected Credit Losses ("ECL") method on all the financial assets that are not measured at FVTPL:

ECL are probability-weighted estimate of credit losses. They are measured as follows:

- Financials assets that are not credit impaired – as the present value of all cash shortfalls that are possible within 12 months after the reporting date.
- Financials assets with significant increase in credit risk - as the present value of all cash shortfalls that result from all possible default events over the expected life of the financial assets.
- Financials assets that are credit impaired – as the difference between the gross carrying amount and the present value of estimated cash flows.

Financial assets are written off / fully provided for when there is no reasonable probability of recovering a financial asset in its entirety or a portion thereof.

However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in the Statement of Profit and Loss.

**c. De-recognition**

A financial asset is derecognised only when:

The Company has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

## **Trust Asset Management Private Limited**

### **Summary of significant accounting policies and other explanatory information**

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

#### **Financial liabilities**

##### **a. Initial recognition and measurement**

Financial liabilities are classified at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in Statement of Profit or loss.

##### **b. Subsequent measurement**

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss is measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

##### **c. De-recognition**

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

#### **H. Offsetting Financial Instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

#### **I. Property, Plant and Equipment**

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition and installation of the assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

#### **Depreciation methods, estimated useful lives and residual value**

Depreciation is calculated using the written down value method to allocate their cost, net of their residual values, over their estimated useful life prescribed under Schedule II to the Companies Act, 2013. The Company provides pro-rata depreciation from the date of installation till date the assets are sold or disposed. Leasehold improvements are amortized over the term of underlying lease.

**Trust Asset Management Private Limited**
**Summary of significant accounting policies and other explanatory information**

<b>Assets</b>	<b>Useful life</b>
Right of use Asset	Over the primary lease period
Furniture & Fixtures	5 years
Office Equipment	5 years
Computer	3 years

**Derecognition**

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the statement of profit and loss when the asset is derecognized.

**J. Intangible Assets**
**Measurement at recognition:**

Intangible assets are recognized where it is probable that the future economic benefit attributable to the assets will flow to the Company and its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortization and impairment, if any.

The Company amortizes intangible assets on a written down value basis over the three years commencing from the month in which the asset is first put to use. The Company provides pro-rata amortization from the day the asset is put to use.

<b>Assets</b>	<b>Useful life</b>
Computer software	3 years

**Derecognition:**

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the statement of profit and loss when the asset is derecognized.

**K. Impairment of Non-Financial Assets**

At each reporting date, the Company assesses whether there is any indication based on internal/ external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount of asset is the higher of its fair value or value in use. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects the current market assessment of time value of money and the risks specific to it. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An Impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the assets carrying amount would have been determined, net of depreciation or amortization, had no impairment loss been recognised.

**L. Provisions and Contingencies**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a 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 the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the reporting date.

## **Trust Asset Management Private Limited**

### **Summary of significant accounting policies and other explanatory information**

Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

Expected future operating losses are not provided for.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

## **M. Employee Benefits**

### **Short-term obligations**

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related services are rendered. The Company recognises the costs of bonus payments when it has a present obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made.

Post-employment obligations

### **Defined contribution plan:**

Contribution paid/ payable to the recognized provident fund which is defined contribution scheme is charged to the Statement of profit and Loss in the period in which they occur.

### **Defined benefit plan:**

Gratuity is post-employment benefit and is in the nature of defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of defined benefit obligation at the balance sheet date together with the adjustments for unrecognized actuarial gain or losses and the past service costs. The defined benefit obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method. Actuarial gains and losses comprise experience adjustment and the effects of changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in balance sheet.

## **N. Earnings per Share**

### **Basic earnings per share**

Basic earnings per share is calculated by dividing the net profit for the period (excluding other comprehensive income) attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year.

### **Diluted earnings per share**

Diluted earnings per share is computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

## **O. Events after Reporting Date**

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.\

**Trust Asset Management Private Limited**  
**Summary of significant accounting policies and other explanatory information**

**P. Recent accounting developments**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification amended Schedule III of the Companies Act, 2013. Key amendments relating to Division III which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

- Statement of changes in equity: Disclosure shall be made regarding the changes in equity due to prior period errors and restated balance at the beginning of the reporting year and similarly disclose the same for the previous reporting period. Additionally, the details of other equity shall also be given for prior reporting period.
- Disclosure of shareholding of all promoters: A company shall now be required to disclose the shareholding of all promoters. The details shall include change in shareholding taken place during the year. The meaning of the promoter has to be taken from the definition provided in the Companies Act, 2013 which is different from the definition provided in the SEBI (ICDR) Regulations, 2009.
- Ageing Schedule: Companies are required to disclose ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development in specified format prescribed under amendment.
- Specific disclosure: Amendment requires to disclose transaction/ events under various additional regulatory requirements such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held, etc.
- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

**3. Key Accounting Estimates and Judgements**

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on ongoing basis. Any changes to accounting estimates are recognised prospectively.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

**1. Allowance for impairment of Investments:**

Judgements are required in assessing the value and expected credit losses on investments and in determining whether a provision against them is required. Factors considered include the realisability of the asset, market price, value of collateral and any possible actions that can be taken to mitigate the risk of non-payment.

**2. Recognition of Deferred tax assets:**

Deferred tax assets are recognized for unused tax-loss carry forwards and unused tax credits to the extent that realization of the related tax benefit is probable. The assessment of the probability with regard to the realization of the tax benefit involves assumptions based on the history of the entity and budgeted data for the future.



**Trust Asset Management Private Limited**  
**Summary of significant accounting policies and other explanatory information**

**3. Defined benefit plans:**

The cost of defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long -term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**4. Property, plant and equipment and Intangible assets:**

Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation and amortization to be recorded during any reporting period. The useful lives and residual values as per schedule II of the Companies Act, 2013 or are based on the Company's historical experience with similar assets and taking into account anticipated technological changes, whichever is more appropriate.



**Trust Asset Management Private Limited**
**Summary of significant accounting policies and other explanatory information**
**Note 4 Cash and cash equivalents**

(in ₹ lakhs)

Sr. No.	Particulars	As at 31 March 2021	As at 31 March 2020
(i)	Cash in hand	0.46	-
(ii)	Balances with banks - In current accounts	1,286.23	16.44
	<b>Total</b>	<b>1,286.69</b>	<b>16.44</b>

**Note 5 Investments**

(in ₹ lakhs)

Sr. No.	Particulars	Amortised cost	At Fair Value Through Profit or Loss (FVTPL)	Total	Amortised cost	At Fair Value Through Profit or Loss (FVTPL)	Total
		As at 31 March 2021			As at 31 March 2020		
	<b>Quoted</b>						
(i)	Debt securities	2,429.14	-	2,429.14	2,429.14	974.61	3,403.75
(ii)	Mutual funds	-	50.94	50.94	-	-	-
	<b>Unquoted</b>						
(i)	Debt securities	2,811.99	-	2,811.99	2,916.07	-	2,916.07
	<b>Total - Gross [A]</b>	<b>5,241.13</b>	<b>50.94</b>	<b>5,292.07</b>	<b>5,345.21</b>	<b>974.61</b>	<b>6,319.82</b>
(i)	Investments outside India	-	-	-	-	-	-
(ii)	Investments in India	5,241.13	50.94	5,292.07	5,345.21	974.61	6,319.82
	<b>Total [B]</b>	<b>5,241.13</b>	<b>50.94</b>	<b>5,292.07</b>	<b>5,345.21</b>	<b>974.61</b>	<b>6,319.82</b>
	Less: Allowance for impairment loss	(1,398.03)	-	(1,398.03)	(1,405.86)	-	(1,405.86)
	<b>Total [C]</b>	<b>(1,398.03)</b>	<b>-</b>	<b>(1,398.03)</b>	<b>(1,405.86)</b>	<b>-</b>	<b>(1,405.86)</b>
	<b>Total - Net D = (A) - (C)</b>	<b>3,843.10</b>	<b>50.94</b>	<b>3,894.04</b>	<b>3,939.35</b>	<b>974.61</b>	<b>4,913.96</b>

**Note 6 Other financial assets**

(in ₹ lakhs)

Sr. No.	Particulars	As at 31 March 2021	As at 31 March 2020
	(Considered good - unsecured)		
(i)	Employee advances	-	0.06
(ii)	Accrued interest	-	22.75
(iii)	Security deposits	49.17	59.05
(iv)	Other receivables	0.01	-
	<b>Total</b>	<b>49.18</b>	<b>81.86</b>

**Note 7 Current tax assets (net)**

(in ₹ lakhs)

Sr. No.	Particulars	As at 31 March 2021	As at 31 March 2020
(i)	Provisions for taxes (Net of advance tax paid)	30.89	13.12
	<b>Total</b>	<b>30.89</b>	<b>13.12</b>

**Note 8 Deferred tax assets (net)**

(in ₹ lakhs)

Sr. No.	Particulars	As at 31 March 2021	As at 31 March 2020
	<b>Deferred tax asset on</b>		
	Provision for impairment of financial instrument	351.85	351.78
	Lease rentals	127.43	71.99
	Gratuity provision	7.26	-
	<b>Total deferred tax asset (A)</b>	<b>486.55</b>	<b>423.77</b>
	<b>Deferred tax liability on</b>		
	Timing difference on property, plant and equipment as per books and as per Income Tax Act, 1961	80.02	21.61
	<b>Total deferred tax liabilities (B)</b>	<b>80.02</b>	<b>21.61</b>
	<b>Net deferred tax asset (A-B)</b>	<b>406.52</b>	<b>402.16</b>

Trust Asset Management Private Limited  
Summary of significant accounting policies and other explanatory information

Note 9 Property, plant and equipment

(in ₹ lakhs)

	Current year	Gross Block				Accumulated Depreciation				Net Block	
Sr. No.	Particulars	Balance as at 01 April 2020	Additions	Disposals	Balance as at 31 Mar 2021	Balance as at 01 April 2020	During the year	Disposals	Balance as at 31 Mar 2021	Balance as at 31 Mar 2021	Balance as at 31 March 2020
(i)	Furniture and fixtures	108.97	-	-	108.97	78.56	13.71	-	92.27	16.70	30.41
(ii)	Office equipment	25.03	1.69	1.77	24.95	16.08	4.16	1.40	18.84	6.11	8.94
(iii)	Computer	36.42	12.79	-	49.21	29.04	6.14	-	35.18	14.03	7.38
(iv)	Right of use asset	194.94	332.81	194.94	332.81	114.34	113.64	194.94	33.04	299.77	80.60
	Total	365.36	347.29	196.71	515.94	238.03	137.65	196.34	179.34	336.61	127.33

	Previous year	Gross Block				Accumulated Depreciation				Net Block	
Sr. No.	Particulars	Balance as at 01 April 2019	Additions	Disposals	Balance as at 31 March 2020	Balance as at 01 April 2019	During the year	Disposals	Balance as at 31 March 2020	Balance as at 31 March 2020	Balance as at 31 March 2019
(i)	Furniture and fixtures	108.97	-	-	108.97	35.70	42.86	-	78.56	30.41	73.28
(ii)	Office equipment	25.03	-	-	25.03	8.75	7.34	-	16.08	8.94	16.28
(iii)	Computer	36.42	-	-	36.42	16.40	12.65	-	29.04	7.38	20.03
(iv)	Right of use asset	-	194.94	-	194.94	-	114.34	-	114.34	80.60	-
	Total	170.42	194.94	-	365.36	60.85	177.19	-	238.03	127.33	109.59

Note 10 Intangible assets

(in ₹ lakhs)

	Current year	Gross Block				Accumulated Depreciation				Net Block	
Sr. No.	Particulars	Balance as at 01 April 2020	Additions	Disposals	Balance as at 31 Mar 2021	Balance as at 01 April 2020	During the year	Disposals	Balance as at 31 Mar 2021	Balance as at 31 Mar 2021	Balance as at 31 March 2020
(i)	Computer software	10.42	86.60	-	97.02	5.15	2.16	-	7.31	89.71	5.27
	Total	10.42	86.60	-	97.02	5.15	2.16	-	7.31	89.71	5.27

	Previous year	Gross Block				Accumulated Depreciation				Net Block	
Sr. No.	Particulars	Balance as at 01 April 2019	Additions	Disposals	Balance as at 31 March 2020	Balance as at 01 April 2019	During the Year	Disposals	Balance as at 31 March 2020	Balance as at 31 March 2020	Balance as at 31 March 2019
(i)	Computer software	10.42	-	-	10.42	2.51	2.64	-	5.15	5.27	7.91
	Total	10.42	-	-	10.42	2.51	2.64	-	5.15	5.27	7.91

Note 11 Other non-financial assets

(in ₹ lakhs)

Sr. No.	Particulars	As at 31 March 2021	As at 31 March 2020
(i)	(Considered good - unsecured) Prepaid expenses	36.64	7.54
(ii)	Capital advance	-	35.75
(iii)	Indirect tax credit receivables	122.41	60.11
(iv)	Prepaid lease	14.20	3.89
	<b>Total</b>	<b>173.25</b>	<b>107.29</b>

**Trust Asset Management Private Limited**
**Summary of significant accounting policies and other explanatory information**
**Note 12 Trade Payables**

(in ₹ lakhs)

Sr. No.	Particulars	As at 31 March 2021	As at 31 March 2020
<b>I</b>	<b>Trade payables</b>		
(i)	Total outstanding dues of micro and small enterprises (refer Note below)	45.32	-
(ii)	Total outstanding dues of creditors other than micro and small enterprises	65.11	20.65
	<b>Total</b>	<b>110.43</b>	<b>20.65</b>

Note: The Company has no dues to suppliers registered under The Micro, Small and Medium Enterprises Development Act, 2006 ("the MSMED Act"). The disclosures pursuant to the MSMED Act are as follows:

(i)	Principal amount remaining unpaid at the end of year	45.32	-
(ii)	Interest amount remaining unpaid at the end of year	-	-
(iii)	Interest amount paid by buyer under MSMED Act	-	-
(iv)	Amount of payment made to supplier beyond the appointed day during each accounting year	-	-
(v)	amount of interest due and payable for the year (where the principal has been paid but interest under the MSMED Act not paid)	-	-
(vi)	Interest amount accrued and remaining unpaid at the year end	-	-
(vii)	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-

**Note 13 Other financial liabilities**

(in ₹ lakhs)

Sr. No.	Particulars	As at 31 March 2021	As at 31 March 2020
(i)	Lease liability Provision	299.45	82.34
(ii)	for expenses	4.44	0.98
(iii)	Salaries and employee benefits payable	45.17	-
(iv)	Statutory dues payable	27.91	4.70
	<b>Total</b>	<b>376.97</b>	<b>88.02</b>

**Note 14 Provisions**

(in ₹ lakhs)

Sr. No.	Particulars	As at 31 March 2021	As at 31 March 2020
(i)	Provision for gratuity	28.83	-
(ii)	Provision for leave encashment	7.42	-
	<b>Total</b>	<b>36.25</b>	<b>-</b>

**Trust Asset Management Private Limited**
**Summary of significant accounting policies and other explanatory information**
**Note 15 Equity share capital**

Sr. No.	Particulars	As at 31 March 2021	As at 31 March 2020
<b>A</b>	<b>Authorized share capital</b>		
(i)	<b>Equity shares</b>		
	Number of equity shares of face value of ₹ 10 each	8,50,00,000	7,00,00,000
	Amount (in ₹ lakhs)	8,500.00	7,000.00
<b>B</b>	<b>Issued, subscribed and paid up capital</b>		
(i)	<b>Equity shares</b>		
	Number of equity shares of face value of ₹ 10 each, fully paid up	7,00,00,000	6,50,00,000
	Amount (in ₹ lakhs)	7,000.00	6,500.00
	<b>Total issued, subscribed and paid-up capital</b>	<b>7,000.00</b>	<b>6,500.00</b>

**15.1 Terms / rights attached to the shares**
**Equity shares**

The company has one class of equity shares having a par value of ₹ 10 each (previous year: having a par value of ₹ 10 each).

Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holder of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all the preferential amounts. However, no such preferential amounts exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders. The Company declares and pays dividend in Indian Rupees.

**15.2 Reconciliation of number of shares outstanding**

Particulars	As at 31 March 2021	As at 31 March 2020
Number of shares at the beginning of the year	<b>6,50,00,000</b>	<b>5,50,00,000</b>
Add: Number of shares issued during the year	50,00,000	1,00,00,000
Number of shares at the end of the year	<b>7,00,00,000</b>	<b>6,50,00,000</b>

**15.3 Shares held by holding company**

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Equity Shares of ₹ 10 each, fully paid up</b>		
Trust Investment Advisors Private Limited		
Number of shares	7,00,00,000	6,50,00,000
Amount (in ₹ lakhs)	7,000.00	6,500.00

**Trust Asset Management Private Limited**
**Summary of significant accounting policies and other explanatory information**
**15.4 Shareholders holding more than 5% of share capital**

Particulars	As at 31 March 2021	As at 31 March 2020
Trust Investment Advisors Private Limited and its nominee		
Number of shares	7,00,00,000	6,50,00,000
Amount (in ₹ lakhs)	7,000.00	6,500.00
Percentage (%)	100.00%	100.00%

- 15.5 The Company has been incorporated since less than five years and has not issued any bonus shares for consideration other than cash nor there have been any buyback of shares since its incorporation.

**Note 16 Other equity**

(in ₹ lakhs)			
Sr. No.	Particulars	As at 31 March 2021	As at 31 March 2020
(i)	<b>Retained earnings</b>		
	Balance at the beginning of the year	(941.24)	61.92
	Transfer from Statement of Profit and Loss	(315.52)	(1,003.16)
	<b>Balance as at end of the year</b>	<b>(1,256.76)</b>	<b>(941.24)</b>
	<b>Total</b>	<b>(1,256.76)</b>	<b>(941.24)</b>

Retained earnings represent accumulated losses of the Company and are available for distribution to shareholders.

Trust Asset Management Private Limited  
 Summary of significant accounting policies and other explanatory information

**Note 17 Revenue from operations**

(in ₹ lakhs)

Sr. No.	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>a</b>	<b>Fees and commission income</b>		
	Management fees	2.17	-
<b>b</b>	<b>Interest income</b>		
(i)	Interest income from investments		
	- On financial assets measured at amortised cost	301.68	163.82
	- On financial assets measured at fair value through profit and loss	87.21	191.71
<b>c</b>	<b>Net gain on fair value changes</b>		
(i)	Net gain on financial instruments at fair value through profit or loss	0.09	2.04
	<b>Total</b>	<b>391.15</b>	<b>357.57</b>

**Note 18 Other income**

(in ₹ lakhs)

Sr. No.	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>a</b>	<b>Interest income</b>		
(i)	Other interest income	5.47	5.37
<b>b</b>	Profit on sale of property, plant and equipment	0.15	-
	<b>Total</b>	<b>5.62</b>	<b>5.37</b>

**Note 19 Finance costs**

(in ₹ lakhs)

Sr. No.	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
(i)	Interest on lease liability	10.91	13.66
(ii)	Interest on late payment of statutory dues	-	1.64
	<b>Total</b>	<b>10.91</b>	<b>15.30</b>

**Note 20 Net loss on derecognition of financial instruments under amortised cost category**

(in ₹ lakhs)

Sr. No.	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
(i)	Net loss on derecognition of financial instruments under amortised cost category	0.05	-
	<b>Total</b>	<b>0.05</b>	<b>-</b>

**Trust Asset Management Private Limited**
**Summary of significant accounting policies and other explanatory information**
**Note 21 Impairment on financial instruments**
**(in ₹ lakhs)**

Sr. No.	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
(i)	Impairment loss (on financial instruments - investments measured at amortised cost) (also, refer note 34)	(7.83)	1,400.65
	<b>Total</b>	<b>(7.83)</b>	<b>1,400.65</b>

**Note 22 Employee benefits expenses**
**(in ₹ lakhs)**

Sr. No.	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
(i)	Salaries and wages	293.65	86.16
(ii)	Contribution to provident fund	0.73	-
(iii)	Gratuity (refer note 31)	28.83	-
(iv)	Compensated absences	7.42	-
(v)	Staff welfare expenses	1.47	0.50
	<b>Total</b>	<b>332.10</b>	<b>86.66</b>

**Note 23 Depreciation and amortisation**

(Refer Note 9 and 10 for detailed breakup of depreciation and amortisation)

**(in ₹ lakhs)**

Sr. No.	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>A</b>	<b>Depreciation</b>		
(i)	Property, plant and equipment	137.65	177.19
<b>B</b>	<b>Amortisation</b>		
(i)	Intangible assets	2.16	2.64
	<b>Total</b>	<b>139.81</b>	<b>179.83</b>

**Note 24 Other expenses**
**(in ₹ lakhs)**

Sr. No.	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
(i)	Rent, taxes and others	13.05	28.15
(ii)	Communication costs	7.88	5.44
(iii)	Printing and stationery	6.73	0.77
(iv)	Auditor's remuneration (refer note 24.1)	2.75	2.42
(v)	Legal and professional charges	72.89	27.00
(vi)	Membership and subscription charges	4.50	9.00
(vii)	Business promotion expenses	30.87	-
(viii)	Branding and sponsorship	54.23	0.05
(ix)	Advertisement expenses	5.37	-
(x)	Recruitment and training expenses	16.66	-
(xi)	IT expenses	14.58	8.28
(xii)	Miscellaneous expenditure	12.10	0.32
	<b>Total</b>	<b>241.61</b>	<b>81.43</b>

**Trust Asset Management Private Limited**
**Summary of significant accounting policies and other explanatory information**
**Note 24.1 Auditor's remuneration (in ₹ lakhs)**

(i)	Statutory audit	2.75	2.35
(ii)	Reimbursement of expenses	-	0.07
	<b>Total</b>	<b>2.75</b>	<b>2.42</b>

**Note 25 Earnings per equity share**

Sr. No.	Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
a.	Net loss attributable to equity shareholders (In ₹ lakhs)	(315.52)	(1,003.16)
b.	Weighted average number of equity shares	6,50,13,699	5,50,27,397
c.	Basic / diluted loss per share (in ₹)	(0.49)	(1.82)

**Note 26 Contingent liabilities and commitments (to the extent not provided for)**
**(in ₹ lakhs)**

Sr. No.	Particulars	As at 31 March 2021	As at 31 March 2020
(i)	<b>Contingent liabilities</b>	Nil	Nil
(ii)	<b>Capital commitments</b>		
a.	Software development	5.50	24.25
	<b>Total</b>	<b>5.50</b>	<b>24.25</b>

**Note 27 Related Party Disclosures**

As per Ind AS 24 - Related Party Disclosures, specified under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standard) Rules, 2015, the name of related party where control exists / able to exercise significant influence along with the transactions and year end balances with them as identified and certified by the management are as follows:

**A) Name of Related Parties alongwith relationship**

Name	Relationship
Trust Capital Services (India) Private Limited	Ultimate Holding Company
Trust Investment Advisors Private Limited	Holding Company
Sankhya Financial Services Private Limited	Fellow Subsidiary
Trust AMC Trustee Private Limited	Fellow Subsidiary
Chanakya Capital Partners	Fellow Subsidiary
Relativity Investment Advisors LLP	Firm under same management
Utpal Sheth	Key Managerial Personnel
Nipa Sheth	Key Managerial Personnel
Puja Trivedi	Key Managerial Personnel



**Trust Asset Management Private Limited**
**Summary of significant accounting policies and other explanatory information**
**B) Transactions with Related Parties are as under:**
**(in ₹ lakhs)**

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
<b>Trust Investment Advisors Private Limited</b>		
Issue of equity share capital	500.00	1,000.00
Purchase of bonds / debentures	-	3,489.26
Sale of bonds / debentures	-	3,500.89
<b>Trust Capital Services (India) Private Limited</b>		
Purchase of bonds / debentures	-	19,126.98
Sale of bonds / debentures	276.69	18,121.71
<b>Utpal Sheth</b>		
Rental deposit for office premises		-
Rent paid (net of taxes)	126.26	126.26
<b>Puja Trivedi</b>		
Employee benefit expenses	50.64	46.64
Advance recoverable	-	0.06

**C) Outstanding balance as at 31 March 2021:**
**(in ₹ lakhs)**

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Trust Investment Advisors Private Limited</b>		
Reimbursement of expenses	-	0.00
<b>Utpal Sheth</b>		
Rental deposit for office premises	63.13	63.13
<b>Puja Trivedi</b>		
Employee benefit expenses payable	2.79	-

**Trust Asset Management Private Limited**  
**Summary of significant accounting policies and other explanatory information**

**Note 28 Financial Risk Management**

**Liquidity risk:**

Liquidity risk / funding risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises from mismatches in the timing of cash flows. The company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses.

**Credit risk:**

Credit risk is the risk of financial loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's other receivables, cash and cash equivalents, and financial assets measured at amortised cost.

The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented in the financial statements. The Company's major classes of financial assets are cash and cash equivalents, investments measured at amortised cost and security deposits.

The Company continuously monitors all financial assets subject to Expected Credit Losses (ECL's). In order to determine whether an instrument is subject to 12 month ECL or life time ECL, the Company assesses whether there has been a significant increase in credit risk or the asset has become credit impaired since initial recognition.

ECL is a probability weighted estimate of credit losses. It is measured as the present value of cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with contract and the cash flows that the Company expects to receive).

The Company has three types of financial assets that are subject to the expected credit loss:

- Cash and cash equivalent
- Other receivables
- Investment in debt securities measured at amortised cost

**Market risk:**

Market risk is the risk that the fair value or future Cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

**(i) Interest rate risk:**

The Company is exposed to Interest risk if the fair value or future cash flows of its financial instruments will fluctuate as a result of changes in market interest rates. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates.

The Company's interest rate risk arises from interest bearing deposits with bank and investment in debt securities. Such instruments expose the Company to fair value interest rate risk. Management believes that the interest rate risk attached to this financial assets are not significant due to the nature of the financial assets held by Company.

**(ii) Market price risks**

The Company is exposed to market price risk, which arises from FVTPL investments. The management monitors the proportion of these investments in its investment portfolio. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the appropriate authority.

**Note 29 Management of Capital**

The Company's objective is to maintain appropriate levels of capital to support its business strategy taking into account the regulatory, economic and commercial environment. The Company monitors its capital regularly, and hence, increase in capital is planned well in advance to ensure adequate funding for its growth.

**Note 30 Leases**

The Company has taken office premises on operating lease for a period 36 months with an option to renew the lease by mutual consent on mutually agreeable terms.

**Implementation of IndAS 116**

Effective 01 April 2019, the Company adopted Ind AS 116 "Leases" using the cumulative catch-up approach. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application.

Right Of Use asset has been included under the line 'Property, Plant and Equipment' and Lease Liability has been included under 'Other Financial Liabilities' in the Balance Sheet.

The weighted average incremental borrowing rate applied to lease liabilities is 10.00 %.

Information about leases for which the company is a lessee are presented below:

**Trust Asset Management Private Limited**
**Summary of significant accounting policies and other explanatory information**
**Note 30 Leases**
**(i) Amounts recognized in balance sheet**
**(in ₹ lakhs)**

Particulars	As at 31 March 2021	As at 31 March 2020
Right of use assets (net) (Property, plant and equipment)	299.77	80.60
Lease liabilities		
Current	102.93	82.34
Non-current	196.52	-
<b>Total lease liabilities</b>	<b>299.45</b>	<b>82.34</b>
Additions to the rights of use assets	332.81	194.94

**(ii) Amounts recognized in Statement of profit and loss**
**(in ₹ lakhs)**

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest income on security deposits	(5.47)	(5.37)
Depreciation charge for right of use assets	113.64	114.34
Interest expenses (part of finance costs)	10.91	13.66
<b>Total</b>	<b>119.08</b>	<b>122.63</b>

**(iii) Cash flows**
**(in ₹ lakhs)**

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Total cash outflow of leases	126.61	126.26

**(iv) Maturity analysis - undiscounted cashflows of contractual maturities of lease liabilities as at 31 March 2021**
**(in ₹ lakhs)**

Particulars	As at 31 March 2021	As at 31 March 2020
Less than one year	127.43	82.34
One to five years	210.43	-
More than five years	-	-

**Trust Asset Management Private Limited**
**Summary of significant accounting policies and other explanatory information**
**Note 31 Employee benefits**
**a Defined benefit plan - Gratuity**
**(i) Changes in present value of defined benefit obligation**
**(in ₹ lakhs)**

<b>Particulars</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
Defined benefit obligation, beginning of period	-	-
Current service cost	2.41	-
Interest cost	-	-
Actual plan participants' contributions	-	-
Actuarial (gains)/losses	-	-
Acquisition/business combination/divestiture	-	-
Actual benefits paid	-	-
Past service cost	26.42	-
Changes in foreign currency exchange rates	-	-
Loss / (gains) on curtailments	-	-
Liabilities extinguished on settlements	-	-
Defined benefit obligation, end of period	28.83	-

**(ii) Changes in fair value of plan assets**

<b>Particulars</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
Fair value of plan assets, beginning of period	-	-
Interest income plan asset	-	-
Actual enterprise's contributions	-	-
Actual plan participants' contributions	-	-
Actual benefits paid	-	-
Actuarial gains/(losses)	-	-
Acquisition/business combination/divestiture	-	-
Changes in foreign currency exchange rates	-	-
Liabilities extinguished on settlements	-	-
Fair value of plan assets, end of period	-	-

**(iii) Actuarial return on plan assets**

<b>Particulars</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
Interest income plan asset	-	-
Actuarial gains/(losses) on plan assets	-	-
Actual return on plan assets	-	-

**(iv) Amount recognized in balance sheet**

<b>Particulars</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
Defined benefit obligation (DBO)	28.83	-
Fair value of plan assets	-	-
Funded status - (surplus)/deficit	28.83	-
Unrecognized past service cost / (credit)	-	-
Unrecognised asset due to limit in para 64(b)	-	-
Liability/(asset) recognised in the balance sheet	28.83	-

**Trust Asset Management Private Limited**
**Summary of significant accounting policies and other explanatory information**

## (v) Expenses recognized in profit or loss

Particulars	As at 31 March 2021	As at 31 March 2020
Current service cost	2.41	
Interest cost	-	
Expected return on plan assets	-	
Past service cost	26.42	
(Gain)/loss due to settlements/ curtailments/acquisitions/divestitures		
Total expense/(income) included in "employee benefit expense"	28.83	

## (vi) Expenses recognized in Other Comprehensive Income (OCI)

Particulars	As at 31 March 2021	As at 31 March 2020
Amount recognized in OCI, beginning of period	-	-
Remeasurements due to :		
<i>Effect of change in financial assumptions [c]</i>	-	-
<i>Effect of change in demographic assumptions [d]</i>	-	-
<i>Effect of experience adjustments [e]</i>	-	-
Actuarial (gains)/losses ( c+ d +e )	-	-
Return on plan assets (excluding interest)	-	-
Total remeasurements recognized in OCI	-	-
Amount recognized in OCI, end of period	-	-

## (vii) Current / non-current benefit

Particulars	As at 31 March 2021	As at 31 March 2020
Current liability	3.67	-
Non current liability	25.16	-
Liability/(asset) recognised in the balance sheet	28.83	-

## (viii) Balance sheet reconciliation

Particulars	As at 31 March 2021	As at 31 March 2020
Opening balance sheet (asset)/liability	-	-
Expenses / (income) recognised in the statement of profit and loss	28.83	
Expenses / (income) recognised in oci	-	
Contributions by the employer	-	
Acquisition/business combination/divestiture	-	
Net liability / (asset) recognized in balance sheet	28.83	-

## (ix) Actuarial assumptions

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Financial assumptions</b>		
Expected return on plan assets	0.00%	-
Rate of discounting	6.50%	-
Rate of salary increase	5.00%	-
<b>Demographic assumptions</b>		
Mortality table	Indian Assured Lives Mortality (2012-14) Ult	
Withdrawal rate	10.00%	
Retirement age	60 years	
<b>Timing related assumptions</b>		
Time of retirement	Immediately on achieving normal retirement	
Salary increase frequency	Once a year	

**Trust Asset Management Private Limited**  
**Summary of significant accounting policies and other explanatory information**

(x) Asset liability comparisons

Particulars	As at 31 March 2021	As at 31 March 2020
DBO	28.83	-
Plan assets	-	-
(Surplus)/deficit	28.83	-
Exp adj - plan assets gain/(loss)	-	-
Assumptions (gain)/loss	-	-
Exp adj - plan liabilities (gains)/loss	-	-
Total actuarial (gain)/loss	-	-

(xi) Maturity analysis of the benefit payments

Particulars	As at 31 March 2021	As at 31 March 2020
Projected benefits payable in future years from the date of reporting		
1st following year	3.67	-
2nd following year	3.63	-
3rd following year	3.35	-
4th following year	3.14	-
5th following year	2.90	-
Sum of years 6 to 10	16.14	-
The weighted average duration of the projected benefit obligation	8.63	-

(xii) Sensitivity analysis

Particulars	As at 31 March 2021	As at 31 March 2020
Impact of increase/decrease in 50 bps on DBO		
Discount rate		
Increase	28.07	-
	-2.65%	0.00%
Decrease	29.64	-
	2.78%	0.00%
Salary growth rate		
Increase	30.07	-
	4.28%	0.00%
Decrease	28.67	-
	-0.58%	0.00%

The sensitivity analysis has been determined based on reasonably possible changes of the respective assumptions

**Trust Asset Management Private Limited**

**Summary of significant accounting policies and other explanatory information**

(xii) Risks associated with defined benefit plan

(i) Interest rate risk

A fall in the discount rate which is linked to the G-Sec rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

(ii) Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

(iii) Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in money market instruments and public deposits.

(iv) Asset Liability Matching (ALM) risk

The plan faces the ALM risk as to the matching cash flow.

(v) Mortality Risk

Since the benefits under the plan is not payable for life time and are payable till retirement age only, the plan does not have any longevity risk.

(vi) Concentration Risk

The plan has a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very low as insurance companies have to follow stringent regulatory guidelines which mitigate risk.

(xiii) During the year, there were no plan amendments, curtailments and settlements.

**Trust Asset Management Private Limited**
**Summary of significant accounting policies and other explanatory information**

**Note 32 (A)** The Company has investments in 8.9% Non-Convertible Debentures ('NCDs') (Face Value Rs. 1,000 each) of Dewan Housing Finance Corporation Limited ('DHFL'), at a gross value of Rs. 2,429.14 lakhs at amortised cost. Considering that the proceedings under Insolvency and Bankruptcy Code have been initiated and the proposal submitted by Piramal Capital & Housing Finance Limited (PCHFL – rated AA) was adjudged the best by all the stake holders and approved by RBI, the Company has provided for an impairment allowance in current year of Rs. 62 lakhs (previous year Rs. 1,336.03 lakhs) based on the estimates and judgements supported by the financial and other information available till date. Based on the detailed assessment made by the Company on the basis of information available and approval of the resolution plan by various stakeholders, the management of the Company believes that the carrying value of such debt instruments as at 31 March 2021 reflects the recoverable value of the investment and no further uncertainty exist in this respect.

**32 (B)** The Company has investments in 11% Non-Convertible Debentures ('NCDs') (Face Value Rs. 10,00,000 each) of Apex Homes Private Limited, at a gross value of Rs. 2,811.99 lakhs at amortised cost. In Previous year, the Company has provided for an impairment loss allowance of Rs 69.83 Lakhs which has been reversed in current year based on information available till date.

**Note 33 Tax expense**
**a Amounts recognized in statement of profit and loss**

Particulars	(in ₹ lakhs)	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Current income tax	-	8.00
Deferred tax charge/ (credit)		
Origination and reversal of temporary differences	(4.36)	(405.77)
<b>Income tax expense/ (credit) for the period</b>	<b>(4.36)</b>	<b>(397.77)</b>

**b Reconciliation of effective tax rate**

Particulars	(in ₹ lakhs)	
	For the year ended 31 March 2021	For the year ended 31 March 2020
Profit / (loss) before tax	(319.88)	(1,400.93)
Company's domestic tax rate	25.17%	25.17%
Tax using company's domestic tax rate	-	8.00
Tax effect on / of: Tax provision	-	8.00
<b>Income tax expense for the year</b>	<b>-</b>	<b>8.00</b>

**c Effective Tax Rate**

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Effective Tax Rate (%)	25.17%	25.17%

The Company has elected to exercise the option of a lower tax rate provided under Section 115BAA of the Income-tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019 dated September 20, 2019.

**d Significant components and movement in deferred tax assets**

Particulars	Balance as at 01 April 2020	Expense / (Income) recognized	Balance as at 31 March 2021
<b>Deferred tax assets / (liabilities)</b>			
Investments	351.79	0.07	351.86
Property plant and equipment	(1.81)	(58.06)	(59.87)
Lease liabilities	22.15	53.21	75.36
Provisions	-	7.26	7.26
Others	30.03	1.88	31.91
<b>Net deferred tax assets / (liabilities)</b>	<b>402.16</b>	<b>4.36</b>	<b>406.52</b>

Particulars	Balance as at 01 April 2019	Expense / (Income) recognized	Balance as at 31 March 2020
<b>Deferred tax assets / (liabilities)</b>			
Investments	5.10	346.69	351.79
Property plant and equipment	(8.71)	6.90	(1.81)
Lease liabilities	-	22.15	22.15
Others	(0.00)	30.03	30.03
<b>Net deferred tax assets / (liabilities)</b>	<b>(3.61)</b>	<b>405.77</b>	<b>402.16</b>

**Note:**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority. Significant management judgment is required in determining provision for income tax, deferred tax assets and liabilities and recoverability of deferred tax assets. The recoverability of deferred tax assets is based on estimates of taxable income and the period over which deferred tax assets will be recovered. Any changes in future taxable income would impact the recoverability of deferred tax assets.



**Trust Asset Management Private Limited**  
**Summary of significant accounting policies and other explanatory information**

**Note 34 Financial instruments**

**A Classification and fair values of financial assets & liabilities**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

(in ₹ lakhs)

Particulars	Carrying amount			Fair Value			
	FVTPL	Amortized cost	Total Carrying amount	Level 1	Level 2	Level 3	Total
<b>As at 31 March 2021</b>							
<b>Financial assets</b>							
Investments	50.94	3,843.10	3,894.04	50.94	-	-	50.94
Cash and cash equivalents	-	1,286.69	1,286.69	-	-	-	-
Other financial assets	-	49.18	49.18	-	-	-	-
<b>Total</b>	<b>50.94</b>	<b>5,178.97</b>	<b>5,229.91</b>	<b>50.94</b>	<b>-</b>	<b>-</b>	<b>50.94</b>
<b>Financial liabilities</b>							
Trade payables	-	110.43	110.43	-	-	-	-
Other financial liabilities	-	-	-	-	-	-	-
Lease liabilities	-	299.45	299.45	-	-	-	-
Others	-	77.52	77.52	-	-	-	-
<b>Total</b>	<b>-</b>	<b>487.40</b>	<b>487.40</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>As at 31 March 2020</b>							
<b>Financial assets</b>							
Investments	974.61	3,939.35	4,913.96	974.61	-	-	974.61
Cash and cash equivalents	-	16.44	16.44	-	-	-	-
Other financial assets	-	81.86	81.86	-	-	-	-
<b>Total</b>	<b>974.61</b>	<b>4,037.65</b>	<b>5,012.26</b>	<b>974.61</b>	<b>-</b>	<b>-</b>	<b>974.61</b>
<b>Financial liabilities</b>							
Trade payables	-	20.65	20.65	-	-	-	-
Other financial liabilities	-	-	-	-	-	-	-
Lease liabilities	-	82.34	82.34	-	-	-	-
Others	-	5.68	5.68	-	-	-	-
<b>Total</b>	<b>-</b>	<b>108.67</b>	<b>108.67</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Trust Asset Management Private Limited**
**Summary of significant accounting policies and other explanatory information**
**Note 34**  
**B Financial instruments (contd..)**  
**Fair value hierarchy**

As per Ind AS 107, 'Financial Instruments: Disclosures', the fair values of the financial assets or financial liabilities are defined as the price that would be received on sale of asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities and lowest priority to unobservable inputs.

The hierarchy used is as follows :

Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

**C Valuation techniques used to determine fair value**

Debt Securities - Market Value, and where market value is not available, discounted cash flow based on present value of the expected future economic benefit.

**Note 35**  
**Maturity analysis of assets and liabilities**

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

(in ₹ lakhs)

Particulars	As at 31 March 2021			As at 31 March 2020		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
<b>Assets</b>						
<b>Financial assets</b>						
Cash and cash equivalents	1,286.69	-	1,286.69	16.44	-	16.44
Investments	-	3,894.04	3,894.04	974.61	3,939.35	4,913.96
Other financial assets	0.01	49.17	49.18	22.81	59.05	81.86
<b>Sub-total financial assets</b>	<b>1,286.70</b>	<b>3,943.21</b>	<b>5,229.91</b>	<b>1,013.86</b>	<b>3,998.40</b>	<b>5,012.26</b>
<b>Non-financial assets</b>						
Current tax assets (net)	30.89	-	30.89	13.12	-	13.12
Deferred tax assets (net)	-	406.52	406.52	-	402.16	402.16
Property, plant and equipment	-	336.61	336.61	-	127.33	127.33
Capital work-in-progress	-	-	-	-	-	-
Other intangible assets	-	89.71	89.71	-	5.27	5.27
Other non-financial assets	36.64	136.61	173.25	7.54	99.75	107.29
<b>Sub-total non-financial assets</b>	<b>67.53</b>	<b>969.45</b>	<b>1,036.98</b>	<b>20.66</b>	<b>634.51</b>	<b>655.17</b>
<b>Total assets</b>	<b>1,354.23</b>	<b>4,912.66</b>	<b>6,266.89</b>	<b>1,034.52</b>	<b>4,632.91</b>	<b>5,667.43</b>
<b>Liabilities</b>						
<b>Financial liabilities</b>						
Payables						
Trade payables						
Total outstanding dues of micro enterprises and small enterprises	45.32	-	45.32	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	65.11	-	65.11	4.45	16.20	20.65
Other financial liabilities	166.54	210.43	376.97	88.02	-	88.02
<b>Sub-total financial liabilities</b>	<b>276.97</b>	<b>210.43</b>	<b>487.40</b>	<b>92.47</b>	<b>16.20</b>	<b>108.67</b>
<b>Non-financial liabilities</b>						
Provisions	11.09	25.16	36.25	-	-	-
<b>Sub-total non-financial liabilities</b>	<b>11.09</b>	<b>25.16</b>	<b>36.25</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>288.06</b>	<b>235.59</b>	<b>523.65</b>	<b>92.47</b>	<b>16.20</b>	<b>108.67</b>

**Trust Asset Management Private Limited**
**Summary of significant accounting policies and other explanatory information**
**Note 36 COVID-19**

The current second wave of Covid-19 pandemic have resulted in significant increase of new cases in India. The impact of the same is uncertain and will depend on the spread of Covid-19, the effectiveness of current and future steps taken by the governments to mitigate the economic impact and other variables. However the Company has recognized provisions as on 31 March 2021 towards its assets based on the information available at this point of time including estimates and assumptions specific to the impact of the COVID-19 pandemic. Based on the assessment and the information available till date, management of the Company believes that the fair values of the debt investments aggregating Rs. 3,894.04 lakhs as at 31 March 2021 reflects the impact of the conditions known till date. The Company's capital and liquidity position is adequate as on reporting date.

**Note 37 Segment information**

The Company has been incorporated to act as the Investment manager to the Trust Mutual Fund. There are no separate reportable operating segment.

**Note 38 Unhedged foreign currency**

The Company is not having any unhedged foreign currency exposure as on 31 March 2021.

**Note 39** Amount below Rs 50,000 have been rounded off or shown as "0".

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm Registration No.: 001076N/N500013

For and on behalf of Board of Directors of  
**Trust Asset Management Private Limited**

Sd/-  
**Manish Gujral**  
Partner  
Membership No. 105117

Place : Mumbai  
Date: 23 July 2021

Sd/-  
**Nipa Sheth**  
Director  
DIN: 00081064

Place: Mumbai  
Date: 23 July 2021

Sd/-  
**Utpal Sheth**  
Director  
DIN: 00081012

Place: Mumbai  
Date: 23 July 2021

Sd/-  
**Puja Trivedi**  
Company Secretary  
ACS - 33258

Place: Mumbai  
Date: 23 July 2021



**TRUST Asset Management Private Limited**

801, Naman Centre, BKC, Bandra (E),  
Mumbai - 400 051.

Phone: +91 22 6274 6000