

INDEPENDENT AUDITOR'S REPORT

To the Members of **Edelweiss Trusteeship Company Limited**

Report on the Audit of the Standalone Ind AS Financial Statements

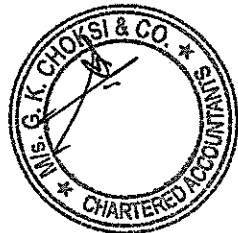
Opinion

We have audited the accompanying standalone Ind AS financial statements of **Edelweiss Trusteeship Company Limited** ("the Company"), which comprise the Balance sheet as at March 31 2021, the Statement of Profit and Loss, , the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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



708-709, Raheja Chambers, Free Press Journal Road, Nariman Point, **MUMBAI** - 400 021.
Dial : 91 - 22 - 6632 4446/47 ; FAX : 91 - 22 - 2288 2133 ; Email : mumbai@gkcco.com

514/515, Tolstoy House, Tolstoy Marg, Janpath, **NEW DELHI** - 110 001
Branches : Dial : 91 - 11 - 4371 7773 - 74 ; Email : info@gkcco.com

'Surya Bhavan', Station Road, **PETLAD** - 388 450. Dial : 91 - 2697 - 224 108

Other Information

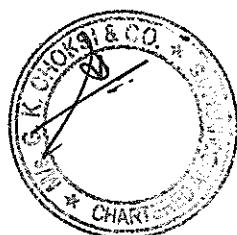
The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report, but does not include the standalone Ind AS financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone Ind AS 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 standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Responsibilities of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with [the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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

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

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and the other financial information we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.



2. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of accounts required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
- (g) In our opinion, and according to the information and explanation given to us, no remuneration has been paid by the company to its directors during the current year. Hence we have nothing to report in this regard.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:



- i. The Company does not have any pending litigations which would impact its financial position;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **G.K. Choksi & Co.**

Chartered Accountants

ICAI Firm Registration Number:101895W


per Shreyas V Parikh

Partner

Membership Number: 033402

UDIN:21033402AAAACG7846

Place of Signature: Mumbai

Date: 26.05.2021



Annexure A to the Independent Auditor's Report – 31st March 2021
(Referred to in our report of even date)

- i. According to the information and explanations given to us and on an overall examination of the book of accounts of the Company, the Company does not hold any property, plant and equipment in the current financial year. Thus, paragraph 3(i) of the Order is not applicable to the company.
- ii. The Company is a service company, primarily providing trusteeship services. Accordingly, it does not hold any inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Thus, paragraph 3(iii) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not advanced any loans, made investments, given any guarantee or provided any security in connection with loan to any of its Directors or to any person in whom the Director is interested under the provisions of section 185 and 186 of the Act. Thus, paragraph 3(iv) of the Order is not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and Rules framed there under. Thus, paragraph 3(v) of the Order is not applicable to the Company.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company. Therefore the provisions of paragraph 3(vi) of the Order are not applicable to the company.



vii. In respect of statutory dues:

- (a) According to Information and explanation given to and on the basis of our examination of the books of account, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including income tax, goods and services tax, and other material statutory dues have been regularly deposited during the year by the company with the appropriate authorities except for provident fund for which the company is yet to obtain registration. The provisions related to employee's state insurance, investor education and protection fund, sales tax, wealth tax, customs duty, excise duty and cess are not applicable to the company.
- (b) According to the information and explanation given to us, no undisputed amounts payable in respect of income tax, goods and services tax, provident fund and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions related to employee's state insurance, investor education and protection fund, sales tax, wealth tax, customs duty, excise duty and cess are not applicable to the company.
- (c) According to the information and explanation given to us, there are no dues of income tax, goods and services tax, provident fund and other material statutory dues which have not been deposited on account of any dispute. The provisions related to employee's state insurance, investor education and protection fund, sales tax, wealth tax, customs duty, excise duty and cess are not applicable to the company.

viii. The Company has not taken any loans or borrowings from any financial institution banks or government. Further, the Company has not issued any debentures.

ix. In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Thus, paragraph 3(ix) of the Order is not applicable to the Company.



- x. According to the information and explanations given to us, no material fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations give to us and based on our examination of the records of the company , the Company has not paid/provided for managerial remuneration. Thus, paragraph 3(xi) of the Order is not applicable to the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company as per the Act. Thus, paragraph 3(xii) of the Order is not applicable to the company.
- xiii. In our opinion, according to the information and explanations given to us, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable, for all transaction with related party and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations give to us and based on our examination of the records of the company, the Company has not made any preferential allotment or private placement of shares or allotted fully or partly convertible debentures during the year. Thus, paragraph 3(xiv) of the Order is not applicable to the company.
- xv. According to the information and explanations given to us and based on our examination of the records of the company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

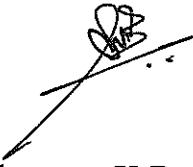


xvi. According to the information and explanations given to us, since the company is engaged in rendering trusteeship services, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Thus, paragraph 3(xvi) of the Order is not applicable to the company.

For **G.K. Choksi & Co.**

Chartered Accountants

ICAI Firm Registration Number:101895W



per Shreyas V Parikh

Partner

Membership Number: 033402

UDIN:21033402AAAACG7846

Place of Signature: Mumbai

Date: 26.05.2021



Annexure B to the Independent Auditor's Report on the financial statements of Edelweiss Trusteeship Company Limited for the year ended 31st March,2021

Report on the Internal Financial Controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") (Referred to in paragraph (A.f.) under Report on Other Legal and Regulatory Requirements section of our report of even date)

Opinion

We have audited the internal financial controls over financial reporting of **Edelweiss Trusteeship Company Limited** ("the Company") as of March 31 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.



Auditor's Responsibility

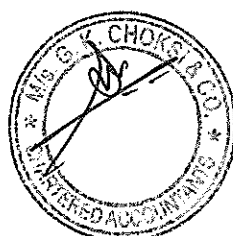
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these

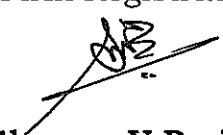


standalone Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Ind AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **G.K. Choksi & Co.**
Chartered Accountants
ICAI Firm Registration Number:101895W


per Shreyas V Parikh
Partner
Membership Number: 033402
UDIN:21033402AAAACG7846
Place of Signature: Mumbai
Date:26.05.2021



Edelweiss Trusteeship Company Limited

Balance Sheet as at March 31, 2021

(Currency : Indian rupees)

	Note	As at 31 March 2021	As at 31 March 2020
I. ASSETS			
Non - current assets			
Financial assets			
- Investments	2	236	225
Other non-current assets			
- Current tax assets (net)	3	309	248
		<u>545</u>	<u>473</u>
Current assets			
Financial assets			
- Investments	4	4,322	4,122
- Trade receivables	5	322	90
- Cash and cash equivalents	6	666	450
Other current assets	7	139	93
		<u>5,449</u>	<u>4,756</u>
TOTAL ASSETS		<u>5,994</u>	<u>5,229</u>
II. EQUITY AND LIABILITIES			
Equity			
- Equity share capital	8	1,000	1,000
- Other equity	9	3,929	3,777
		<u>4,929</u>	<u>4,777</u>
Non - current liabilities			
(a) Provisions	10	67	-
(b) Deferred tax liabilities	11	378	336
		<u>446</u>	<u>336</u>
Current liabilities			
Financial liabilities			
- Trade payables	12		
(i) total outstanding dues of micro enterprises and small enterprises		88	114
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises			
Provisions	13	3	-
Other current liabilities	14	528	2
		<u>619</u>	<u>116</u>
TOTAL EQUITY AND LIABILITIES		<u>5,994</u>	<u>5,229</u>

The accompanying notes are an integral part of these financial statements

1 & 2-30

As per our report attached of even date

For G.K. Choksi & Co.
Chartered Accountants
Firm Reg. No. 101895W

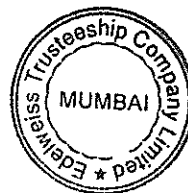
Shreyas V. Parikh
Partner
Membership No. 033402

Place: Mumbai
Date: 26 May 2021



For and on behalf of the Board of Directors

Himanshu Kaji Kedar Desai
Director Director
DIN - 00009438 DIN - 00322581



Edelweiss Trusteeship Company Limited

Statement of Profit and Loss

(Currency : Indian rupees)

	Note	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue from operations			
Trusteeship fees	15	1,625	1,000
Total revenue from operations		<u>1,625</u>	<u>1,000</u>
Other income	16	238	478
Total revenue		<u>1,863</u>	<u>1,478</u>
Expenses			
Employee benefits expense	17	845	-
Other expenses	18	811	1,074
Total expenses		<u>1,656</u>	<u>1,074</u>
Profit / (loss) before exceptional items and tax		207	404
Profit before tax		207	404
Tax expenses:	19		
Current tax (Including Short /Excess) provision for earlier years		2	(32)
Deferred tax		42	128
Profit/(loss) for the year from continuing operations		<u>163</u>	<u>309</u>
Profit/ (Loss) from discontinuing operations		-	-
Tax expense of discontinuing operations		-	-
Profit/ (Loss) from discontinuing operations (after tax)		-	-
Profit after tax for the year		<u>163</u>	<u>309</u>
Other Comprehensive Income			
Remeasurement gain / loss on defined benefit plans (OCI)		(10)	-
Total Comprehensive Income		<u>153</u>	<u>309</u>
Earnings per equity share (Face value of Rs.10 each):			
1 & 2-30	20	0.00	0.00

The accompanying notes are an integral part of the financial statements

1 & 2-30

For G.K. Choksi & Co.
Chartered Accountants
Firm Reg. No. 101895W

Shreyas V. Parikh
Partner
Membership No. 033402

Place: Mumbai
Date: 26 May 2021



For and on behalf of the Board of Directors

Himanshu Kaji
Director
DIN - 00009438

Kedar Desai
Director
DIN - 00322581



Edelweiss Trusteeship Company Limited

Cash Flow Statement

(Currency : Indian Rupees)

	For the year ended 31 March 2021	For the year ended 31 March 2020
A Cash flow from operating activities		
Profit before tax	207	404
Add / (Less): Adjustments for		
Gain on investments carried at FVTPL	(211)	(467)
Gratuity and compensated expenses	40	
Interest on income tax refund	-	(11)
Operating cash flow before working capital changes	36	(74)
Add / (Less): Adjustments for		
(Increase)/ decrease in trade receivables	(232)	8
Decrease/(increase) in other current assets	(45)	9
Decrease/(increase) in other current liabilities	489	
(Decrease)/ increase in trade payables	(25)	(19)
Increase/(decrease) in other non-financial liabilities	99	(5)
Cash generated from operations	321	(82)
Income tax refund/ (paid) (net)	(104)	72
Net cash generated from operating activities - A	217	(10)
B Cash flow from investing activities		
Proceeds from sale of investments	-	-
Net cash used in investing activities - B	-	-
C Cash flow from financing activities		
Net cash used in financing activities - C	-	-
Net increase / (decrease) in cash and cash equivalents (A+B+C)	217	(10)
Cash and cash equivalents as at the beginning of the year	450	460
Cash and cash equivalents as at the end of the year	668	450
Components of cash and cash equivalents		
Balance with banks in current account	666	450

The above statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, "Statement of Cash Flow".

As per our report attached of even date

For G.K. Choksi & Co.
Chartered Accountants
Firm Reg. No. 101895W

Shreyas V. Parikh
Partner
Membership No. 033402

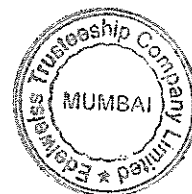


For and on behalf of the Board of Directors

Himanshu Kaji
Director
DIN - 00009438

Kedar Desai
Director
DIN - 00322581

Place: Mumbai
Date: 26 May 2021



Edelweiss Trusteeship Company Limited

Statement of changes in equity for the year ended 31st March 2021

(Currency : Indian rupees)

Equity share capital

Particulars	Balance at the beginning of the year	Changes in equity share capital	Balance at the end of the year
Equity Shares of Rs.10/- each, fully paid up			
As at March 31, 2019	1,000	-	1,000
As at March 31, 2020	1,000	-	1,000
As at March 31, 2021	1,000	-	1,000
	1,000	-	1,000

Other Equity

Particulars	Reserves and Surplus		Total
	Capital Reserve	Retained earnings	
Balance at March 31, 2019	132	3,336	3,468
Profit for the year	-	309	309
Balance at March 31, 2020	132	3,644	3,776
Profit for the year	-	163	163
Remeasurement gain / loss on defined benefit plans (OCI)	-	-10	-10
Total Comprehensive Income for the year	-	153	153
Balance at March 31, 2021	132	3,797	3,929

The accompanying notes are an integral part of these financial statements

1 & 2-30

As per our report attached of even date

For G.K. Choksi & Co.
Chartered Accountants
Firm Reg. No. 101895W

Shreyas V. Parikh
Partner
Membership No. 033402



For and on behalf of the Board of Directors

Himanshu Kaji
Himanshu Kaji
Director
DIN - 00009438

Kedar Desai
Kedar Desai
Director
DIN - 00322581

Place: Mumbai
Date: 26 May 2021



Edelweiss Trusteeship Company Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

1. Significant Accounting Policies

Company overview

Edelweiss Trusteeship Company Limited (the 'Company') was incorporated in India with limited liability on September 03, 2007. The Company is a subsidiary of Edelweiss Financial Services Limited, a company registered in India.

The principal object of the Company is to act as trustee for mutual funds, perform the functions and duties of a trustee, execute trusts of all kind and transact all kinds of trust, agency or fiduciary business. The Company has been appointed as the trustee of Edelweiss Mutual Fund (the 'Fund'), vide a trust deed dated January 30, 2008, (the 'Deed') between itself, Edelweiss Financial Services Limited (the 'Settler/ Sponsor') and Edelweiss Asset Management Limited (the 'AMC').

1.1 Basis of preparation and recent accounting developments

Basis of preparation

a) Statement of compliance

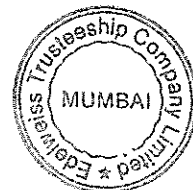
The Company's financial statements have been prepared in accordance with the provision of the Companies Act, 2013 and the Indian Accounting Standards (hereinafter referred to as the "Ind AS") as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with rule 3 of Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. In addition, the guidance notes/ announcements issued by the Institute of Chartered Accountants of India (the 'ICAI') are also applied except where compliance with other statutory promulgations requires a different treatment.

b) Basis of accounting

The company maintains accounts on accrual basis following the historical cost convention, except for certain financial instruments that are measured at fair value in accordance with Ind AS.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – Inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liabilities, either directly or indirectly.
- Level 3 – inputs are unobservable inputs for the valuation of assets/liabilities.



Edelweiss Trusteeship Company Limited**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Continued)****c) Presentation of financial statements**

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 (the 'Act'). The statement of cash flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

d) Functional and presentation currency

Indian Rupees (₹) is the Company's functional currency and the currency of the primary economic environment in which the Company operates. Accordingly, the management has determined that financial statements are presented in Indian Rupees (₹). All amounts have been rounded-off to the nearest rupee upto two decimal places, unless otherwise indicated.

e) Basis of measurement

The Ind AS financial statements has been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial instruments (as explained in the accounting policies below)	Fair value

f) Use of estimates and judgments

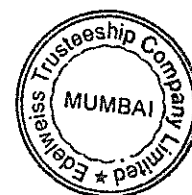
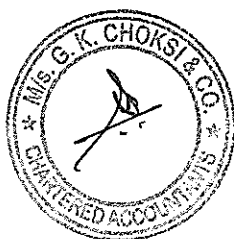
In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Assumptions and estimation uncertainties

Information about critical judgments, assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended March 31, 2021 is included in the following notes:

- Note 21 – Recognition and measurement of contingencies, if any;
- Note 22 – Financial instruments – Fair values and risk management



Edelweiss Trusteeship Company Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Continued)

g) Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received on sale of asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

Valuation models that employ significant unobservable inputs require a higher degree of judgment and estimation in the determination of fair value. Judgment and estimation are usually required for selection of the appropriate valuation methodology, determination of expected future cash flows on the financial instrument being valued, determination of probability of counterparty default and selection of appropriate discount rates.

The management regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques:-

- i) **Level 1:** Inputs that are quoted market prices (unadjusted) in active markets for identical instruments. This includes NAV valuations.
- ii) **Level 2:** Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This includes price of the similar instrument, at the time of valuation.
- iii) **Level 3:** Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This includes pricing basis discounted cash flow and adjusted net assets value methods.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

1.2 Standards issued but not yet effective

There are no new standard or amendment issued but not effective.

1.3 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks.



Edelweiss Trusteeship Company Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Continued)

1.4 Financial instruments:

i. Recognition and initial measurement

All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability which is not recognized at Fair Value through Profit and Loss, is initially measured at fair value plus, for an item not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortized cost
- Fair value through profit or loss [FVTPL]

Financial assets at fair value through profit or loss

Financial assets in this category are those that are not held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109.

Financial liabilities: Classification, subsequent measurement and gains and losses

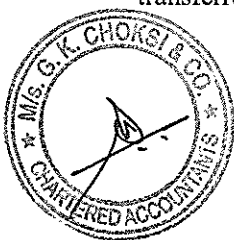
Financial liabilities are classified and measured at amortized cost or FVTPL. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss.

iii. Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.



Edelweiss Trusteeship Company Limited**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Continued)****Financial liabilities**

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in Statement of profit and loss.

1.5 Revenue recognition**i. Rendering of services**

The Company recognizes revenue from contracts with customers based on a five step model as set out in Ind AS 115 to determine when to recognize revenue and at what amount.

Revenue is measured based on the consideration specified in the contract with a customer. Revenue from contracts with customers is recognized when services are provided and it is highly probable that a significant reversal of revenue is not expected to occur.

ii. Nature of goods and services

The Company principally generates revenue by providing trusteeship services to Mutual fund.

Services	Nature, timing of satisfaction of performance obligations and significant payment terms
Trusteeship Fee	The Company has been appointed as trustee to Edelweiss Mutual Fund. The Company receives trusteeship fees from the Edelweiss Mutual Fund which is charged and is accounted on accrual basis at rates approved by the Board of Directors of the Company.

1.6 Provisions (other than employee benefits)

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed. Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents.



Edelweiss Trusteeship Company Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Continued)

1.7 Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

i. Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

ii. Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax assets are also recognized with respect to carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilized.

It is probable that taxable profit will be available against which a deductible temporary difference, unused tax loss or unused tax credit can be utilized when there are sufficient taxable temporary differences which are expected to reverse in the period of reversal of deductible temporary difference or in periods in which a tax loss can be carried forward or back. When this is not the case, deferred tax asset is recognized to the extent it is probable that:

- the entity will have sufficient taxable profit in the same period as reversal of deductible temporary difference or periods in which a tax loss can be carried forward or back; or
- Tax planning opportunities are available that will create taxable profit in appropriate periods.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.



Edelweiss Trusteeship Company Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021 (Continued)

1.8 Earnings per share (EPS)

Basic earnings per share are computed by dividing the net profit after tax attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding for the year.

Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax attributable to the equity shareholders for the year by weighted average number of equity shares considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all potential equity shares.

1.9 Retirement and other employee benefit

Provident fund

The Company contributes to a recognised provident fund which is a defined contribution scheme. The contributions are accounted for on an accrual basis and recognised in the statement of profit and loss.

Gratuity

The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted. The present value of the obligation under such benefit plan is determined based on independent actuarial valuation using the Projected Unit Credit Method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

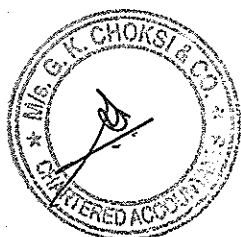
Remeasurements are not reclassified to profit or loss in subsequent periods

Compensated Absences

The eligible employees of the Company are permitted to carry forward certain number of their annual leave entitlement to subsequent years, subject to a ceiling. The Company recognises the charge in the statement of profit and loss and corresponding liability on such non-vesting accumulated leave entitlement based on a valuation by an independent actuary. The cost of providing annual leave benefits is determined using the projected unit credit method.

1.10 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest million as per the requirements of Schedule III, unless otherwise stated.



Edelweiss Trusteeship Company Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

2 Non-current assets

Investments

Investments in units of mutual fund schemes (quoted), fully paid-up Measured at Fair Value through Profit or loss account (FVTPL)	As at 31 March 2021			As at 31 March 2020		
	Face Value	Quantity	Amount	Face Value	Quantity	Amount
Edelweiss Dynamic Bond Fund - Direct Plan - Growth Option (Formerly known as Edelweiss Bond Fund)	0	10	236	0	10	225
Total			236			225

Aggregate of quoted investment - At fair value (being net asset value)

236 **225**

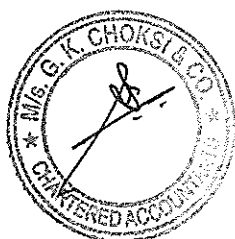
4 Current Assets

Investments

Investments in units of mutual fund schemes (quoted), fully paid-up Measured at Fair Value through Profit or loss account (FVTPL)	As at 31 March 2020			As at 31 March 2020		
	Face Value	Quantity	Amount	Face Value	Quantity	Amount
Edelweiss Dynamic Bond Fund - Direct Plan - Growth Option (Formerly known as Edelweiss Bond Fund)	0	177	4,322	10	177	4,122
Total			4,322			4,122

Aggregate of quoted investment - At fair value (being net asset value)

4,322 **4,122**



Edelweiss Trusteeship Company Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	As at 31 March 2021	As at March 31, 2020
3 Current tax assets (net)		
Advance income taxes	309	248
Total	309	248
5 Trade receivables		
Trade receivables		
Receivables considered good - Unsecured	322	90
Total	322	90
6 Cash and cash equivalents		
Balances with banks		
- in current accounts	666	450
Total	666	450
7 Other non-current assets		
Prepaid expenses	4	-
Advances recoverable in cash or in kind or for value to be re	113	-
Others	21	-
GST Input credit	-	93
Total	139	93



Edelweiss Trusteeship Company Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	As at 31 March 2021	As at March 31, 2020
8 Equity share capital		
Authorised :		
250,000 (Previous year: 250,000) equity shares of Rs. 10 each	2,500	2,500
	<u>2,500</u>	<u>2,500</u>
Issued, Subscribed and Paid up:		
100,000 (Previous year: 100,000) equity shares of Rs. 10 each, fully paid-up	1,000	1,000
Total	<u>1,000</u>	<u>1,000</u>

a. Movement in share capital :

	31 March 2021		March 31, 2020	
	No of shares	Amount	No of shares	Amount
Outstanding at the beginning of the year	100	1,000	100	1,000
Shares issued during the year	-	-	-	-
Outstanding at the end of the year	<u>100</u>	<u>1,000</u>	<u>100</u>	<u>1,000</u>

b. Terms/rights attached to equity shares :

The Company has issued only one class of shares. The entire paid up share capital is held by Edelweiss Financial Services Limited, the holding company and its nominees. Each holder of equity shares is entitled to only one vote per share. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of shares held by holding company and shareholders holding more than 5% of the aggregate share

	As at 31 March 2021		As at 31 March 2020	
	No of shares	%	No of shares	%
Holding company				
Equity shares of Rs. 10 each fully paid up				
Edelweiss Financial Services Limited, holding company and its nominees	<u>100,000</u>	<u>100</u>	<u>100,000</u>	<u>100</u>
	<u>100,000</u>	<u>100</u>	<u>100,000</u>	<u>100</u>

9 Reserves and surplus

Capital Reserve - Opening balance**	132	132
Add : Additions during the year	-	-
Capital Reserve - Closing balance	<u>132</u>	<u>132</u>
Retained earnings - Opening Balance	3,644	3,336
Add: Profit for the year	163	
Add: Other comprehensive income for the year	-10	309
Retained earnings - Closing Balance	<u>3,797</u>	<u>3,644</u>
	<u>3,929</u>	<u>3,777</u>



Edelweiss Trusteeship Company Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

	As at 31 March 2021	As at March 31, 2020
10 Provisions		
Employee benefits		
Compensated leave absences	9	-
Gratuity	58	-
	<u>67</u>	<u>-</u>
11 Deferred tax Liabilities (net)		
Employee benefit obligations		
Provision for leave accumulation	3	-
Disallowances under section 43B of the Income Tax Act, 1961	15	-
1 Accumulated Losses	-	16
Deferred tax liabilities		
Fair valuation of investments and stock-in-trade - gain in valuation	395	352
Total	<u>378</u>	<u>336</u>
12 Trade Payables		
Total outstanding dues to creditors other than micro enterprises and small enterprises	88	114
Total	<u>88</u>	<u>114</u>
13 Provisions		
Employee benefits		
Compensated leave absences	3	-
	<u>3</u>	<u>-</u>
14 Other current liabilities		
Withholding taxes, Goods & service tax and other taxes payable	90	2
Accrued salaries and benefits	438	-
Total	<u>528</u>	<u>2</u>



Edelweiss Trusteeship Company Limited

Notes to the financial statements (Continued)

(Currency : Indian rupees)

		for the year ended 31 March 2021	for the year ended March 31, 2020
15	Fee income		
	Trusteeship fees	1,625	1,000
	Total	1,625	1,000
16	Other Income		
	Gain on investments carried at FVTPL	211	467
	Credit Balance Written Back	27	-
	Interest on income tax refund	-	11
	Total	238	478
17	Employee benefit expenses		
	Salaries and wages		
	Salaries and wages	430	-
	Compensated absences	12	-
	Salaries and wages - Bonus	350	-
	Contribution to provident and other funds	24	-
	Gratuity Exps	28	-
	Staff welfare expenses	1	-
	Total	845	-
18	Other expenses		
	Interest on Late Payment	3	-
	Legal and professional fees	125	179
	Directors' sitting fees	580	780
	Auditors' remuneration	60	66
	Rates and taxes	3	3
	Communication	12	2
	Printing and stationery	3	1
	Bank Charges	-	3
	Computer expenses	1	-
	Computer software	2	-
	Clearing & custodian charges	5	5
	Membership and subscription	0	-
	Office expenses	5	-
	ROC Expenses	-	1
	Goods & Service tax expenses	1	23
	Usage of Assets – In & Out	1	-
	Travelling and conveyance	9	12
	Miscellaneous expenses	2	-
	Total	811	1,074
	Auditors' remuneration :-		
	As Auditors	60	60
	Towards reimbursement of expenses	-	6
		60	66



Edelweiss Trusteeship Company Limited

19 Income Tax

The components of income tax expense recognised in profit or loss for the years ended 31 March 2021 and 2020 are:

Particulars	2020-21	2019-20
Current tax	2	-
Adjustment in respect of current income tax of prior years	-	(32)
Deferred tax relating to origination and reversal of temporary differences	42	12
Deferred tax relating to unused tax losses and unused tax credits (including write-downs) (net)	-	115
Total tax expense	44	96
Total Current Tax	2	(32)
Total Deferred Tax	42	128

A. - Amount computed by applying the statutory income tax rate to the profit before tax

Particulars	2020-21	2019-20
Profit before tax	207	404
Tax rate	25.17%	25.17%
Income tax expense calculated based on above tax rate	52	102
Adjustment in respect of income tax of prior years	-	-32
Effect of income not subject to tax	136	(102)
Effect of non-deductible expenses	-	-
Others	63	-
Tax expense recognised in profit or loss	2	(32)

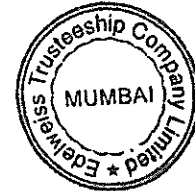


19.2. Tax expense schedule (continued)

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

	Opening deferred tax asset / (liability) as per Ind AS	Movement for the period (2019-20)		Closing deferred tax asset / (liability) as per Ind AS
		Recognised in profit or loss	Total movement	
Deferred taxes in relation to:				
Other investments (equity instruments)	-352	44	44	-396
Unused tax losses (including but not limited to business losses, unabsorbed depreciation)	-	-	-	-
Employee benefits obligations	-	-18	-18	18
Unused tax losses (including but not limited to business losses, unabsorbed depreciation)	16	16	16	-
Total	-336	42	42	-378

	Opening deferred tax asset / (liability) as per Ind AS	Movement for the period (2019-20)		Closing deferred tax asset / (liability) as per Ind AS
		Recognised in profit or loss	Total movement	
Deferred taxes in relation to:				
Other investments (equity instruments)	-324	-28	-28	-352
Unused tax losses (including but not limited to business losses, unabsorbed depreciation)	-	16	16	-
Unused tax credits (including but not limited to Minimum Alternate Tax credit)	-	-115	-115	-
Total	-324	-128	-128	-336



Edelweiss Trusteeship Company Limited

Notes to the financial statements (Continued)

(Currency: Indian Rupees)

20. Earnings per share

Basic earnings per share (EPS) are calculated by dividing the net profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the net profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table shows the income and share data used in the basic and diluted EPS calculations:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
a) Net amount attributable to the equity shareholders (as per statement of profit and loss)	163	3,08
b) Weighted average number of equity shares outstanding during the year (based on the date of issue of shares)	100	100
c) Basic and diluted earnings per share (in Rupees) (a/b) (Face value Rs. 10 per share)	0	0

21. Segment reporting

The Company is in the business of providing trusteeship services to Edelweiss Mutual Fund. Accordingly, there is no separate reportable segment and hence, no disclosure is made under Indian Accounting Standard 108 – Operating Segment Reporting. Further, segmentation based on geography has not been presented as the Company operates only in India.

There is only one customer contributing in excess of 10% of the total revenue of the Company.

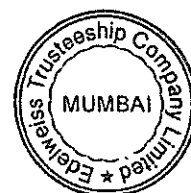
The amounts for the same are as follows:

Particulars	For the year ended	For the year ended
	March 31, 2021	March 31, 2020
Edelweiss Mutual Fund	1,625	1,000

22. Related parties

(A) Names of related parties by whom control is exercised

Sr No.	Name of Entity/Person	Nature of relationship
1	Edelweiss Financial Services Limited	Holding company
2	Edelweiss Asset Management Limited	Fellow subsidiaries
3	ECap Equities Limited	Fellow subsidiaries
4	ECL Finance Limited	Fellow subsidiaries
5	Edelweiss Asset Management Limited	Fellow subsidiaries
7	Edelweiss Rural & Corporate Services Limited - ECSL	Fellow subsidiaries
8	Edelweiss Tokio Life Insurance Company Ltd	Fellow subsidiaries
9	Edelweiss Securities Limited	Fellow subsidiaries



Edelweiss Trusteeship Company Limited

Notes to the financial statements (Continued)

(Currency: Indian Rupees)

B - Transactions with related parties

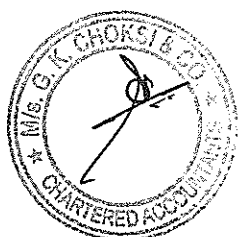
Sr No.	Related Party Name	Nature of Transactions	31-Mar-21	31-Mar-20
1	ECap Equities Limited	Reimbursement of Expenses	0.13	-
2	ECL Finance Limited	Reimbursement of Expenses	0.01	-
3	Edelweiss Financial Services Limited(Formerly ECL)	Reimbursement of Expenses	0.48	-
4	Edelweiss Rural & Corporate Services Limited – ECSL	Reimbursement of Expenses	12	-
5	Edelweiss Tokio Life Insurance Company Ltd	Insurance Exps – Life	0.42	-
6	Edelweiss Asset Management Ltd	Expenses Recoverable	134	-
7	Edelweiss Securities Limited	Reimbursement of Expenses	0.29	-

C -Outstanding Balances as on March 31, 2021

Sr No.	Related Party Name	Nature of Transactions	31-Mar-21	31-Mar-20
1	ECap Equities Limited	Payable Towards the Reimbursement of Expenses	0.05	-
3	ECL Finance Limited	Payable Towards the Reimbursement of Expenses	0.01	-
3	Edelweiss Financial Services Limited(Formerly ECL)	Payable Towards the Reimbursement of Expenses	0.01	-
4	Edelweiss Rural & Corporate Services Limited - ECSL	Payable Towards the Reimbursement of Expenses	3	-
5	Edelweiss Securities Limited	Payable Towards the Reimbursement of Expenses	0.06	-
6	Edelweiss Asset Management Limited	Expenses Recoverable	134	-

23. Details of dues to micro small and medium enterprises

Trade Payables includes Rs. Nil (Previous years: Rs. Nil) payable to “Suppliers” registered under the Micro, Small and Medium Enterprises Development Act, 2006. No interest has been paid / is payable by the Company during the year to “Suppliers” registered under this act. The aforementioned is based on the responses received by the Company to its inquiries with suppliers with regard to applicability under the said act.



Edelweiss Trusteeship Company Limited

Notes to the financial statements (Continued)

(Currency: Indian Rupees)

Particulars	March 31, 2021	March 31, 2020
Principal amount remaining unpaid to any supplier as at the year end	Nil	Nil
Interest due thereon	Nil	Nil
Amount of interest paid by the company in terms of section 16 of the MSMEDA, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	Nil	Nil
Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMEDA	Nil	Nil
Amount of interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil

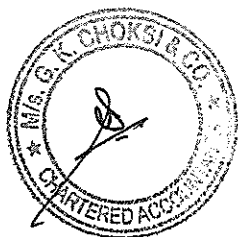
24. Recognition and measurement of contingencies:

There are no outstanding contingencies as on March 31 2021 (Previous Years: Nil).

25. Financial Risk Management and fair value hierarchy:

Capital Management

Equity share capital and other equity are considered for the purpose of Company's capital management. The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimize returns to the Shareholders. The Board of Directors monitors the return on capital of the Company. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.



Edelweiss Trusteeship Company Limited

Notes to the financial statements (Continued)

(Currency: Indian Rupees)

Financial Instruments

A) Classification and fair values of financial assets & liabilities

The following table shows the carrying amounts of financial assets and financial liabilities.

Particulars	Carrying amount	
	As at March 31, 2021	As at March 31, 2020
Financial assets		
Non - current investments (Level 1)	236	225
Current investments (Level 1)	4,322	4,122
Trade receivables	322	90
Cash and cash equivalents	666	450
Total	5,547	4,888
Financial liabilities		
Trade payables	88	114
Other financial liabilities	529	-
Total	618	114

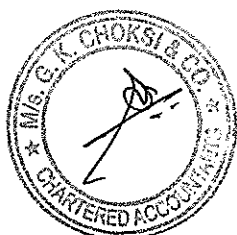
The financial assets include investments which are measured at FVTPL and categorised into fair value hierarchy as Level 1.

The financial assets excluding investments are not measured at FVTPL which includes cash and cash equivalents and trade receivables. These are the financial assets whose carrying amount approximate fair value, because of their short term nature.

Additionally, financial liabilities includes trade payables not measured at FVTPL whose carrying amount approximate fair value, because of their short term nature.

B) Financial risk management

The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The financial risks are managed in accordance with the Company's risk management policy which has been approved by its Board of Directors. The Company's board of directors has overall responsibility for managing the risk profile of the company. The purpose of risk management is to identify potential problems before they occur, so that risk-handling activities may be planned and invoked as needed to manage adverse impacts on achieving objectives.



Edelweiss Trusteeship Company Limited

Notes to the financial statements (Continued)

(Currency: Indian Rupees)

The Company has exposure to the following risks arising from financial instruments:

Risk	Exposure arising from
i) Credit risk	Financial assets
ii) Liquidity risk	Financial liabilities
iii) Market risk	Financial assets

i) Credit risk

Credit risk arises when a customer or counterparty does not meet its obligations under a customer contract or financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables. Company has no significant concentration of credit risk with any counterparty.

~~Company's management policy is to closely monitor creditworthiness of counterparties by reviewing their financial statements on regular basis.~~

Company's financial assets subject to the expected credit loss model within Ind AS 109 are only short-term trade and other receivables. All trade receivables are expected to be received in three months or less.

Company is exposed to credit risk on mutual fund investments, however this investment are not subjected to Ind AS 109 impairment requirements as they are measured at FVTPL. The carrying value of these investments, under Ind AS 109 represents the Company's maximum exposure to credit risk on financial instruments not subject to the Ind AS 109 impairment requirements on the respective reporting dates.

Particulars	As at March 31, 2021	As at March 31, 2020
Maximum exposure to credit risk	5,547	4,888

ii) Liquidity Risk:

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Exposure to liquidity risk arises because of the possibility that the Company could be required to pay its trade payables earlier than expected.



Edelweiss Trusteeship Company Limited

Notes to the financial statements (Continued)

(Currency: Indian Rupees)

The company's policy is to satisfy repayment requests by withdrawal of cash deposits.

		Contractual cash flows		
As at March 31, 2021	Carrying amount	Total	1 year or less	More than 1 year
Financial liabilities				
Trade payables	88	88	88	-
Other financial liabilities	529	529	529	-
Total	618	618	618	-

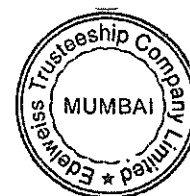
		Contractual cash flows		
As at March 31, 2020	Carrying amount	Total	1 year or less	More than 1 year
Financial liabilities				
Trade payables	114	114	114	-
Total	114	114	114	-

iii) Market risks

Risk which can affect the Company's income or the value of its holdings of financial instruments due to adverse movements in market prices of instrument due to price risk. The objective of the Company's market risk management is to manage and control market risk exposures within acceptable parameters.

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's financial Instruments. All of the company's interest rate risk exposure is at a fixed rate. Therefore, a change in interest rates at the reporting date would not affect statement of profit and loss for any of these fixed interest bearing financial instruments. Fair value can change due to change in interest rate.



Edelweiss Trusteeship Company Limited

Notes to the financial statements (Continued)

(Currency: Indian Rupees)

The interest rate profile of the company's interest-bearing Investments financial instruments is as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Investment in debt oriented mutual fund		
Non-current investments	236	225
Current investments	4,322	4122
Total	4,558	4,347

26. Covid -19

The outbreak of COVID - 19 pandemic has affected several countries across the world, including India. The Government is undertaking several measures to restrict the spread of virus and provide financial support to some stressed sectors. Further, while the COVID-19 vaccination efforts have gained momentum, uncertainty due to the resurgence of COVID cases across many parts of India is rising. The extent to which COVID-19 pandemic will impact the Company, if any, depends on future spread of the virus and related developments, which are uncertain at this point of time. There has been no material change in the controls or processes followed in the closing of the financial statements of the Company.

In preparing the accompanying financial results, the Company's management has assessed the impact of the pandemic on its operations and its assets including the value of its investments, asset management rights and trade receivables as at March 31, 2021. Since the revenue of the Company is ultimately dependent on the value of the assets it manages, changes in market conditions and the trend of flows into mutual funds may have an impact on the operations of the Company. Basis the assessment, the management does not, at this juncture, believe that the impact on the value of the Company's assets or its operations is likely to be material.

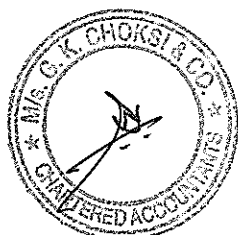
27. Disclosure pursuant to Indian Accounting Standard 19 - Employee Benefits

A) Defined contribution plan (provident fund):

Amount of Rs. 24 (Previous year: Rs. NIL) is recognised as expense and included in "Employee benefit expense" – note 16 in the statement of profit and loss.

B) Defined benefit plan (gratuity):

The following tables summarize the components of the net benefit expenses recognized in the statement of profit and loss, the funded status and amounts recognized in the balance sheet for the gratuity benefit plan.



Edelweiss Trusteeship Company Limited

Notes to the financial statements (Continued)

(Currency: Indian Rupees)

27 Disclosure pursuant to Indian Accounting Standard 19 - Employee Benefits (continued)

Statement of profit and loss

Expenses recognized in the statement of profit and loss account:

	2021	2020
Current service cost	27	-
Interest cost	1	-
Expected return on plan asset	-	-
Past service cost	-	-
Actuarial (gain) or loss recognized in the year	-	-
Employer expense	28	-

Balance sheet

Reconciliation of Defined Benefit Obligation (DBO):

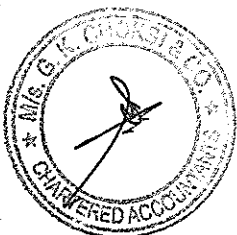
	2021	2020
Present value of DBO at the beginning of the year	-	-
Acquisition/ (Divesture)	-	-
Transfer in / (out)	21	-
Interest cost	1	-
Current service cost	27	-
Benefits paid	-	-
Past service cost	-	-
Actuarial (gain)/loss on obligation	10	-
Present value of DBO at the end of the year	59	-

Net (liability) / asset recognised in the balance sheet:

Particulars	2021	2020
Present value of defined benefit obligation	59	-
Fair value of plan assets at the end of the year	-	-
Amount recognized in balance sheet - asset/(liability)	59	-

Principal actuarial assumptions at the balance sheet date:

	2021	2020
Discount rate	5.00%	-
Salary escalation	7%	-
Employee attrition rate	25%	-
Expected return on plan assets	5.90%	-
Mortality rate	IALM 2012-14 (Ult.)	-



Edelweiss Trusteeship Company Limited

Notes to the financial statements (Continued)

(Currency: Indian Rupees)

27 Disclosure pursuant to Indian Accounting Standard 19 - Employee Benefits (continued)

Sensitivity analysis:

DBO increases / (decreases) by	March-21	March-20
Increase of 1% in Salary Growth Rate	3	-
Decrease of 1% in Salary Growth Rate	(3)	-
Increase of 1% in Discount Rate	(3)	-
Decrease of 1% in Discount Rate	4	-
Increase of 1% in Withdrawal Rate	Negligible change	-
Decrease of 1% in Withdrawal Rate	Negligible change	-
Mortality (Increase in expected lifetime by 1 year)	Negligible change	-
Mortality (Increase in expected lifetime by 3 years)	Negligible change	-

Percentage Break-down of Total Plan Assets:

	2021	2020
Insurer Managed Funds (Unit-linked)	0.0%	-
Cash and Bank	0.0%	-

C) Compensated leave absences

The liability for Compensated absences as determined by Independent actuary as at the balance sheet date is Rs. 12 (March 2020 Rs. NIL)

28. Cost sharing

Edelweiss Financial Services Limited, being the holding company along with fellow subsidiaries incurs expenditure like Group mediclaim, insurance, rent, electricity charges etc. which is for the common benefit of itself and its certain subsidiaries, fellow subsidiaries including the Company. This cost so expended is reimbursed by the Company on the basis of number of employees, time spent by employees of other companies, actual identifications etc. Accordingly, and as identified by the management, the expenditure heads in note 16 and 17 include reimbursements paid and are net of reimbursements received based on the management's best estimate.

29. Provident Fund

The Supreme Court has recently, delivered its ruling on the composition of basic wages for the purposes of deduction and contribution to the Employees Provident and Pension funds. The company, in the interest of its employees, awaits clarity on the complexities revolving around the application of the said order, the ambiguity reflected by the divergent views of legal experts and the response/direction from the authorities, including on representations made by an industry association in this regard.



Edelweiss Trusteeship Company Limited

Notes to the financial statements (Continued)
(Currency: Indian Rupees)

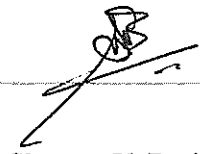
30. Prior period comparatives

The Figures in respect of the previous year have been regrouped/ rearranged wherever necessary, to make them comparable with the current year.

As per our report attached of even date

For G.K. Choksi & Co.
Chartered Accountants

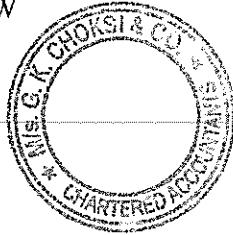
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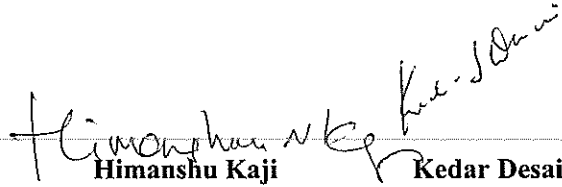
Shreyas V. Parikh

Partner

Membership No. 033402



For and on behalf of the Board of Directors



Himanshu Kaji

Director

DIN – 00009438

Kedar Desai

Director

DIN – 00322581

Place: Mumbai

Date: 26 May 2021

