

AXIS TRUSTEE SERVICES LIMITED

DIRECTOR'S REPORT 2023-24

Registered Office:

Axis House, Bombay Dyeing Mills Compound, Pandhurang Budhkar Marg, Worli Mumbai - 400 025

Corporate Office:

The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar West, Mumbai-400 028

Tel No.: 022-62300451 Fax No.: 022-6230 0700 Website- www.axistrustee.in

Corporate Identify Number: U74999MH2008PLC182264 | **MSME Registered UAN:** MH190046029



AXIS TRUSTEE

DIRECTORS' REPORT

To,
The Members,
AXIS TRUSTEE SERVICES LIMITED

Dear Members,

Your directors take pleasure in presenting Sixteenth (16th) Annual Report of the Company together with the Audited Financial Statements, Auditors' Report and the report on the business of the Company, for the financial year ended March 31, 2024.

FINANCIAL PERFORMANCE

The financial highlights of the Company for the year ended March 31, 2024, are presented below:

Particulars	(Rs. In Crores)	
	For the year ended 31.03.2024	For the year ended 31.03.2023
Operating Income	52.23	50.02
Interest and other income	5.64	3.93
Gross Income	57.87	53.95
Operating Expenses	20.33	16.10
Depreciation	0.31	0.25
Non-operating expenditure including provisions	4.13	4.51
Profit before Tax	33.09	33.10
Provision for Tax	8.43	8.46
Net Profit for the period	24.66	24.64
Appropriations:		
Transfer to General Reserve	2.46	2.46
Surplus carried to Balance Sheet	22.20	22.18

FINANCIAL PERFORMANCE AND THE STATE OF THE COMPANY'S AFFAIRS:

Total Operating Revenue of the Company during the Financial Year 2023-24 increased to Rs. 52.23 Cr against Rs. 50.02 Cr in the previous year. The Profit after Tax (PAT) for the Financial Year 2023-24 is Rs. 24.66 Cr against Rs. 24.64 Cr in the previous year.

Our Business

Your Company operates in the Trusteeship, Agency, and Administration services, guided by a proficient management team with a wealth of experience and a proven history of serving stakeholders effectively. The trusteeship offerings encompass a wide range of financial instruments, including debt securities such as debentures and bonds, loan-backed securities, Alternative Investment Fund Trusts (AIFT), Real Estate Investment Trusts (REIT), Infrastructure Investment Trusts (InvIT), and securitized debt instruments. Additionally, the Agency services revolve around managing and monitoring syndicated credit facilities, Escrow Accounts, Trust and



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Retention Accounts, as well as the safe custody of documents, ensuring comprehensive support for our clients' needs.

The Company did not change its nature of business during the Financial Year 2023-24.

Your Company stands as the 3rd largest Trustee, boasting a customer base of 1300 and commanding a notable 18% Market Share. Throughout the fiscal year the company observed significant growth in REITs, InvITs, and AIFs. Notably, in the REIT segment, your Company has 100% market share and 67% of the InvIT segment. Furthermore, our Facility Agency Business experienced an impressive volume growth of 100%, reflecting our commitment to excellence and innovation in all facets of our operations.

We are proud to announce that through great perseverance, hard work and support of the parent Axis Bank Group Management, your Company has achieved a current net-worth of ~Rs. 100 crores and has paid cumulative dividend of ~Rs.130 crores till FY 2024.

Your Company adeptly navigated the competitive market conditions and evolving regulatory shifts. It is evident that pricing pressure has become the new norm, prompting your Company to focus on building resilience through innovative product, partnership & business strategies.

Recognizing the pivotal role of innovation and product development in maintaining agility within a competitive market landscape, your Company strategically directed its attention to Facility Agency opportunities in Giff City. This strategic focus has proven fruitful, yielding substantial revenue growth in the segment.

Moreover, your Company has reaffirmed its position as a relationship-driven, sustainable, and profitable entity. Over the years, we have fostered strong and enduring relationships with existing customers. These relationships have been instrumental in sustaining ongoing business operations, even amidst fierce competition from industry peers.

Compliance is the backbone of Trustee business. Most of the competitors were penalized in the recent past, which has affected their reputation & market share while ATSL's strong governance and compliance focus has created right business opportunities & conversions.

Our winning mindset is reflected in multiple external recognitions that your Company received for its performance. ATSL was the only trustee Company representing Trustee business across India in FATF evaluation. Also, presently ATSL is representing Trustee Companies in SEBI's evaluation pertaining to "Cost of Compliance " in the industry.

The company is well poised for steady growth & market share as it continues to capitalize an opportunity based on emerging regulations. We will continue to strengthen our systems & processes, onboarding talent, providing skills & training to employees to facilitate its growth journey.

Your Company has implemented various initiatives, including expanding geographical coverage, diversifying product lines, strengthening business and servicing teams, and continuously adapting to evolving market dynamics.

Furthermore, we maintain our sharp focus on delivering exceptional customer service by enhancing processes and systems.



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In today's dynamic financial landscape, embracing technology and innovation while staying adaptable to evolving customer needs is essential for success. Your Company has launched various digital initiatives such as ERP systems and Investor Grievance Systems, enhancing stakeholder confidence and visibility. We also lead in system-based capabilities for monitoring payments under P2P and are conceptualizing new products like SM REIT and Custodian services for NEO NBFCs to broaden our offerings and further our market position.

Your Company has also set up an Advisory Panel of market experts, consultants' advisors and onboarded few distinguished individuals to strengthen its product innovation, legal and regulatory advisory, training, outreach & research capabilities. Your company has undertaken many industry leading employee initiatives primarily in the field of learning & development by launching market relevant "Coursera" courses and many employee engagement programs.

Your Company is well poised for steady growth and market share given its wider offerings, market presence, digital solutioning capabilities apart from process re-engineering, strengthening talent onboarding, skill development & training.

CAPITAL STRUCTURE OF THE COMPANY

The issued, subscribed, and paid-up equity share capital of the Company is Rs.1,50,00,000 divided into 15,00,000 equity shares of Rs. 10/- each. There were no changes in the Capital structure of the Company during the financial year 2023-24.

RESERVES

The Company proposes to transfer an amount of Rs. 2.47 Cr. to the General Reserves.

DIVIDEND

The Board of Directors is pleased to recommend a dividend of Rs. 95/- per share for the financial year ended March 31, 2024, subject to the approval of the members in the ensuing Annual General Meeting (AGM). The total cash outflow shall be Rs. 14.25 Cr.

MATERIAL CHANGES AFTER THE CLOSE OF THE FINANCIAL YEAR

There are no significant material changes or commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and date of the report.

BOARD OF DIRECTORS

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

1. Mr. Sumit Bali – Chairman & Additional Director
2. Ms. Deepa Rath – MD & CEO
3. Mr. Prashant Joshi – Additional Director

During the year under review, Mr. Rajesh Kumar Dahiya (DIN: 07508488) and Mr. Ganesh Sankaran (DIN:07580955) resigned from the Board of Directors of the company with effect from January 15, 2024.

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Mr. Prashant Ramrao Joshi (DIN: 08503064) and Mr. Sumit Bali (DIN: 02896088) were appointed as additional directors (Non-Executive Non-Independent) on the Board of Directors of the company with effect from January 16, 2024.

Further there were no changes in the Board.

KEY MANAGERIAL PERSONNEL

Ms. Deepa Rath, Managing Director & CEO of the Company, is the only Key Managerial Personnel of the Company as per the Companies Act 2013 has been appointed for a period of 5 years with effect from May 1, 2021.

The Company is not required to appoint any other Key Managerial Personnel in terms of the provisions of Section 203 of the Companies Act, 2013. However, Company has appointed Mr. Prasad Zinjurde as a Company Secretary of the Company w.e.f. April 12, 2024.

RETIREMENT BY ROTATION

Ms. Deepa Rath (DIN: 09163254) Managing Director of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for reappointment. Ms. Deepa Rath (DIN: 09163254) has also confirmed her eligibility to be re-appointed as Director at the AGM.

DETAILS OF BOARD MEETINGS

During the year under review, four meetings of the Board of Directors of the Company were held on April 13, 2023, July 11, 2023, October 12, 2023 and January 15, 2024. The gap between the said meetings did not exceed the limit of 120 days, as prescribed under the relevant provisions of the Companies Act, 2013 and the Rules made thereunder. The details of the Board Meetings of the Company for the Financial Year 2023-24 along with details of the attendance of each of the Directors are summarized below:

Sr. No.	Name of the Director	No. of Board Meeting	
		Entitled to Attend	Attended
1.	Mr. Rajesh Kumar Dahiya	4 (Four)	4 (Four)
2.	Mr. Ganesh Sankaran	4 (Four)	4 (Four)
3.	Ms. Deepa Rath	4 (Four)	4 (Four)

COMMITTEES OF THE CSR COMMITTEE:

The CSR Committee consists of 2 (Two) Directors. The Members of the CSR Committee are Mr. Rajesh Dahiya (Chairman) and Ms. Deepa Rath. The CSR Committee met on April 12, 2023, July 11, 2023.

Mr. Rajesh Dahiya (Chairman) ceased to be member and chairman of the Committee w.e.f. January 15, 2024. Mr. Sumit Bali has been inducted as a member and Chairman of the Committee.

As per the provisions of Companies Act and rules framed thereunder, Your Company is not required to constitute Audit Committee and Nomination & Remuneration Committee.



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BOARD AGENDA

The Board agenda is prepared based on inputs received from the concerned departments of the Company and finalized in consultation with the MD & CEO of the Company. The Board agenda and notes thereof are sent to the Members of the Board in advance to enable them to read and comprehend the matters to be dealt with and seek further information / clarification.

The Members of the Board are free to recommend inclusion of any matter in the agenda for discussion. The Minutes of the Board meetings are circulated to the Chairman for his review and approval and thereafter circulated to the other Members of the Board for their comments, in accordance with the Secretarial Standards on meetings of the Board of Directors (SS-1) issued by the Institute of Company Secretaries of India (ICSI).

In case of business exigencies or urgency of matters, resolutions are also passed by the Board through circulation. Video conferencing facilities were used to facilitate participation by Directors who are unable to physically attend the meetings of the Board.

PARTICULARS OF EMPLOYEES

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

DIRECTOR S RESPONSIBILITY STATEMENT

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

- a) That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) That such accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2024 and of the profit of the company for the year ended on that date;
- c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) That the annual accounts have been prepared on a going concern basis;
- e) That proper systems to ensure compliance with the provisions of all applicable laws have been in place and the same have been considered adequate and operating effectively.

DIRECTORS' COMMENTS ON AUDITORS' REPORT

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

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ANNUAL RETURN

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the Annual Return as at March 31, 2024 shall be available on the Company website.

Please find link to the Annual Return on our website:

<https://www.axistrustee.in/annual-returns?csrft=14336149984762910408>

RELATED PARTY TRANSACTIONS

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

HOLDING COMPANY

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

PUBLIC DEPOSITS

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

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

a) Conservation of energy

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

b) Technology absorption

(i)	the efforts made towards technology absorption	Our company has been at the forefront of technological advancement. Through our innovative approach, we've automated escrow transactions, streamlining processes and enhancing the validations involved. Additionally, our strategic
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		technology partnerships have allowed us to leverage our domain expertise coupled with technology, ensuring our services efficiencies. With a commitment to staying ahead of the curve, we have launched our new ERP system for all functions. This is aimed at bringing more control & monitoring.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	The new system will help us reduce the TAT and improvise the processes. Also, it will help us bringing in better control in the processes
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	Not applicable
	(a) the details of technology imported	NA
	(b) the year of import;	NA
	(c) whether the technology been fully absorbed	NA
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	NA
(iv)	the expenditure incurred on Research and Development	NA

c) Foreign exchange earnings and outgo

During the year, the company has earned foreign income of Rs. 7.35 Cr. and had not spent any foreign exchange.

RISK MANAGEMENT POLICY

The Company has a Risk Management Policy with an objective to formalize the process of identification of potential risk and adopt appropriate risk mitigation measures through a risk management structure. The Risk Policy is a step taken by the Company towards strengthening the existing internal controls and updating the same as may be required from time to time.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has constituted the Corporate Social Responsibility (CSR) Committee of the Board in accordance with the provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibilities) Rules, 2014, as amended. During the year, the said policy has been reviewed by the Board and the same has been hosted on the website of the company at <https://www.axistrustee.in/annual-returns?csrt=4857759937103750977>.

As part of its initiative under 'Corporate Social Responsibility' (CSR), Axis Trustee Services Ltd. supports a Sustainable Livelihoods Program executed through Axis Bank Foundation. The Sustainable Livelihoods Program is a multiyear support program that encourages rural households to diversify their income streams i.e., establish a 'Basket of Livelihoods' to reduce the



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risks of dependence on a single source of income. Natural resource management, agriculture, horticulture and livestock development, rural development, micro- enterprise, vocational training and skill development are the areas of intervention to enable stable livelihoods. The Program's multi-faceted approach enables households to increase their income, gain access to credit and build their capacities to be agents of change in their own communities. These activities are in accordance with Schedule VII of the Companies Act, 2013.

During the Financial Year 2023-24, the Company has spent Rs 58,80,000/- (Rupees Fifty-Eight Lakhs Eighty Thousand only) towards CSR activity undertaken through Axis Bank Foundation.

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

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

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

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

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

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTNTS

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

STATUTORY AUDITORS

The Statutory Auditors, M/s S R Batliboi & Co LLP, Chartered Accountants, (ICAI Firm Registration No: 301003E/ E30-0005) were reappointed as the Statutory Auditors of the Company in the 11th AGM to be held in 2019 to hold office for a period of 5 (five) years till the conclusion 16th AGM to be held on 2024.

The Statutory Auditors' Report for FY 2023-24 on the financial statement of the Company forms part of this Annual Report.

There are no qualifications, reservations or adverse remarks made by the statutory auditors in their audit reports on the financial statements for the year ended March 31, 2024. The observations of the Statutory Auditors in their Reports are self-explanatory and therefore Directors



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don't have any further comments to offer on the same.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS RELATED TO FINANCIAL STATEMENTS

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

SECRETARIAL COMPLIANCE

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

However, during the year under review there is delay in filing four Forms DIR-12 w.r.t. appointment and resignation of directors within timeline prescribed due to technical issues faced on the MCA V3 portal and the issue was escalated with the Ministry of Corporate Affairs.

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

During the year under review, there were no significant / material orders passed by the Regulators/Courts/Tribunals, which would impact the going concern status of the Company and its future operations.

OTHER DISCLOSURES:

The Company has not issued any Securities under the ESOP Scheme or as Sweat Equity to its employees, requiring any disclosures of the same in this Report.

The Company has not accepted any deposits, under the provisions of the Companies Act, 2013 during the period of review.

The Board of Directors confirm their compliance with the provisions of the Secretarial Standards - 1 & 2 issued by the ICSI under the provisions of Section 118(10) of the Companies Act, 2013, during the year under review.

There are no frauds reported by the Auditors under sub-section (12) of Section 143 of the Companies Act, 2013.

The Company is not required to maintain any cost records under the provisions of Section 148(1) of the Companies Act, 2013, during the Financial Year under review.

There was no proceeding pending under the Insolvency and Bankruptcy Code, 2016.

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There was no instance of one-time settlement with any Bank or Financial Institution.

ACKNOWLEDGEMENT

The Board of Directors would like to express its gratitude for all the guidance and co-operation received from its Holding Company - Axis Bank Limited. The Board also places on record its gratitude to Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA), Reserve Bank of India, Financial Institutions, Bankers, Advisors, Consultants, Central, State and Local Government Departments and Bodies, Registrar and Transfer Agent and other Government and Regulatory authorities for their continued support and guidance.

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

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

For and on behalf of the Board of Director



Sumit Bali
Chairman and Additional Director
DIN 02896088



Deepa Rath
Managing Director & CEO
DIN 09163254



Date: 12.04.2024

Place: Mumbai

Form No. AOC-2

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

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

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

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

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

(a)	Name(s) of the related party and Nature of relationship	:	<ol style="list-style-type: none"> 1) Axis Bank Limited (Holding Company) 2) Axis Capital Limited (Fellow Subsidiary) 3) Axis Finance Limited (Fellow Subsidiary) 4) Axis Asset Management Company Limited (Fellow Subsidiary) 5) Axis Mutual fund Trustee Limited(Fellow Subsidiary) 6) Axis Bank U.K. Limited(Fellow Subsidiary) 7) Axis Securities Limited(Fellow Subsidiary) 8) A. Treds Limited(Fellow Subsidiary) 9) Freecharge Payment Technologies Private Limited(Fellow Subsidiary) 10) Axis Capital USA LLC (Step down subsidiary) 11) Axis Pension Fund Management Limited (Step down subsidiary)
(b)	Nature of contracts / arrangements / transactions	:	1. Fees/ commission for trusteeship / custodian / agency services.

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			2. Payment of services charges (i.e. Bank charges such as I.T Support Services and others). 3. Fees/Commision for services to be received 4. Receipt of Interest on Fixed Deposit 5. Payment of Royalty Fees 6. Return on Axis Liquid Fund 7. Rentals paid on shared premises between the Company and the Bank. 8. Re-imbursement of costs incurred in respect of employee deputation 9. Reimbursement related to usage of common facilities/other expenses to/from related parties 10. Payment of Dividend
(c)	Duration of the contracts / arrangements / transactions	:	Varies with the nature of the contract / arrangement / transaction
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	:	The Contract/ arrangement / transaction are entered at arms' length price. Refer Financial Statements.
(e)	Date(s) of approval by the Board, if any	:	13.04.2023 & 15.01.2024
(f)	Amount paid as advances, if any	:	NIL

For and on behalf of the Board of Director



Sumit Bali
Chairman and Additional Director
DIN 02896088

DATE: 12.04.2024
PLACE: MUMBAI



Deepa Rath
Managing Director & CEO
DIN 09163254

DATE: 12.04.2024
PLACE: MUMBAI



REPORT ON CSR ACTIVITIES/ INITIATIVES

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

1. Brief outline on CSR Policy of the Company:

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

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
i.	Mr. Rajesh Kumar Dahiya*	Chairman	2	2
ii.	Ms. Deepa Rath	MD & CEO	2	2
iii.	Mr. Sumit Bali	Chairman	--	--

* Mr. Rajesh Dahiya ceased to be Chairman and member of the Committee w.e.f. January 15, 2024. Further, Mr. Sumit Bali, was appointed as Chairman and Member of the Committee.

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company:

<https://www.axistrustee.in/annual-returns?csrt=14336149984762910408>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable

Not Applicable

5.

(a) Average net profit of the company as per sub-section (5) of section 135. (Calculated as per section 198 of the Companies Act, 2013)

Financial Year	Profit before Tax	Average of three years
2020-21	251,656,600	293,943,353
2021-22	309,433,380	
2022-23	320,740,078	

(Rs.)

(b) Two percent of average net profit of the company as per sub-section (5) of section 135:

Rs. 293,943,352.67* 2/100 = Rs. 58,78,867.05 (rounded off to Rs. 58,80,000)



(c) Surplus arising out of the CSR Projects or programs or activities of the previous financial years: Nil

(d) Amount required to be set-off for the financial year, if any: Nil

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: Rs. 58,80,000/-

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(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):

Rs. 58,80,000/-

(b) Amount spent in Administrative Overheads: Nil

(c) Amount spent on Impact Assessment, if applicable. - Nil

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: Rs. 58,80,000/-

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount.	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs. 58,80,000/-	Nil	Not Applicable	Not Applicable	Not Applicable	Not Applicable

(f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in Rs.)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	Rs.58,78,867.05
(ii)	Total amount spent for the Financial Year	Rs.58,80,000/-
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	---
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous Financial Years, if any	---
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	---

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7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount (in Rs)	Date of Transfer		
1	---	---	---	---	---	---	---	---

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If Yes, enter the number of Capital assets created/ acquired – Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
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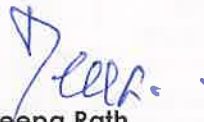
(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub- section (5) of section 135: Not Applicable



Sumit Bali
Chairman and Additional Director
DIN 02896088

DATE: 12.04.2024
PLACE: MUMBAI



Deepa Rath
Managing Director & CEO
DIN 09163254

DATE: 12.04.2024
PLACE: MUMBAI

To,
The Board of Directors,
Axis Trustee Services Limited

Dear Sirs,

Subject: Responsibility Statement by the CSR Committee

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



**DEEPA RATH
MANAGING DIRECTOR & CEO
DIN: 09163254**

**DATE: 12.04.2024
PLACE: MUMBAI**



**SUMIT BALI
ADDITIONAL DIRECTOR
DIN: 02896088**

**DATE: 12.04.2024
PLACE: MUMBAI**

INDEPENDENT AUDITOR'S REPORT

To the Members of Axis Trustee Services Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Axis Trustee Services Limited ("the Company"), which comprise the Balance sheet as at March 31 2024, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit and its cash flows and for the year ended on that date.

Basis for Opinion

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

Other Information

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

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

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



Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2021, as amended, specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists



related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, 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 purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the point (i)(vi) below on reporting under Rule 11(g);
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Accounting Standards) Rules, 2021, as amended, specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) The observation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph b above on reporting under Section 143(3)(b) and paragraph (i) (vi) below on reporting under Rule 11(g);



- (h) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (i) 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.
 - iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
 - v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.



S.R. BATLIBOI & Co. LLP

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- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software except that, audit trail feature is not enabled for direct changes to data when using certain access rights as described in note 38 to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of accounting software.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per **Jitendra H. Ranawat**

Partner

Membership Number: 103380

UDIN: 24103380BKFHIV9781

Place of Signature: Mumbai

Date: April 12, 2024



Annexure 1 referred to under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

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

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

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(a) (B) The Company has maintained proper records showing full particulars of intangible assets.

(b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year ended March 31, 2024.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) (a) During the year, the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company

(b) During the year, the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.

(c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.



- (d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.
- (e) There were no loans or advance in the nature of loan granted to [companies, firms, Limited Liability Partnerships or any other parties]. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to [companies, firms, Limited Liability Partnerships or any other parties]. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.
- (vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess, goods and service tax and other statutory dues which have not been deposited on account of any dispute except the following

Name of the Statute	Nature of the dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where the dispute is pending
The Income-tax Act, 1961	Income tax and interest thereon	189.56*	April 2018 to March 2019	Assistant Commissioner of Income Tax

*Net of tax refund adjusted

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.



(ix)(a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

(x)(a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi)(a) No material fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv)(a) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(a) of the Order is not applicable to the Company.

(b) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(b) of the Order is not applicable to the Company.



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(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi)(a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 34 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

We, further state that this is not an assurance as to the future viability of the Company and our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



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(xx) (a) There are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 19 to the financial statements.

(b) There are no unspent amounts that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 19 to the financial statements.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Jitendra H. Ranawat**

Partner

Membership Number: 103380

UDIN: 24103380BKFHIV9781

Place of Signature: Mumbai

Date: April 12, 2024



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

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

We have audited the internal financial controls with reference to financial statements of Axis Trustee Services Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these financial statements.

Meaning of Internal Financial Controls With Reference to these Financial Statements

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the



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assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Jitendra H. Ranawat**
Partner

Membership Number: 103380

UDIN: 24103380BKFHIV9781

Place of Signature: Mumbai

Date: April 12, 2024



Axis Trustee Services Limited

Balance Sheet as at 31 March 2024

	Note No.	Amount (Rs.) 31 March 2024	Amount (Rs.) 31 March 2023
Equity and liabilities			
Shareholders' funds			
Share capital	3	15,000,000	15,000,000
Reserves and surplus	4	983,174,360	879,065,340
		998,174,360	894,065,340
Non-current liabilities			
Other long term liabilities	5	4,952	20,898
Long term provisions	6	2,968,661	2,497,304
		2,973,613	2,518,202
Current liabilities			
Trade payables :-			
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditor other than micro enterprises and small enterprises	7	7,287,200	3,520,583
Other payables :-			
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditor other than micro enterprises and small enterprises	7	18,033,245	12,023,029
Other current liabilities	7	127,410,690	113,267,245
Short term provisions	6	22,778,189	22,366,107
		175,509,324	151,176,964
	Total	1,176,657,297	1,047,760,505
Assets			
Non-current assets			
Property, plant and equipment and intangible assets			
Property, plant and equipment	8	4,416,304	3,394,020
Intangible assets	9	2,928,595	1,771,082
Intangible assets under development	9.1	2,500,000	2,670,000
Deferred tax assets (net)	10	42,131,333	33,094,535
Other non-current assets	14	85,693,710	161,921,528
		137,669,942	202,851,165
Current assets			
Current investments	11	144,538,020	173,129,196
Trade receivables	13	113,000,854	101,042,667
Cash and cash equivalents	15	735,115,902	551,537,288
Short-term loans and advances	12	11,323,283	3,746,455
Other current assets	14	35,009,296	15,453,734
		1,038,987,355	844,909,340
	Total	1,176,657,297	1,047,760,505
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. BATLIBOI & CO. LLP

ICAI Firm Registration No.: 301003E/ E300005

Chartered Accountants

per Jitendra H. Ranawat
Partner

Membership No.: 103380

Place: Mumbai

Date: 12 April 2024



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

Deepa Rath
Managing Director & CEO

DIN No: 09163254

Place: Mumbai

Date: 12 April 2024

Sumit Bali

Director

DIN No. 02896088

Place: Mumbai

Date: 12 April 2024



Axis Trustee Services Limited
Statement of Profit and Loss for the year ended 31 March 2024

	Note No.	Amount (Rs.) 31 March 2024	Amount (Rs.) 31 March 2023
Income			
Income from operations	16	522,334,877	500,235,831
Other income	17	56,442,382	39,305,365
Total Income (I)		578,777,259	539,541,196
Expenses			
Employee benefit expenses	18	122,133,238	103,355,214
Depreciation and amortization expense	20	3,149,851	2,451,938
Provision for doubtful debts	18	35,422,912	39,758,721
Other expenses	19	87,092,427	62,921,062
Total expenses (II)		247,798,429	208,486,935
Profit before tax (I-II)		330,978,830	331,054,261
Tax expense:			
Tax for earlier year		2,440,968	-
Current Tax		90,965,637	94,766,309
Deferred Tax		(9,036,794)	(10,111,548)
Total tax expense		84,369,811	84,654,761
Profit/(Loss) for the Year		246,609,019	246,399,500
Earnings per equity share (nominal value of share Rs. 10 ; previous year Rs. 10)			
Basic	21	164	164
Diluted	21	164	164
Summary of significant accounting policies	2.1		
The accompanying notes are an integral part of the financial statements			

As per our report of even date

For S.R. BATLIBOI & CO. LLP

ICAI Firm Registration No.: 301003E/ E300005

Chartered Accountants

Jitendra H. Ranawat

per Jitendra H. Ranawat

Partner

Membership No.: 103380

Place: Mumbai

Date: 12 April 2024



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

Deepa Rath

Deepa Rath
Managing Director
& CEO

DIN No: 09163254

Place: Mumbai

Date: 12 April 2024

Sumit Bali

Sumit Bali
Director

DIN No. 02896088

Place: Mumbai

Date: 12 April 2024



Axis Trustee Services Limited
Cash Flow Statement for the year ended 31 March 2024

	Amount (Rs.)	Amount (Rs.)
	For the year ended 31 March 2024	For the year ended 31 March 2023
Cash flow from operating activities		
Profit before tax	330,978,830	331,054,261
Adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortization expense	3,149,851	2,451,938
Provision for doubtful debts (net)	35,422,912	39,758,721
Loss/(Profit) on disposal/ write off on property, plant & equipment /	-	-
Net gain on sale of current investments	(13,908,824)	(8,285,172)
Interest income	(39,129,965)	(25,957,835)
Operating profit before working capital changes	316,512,804	339,021,913
Movements in working capital :		
Increase/ (decrease) in trade payables	9,776,832	(5,279,476)
Increase / (decrease) in long-term provisions	471,357	474,224
Increase / (decrease) in short-term provisions	412,082	1,502,152
Increase/ (decrease) in other current liabilities	14,143,446	3,474,398
Increase/ (decrease) in other long-term liabilities	(15,946)	(19,546)
Decrease / (increase) in trade receivables	(47,381,099)	(30,488,081)
Decrease / (increase) in loans & advances	(7,576,828)	(632,982)
Decrease / (increase) in other current assets	(500,000)	-
Cash generated from operations	285,842,648	308,052,602
Direct taxes paid (net of refunds)	(93,406,605)	(111,292,496)
Net cash flow from operating activities (A)	192,436,043	196,760,106
Cash flows from investing activities		
Purchase of Property, plant and equipment	(5,159,648)	(4,199,998)
Proceeds from Sale of Property, plant and equipment	-	-
Investments in bank deposits (having original maturity of more than twelve	(146,648,341)	(3,419,384)
Redemption/ maturity of bank deposits (having original maturity of more than	76,727,818)	(133,227,818)
Purchase of current investments	-	125,010,450
Proceeds from sale/maturity of current investments	42,500,000	(55,056,789)
Interest income	19,574,402	23,078,913
Net cash flow from/ (used in) investing activities (B)	(13,005,769)	(47,814,626)
Cash flows from financing activities		
Dividend paid on equity shares	(142,500,000)	(150,000,000)
Tax on equity dividend paid	-	-
Net cash flow from/ (used in) in financing activities (C)	(142,500,000)	(150,000,000)
Net increase/(decrease) in cash and cash equivalents (A + B + C)	36,930,274	(1,054,520)
Cash and cash equivalents at the beginning of the year	160,927,310	161,981,830
Cash and cash equivalents at the end of the year	197,857,584	160,927,310
Components of cash and cash equivalents		
With banks- on current account incl. Cash in Hand	197,857,584	160,927,310
Total cash and cash equivalents (note 15)	197,857,584	160,927,310

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements

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

As per our report of even date

For S.R. BATLIBOI & CO. LLP

ICAI Firm Registration No.: 301003E/ E300005

Chartered Accountants

per Jitendra H. Ranawat

Partner

Membership No.: 103380

Place: Mumbai

Date: 12 April 2024



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

Deepa Rathi

**Managing Director &
CEO**

DIN No: 09163254

Place: Mumbai

Date: 12 April 2024

Sumit Ball

Director

DIN No. 02896088

Place: Mumbai

Date: 12 April 2024



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31 March 2024

1. Corporate information

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

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with the accounting principles generally accepted in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the notified accounting standards notified under Section 133 of the Companies Act 2013, read together with the Companies (Accounting Standards) Rules, 2021 and presentation requirements of Division I of Schedule III to the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention.

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

Current vs Non-current clarification:

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- ▶ Expected to be realised or intended to be sold or consumed in normal operating cycle
- ▶ Held primarily for the purpose of trading.
- ▶ Expected to be realised within twelve months after the reporting period, or
- ▶ Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- ▶ It is expected to be settled in normal operating cycle.
- ▶ It is held primarily for the purpose of trading.
- ▶ It is due to be settled within twelve months after the reporting period, or
- ▶ There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31 March 2024

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.1. Summary of significant accounting policies:

(a) Use of estimates

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

(b) Retirement and other employee benefits

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

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

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



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31 March 2024

(c) Property, Plant and Equipment

Property, plant and equipment, capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

The company adjusts exchange differences arising on translation/ settlement of long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset to the cost of the asset and depreciates the same over the remaining life of the asset. In accordance with MCA circular dated 09 August 2012, exchange differences adjusted to the cost of property plant and equipment are total differences, arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset, for the period. In other words, the company does not differentiate between exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other exchange difference.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31 March 2024

Property, plant and equipment held for sale is valued at lower of their carrying amount and net realizable value. Any write-down is recognized in the statement of profit and loss.

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

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

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

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

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

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



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31 March 2024

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

(f) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in an amalgamation in the nature of purchase is their fair value as at the date of amalgamation. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight-line basis over the estimated useful economic life. The company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, the company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

(g) Revenue recognition

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

Annual Fees for trusteeship services and servicing fees are recognized, on a straight line basis, over the period when services are performed. Initial acceptance fees for



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31 March 2024

trusteeship services is recognized as and when the 'Offer Letter' for the services to be rendered is accepted by the customer.

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

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

Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

(h) Income taxes

Tax expense comprises current tax and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. The tax rates and the tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originated during the current year and reversal of timing differences of earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations, where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

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

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31 March 2024

future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

(i) Segment information

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

(j) Earnings per share

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

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

(k) Provisions

A provision is recognized when the Company has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

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

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

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



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31 March 2024

(l) Contingent Liabilities

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

As at March 31,2024, contingent liabilities towards Income Tax matter amount to 189.56* Lakhs (*Net of tax refund adjusted)

(m) Cash and Cash Equivalents

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

(n) Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31 March 2024

(o) Leases

Where the company is lessee;

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term. There are no assets given or taken on sub lease.

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

(q) Impact of COVID-19

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

(r) Social Security Code

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

(s) During the year ended March 31, 2023, a company has filed a complaint against the Company (as president of TAI) and certain other trustee company and the Trustees Association of India (TAI) (together as 'Parties') before the Competition Commission of India ('CCI') for alleged cartelization. The CCI passed a prima-facie order directing its investigative arm, the Director-General, to investigate the matter.



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31 March 2024

The Parties have challenged the CCI's investigation before the Bombay High Court on the ground that they are governed by Securities Exchange Board of India ('SEBI'), which is the concerned sectoral regulator under the SEBI Act, 1992 and the relevant regulations. On April 11, 2022, the Bombay High Court granted interim relief to the Parties, staying the CCI's investigation and directing SEBI to complete its inquiry and form its prima- facie view within two months.

Based on the Company's management assessment, the Company believes it has a strong case on merits for favourable outcome in this matter and accordingly shall not have a materially adverse impact on its financial position.

(t) Translation of Foreign Currency

Currency translations are made with the exchange rate at the end of the reporting Period (Closing rate) for the preparation of Financial Statement. Any gain or loss on conversion is recognized in profit or loss.

(u) Corporate Social Responsibility

The company follows the practices to contribute towards CSR Expenditure as per companies Act, 2013 under section 135 (i.e. to spend 2% of average net profit over the preceding three years) which is also governed by CSR policy. Expenditure on CSR activities, should be recognized as a separate line item as "CSR expenditure" in the Statement of Profit and Loss.



Axis Trustee Services Limited**Notes to Financial Statements for the year ended 31 March 2024****3. Share capital**

	Amount (Rs.) 31 March 2024	Amount (Rs.) 31 March 2023
Authorized shares 5,000,000 (31 March 2023: 5,000,000) equity shares of Rs.10/- each	50,000,000	50,000,000
Issued, subscribed and fully paid-up shares 1,500,000 (31 March 2023: 1,500,000) equity shares of Rs. 10/- each	15,000,000	15,000,000
Total issued, subscribed and fully paid-up share capital	15,000,000	15,000,000

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

	31 March 2024		31 March 2023	
	No.	Amount (Rs.)	No.	Amount (Rs.)
At the beginning of the year	1,500,000	15,000,000	1,500,000	15,000,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	1,500,000	15,000,000	1,500,000	15,000,000

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.



Axis Trustee Services Limited**Notes to Financial Statements for the year ended 31 March 2024****(c) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates**

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

	31 March 2024 Amount (Rs.)	31 March 2023 Amount (Rs.)
Axis Bank Limited, the holding company and its nominees		
1,500,000 (31 March 2020: 1,500,000) equity shares of Rs.10 each fully paid	15,000,000	15,000,000

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

Name of the shareholder	As at 31 March 2024		As at 31 March 2023	
	No.	% Holding In the class	No.	% Holding In the class
Equity shares of Rs.10 each fully paid Axis Bank Limited, the holding company and its nominees	1,500,000	100%	1,500,000	100%

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

Years	31-Mar-24	31-Mar-23	31-Mar-22	31-Mar-21	31-Mar-20
Promoter Name	Axis Bank Ltd	Axis Bank Ltd	Axis Bank Ltd	Axis Bank Ltd	Axis Bank Ltd
No. of Shares held	150,000	150,000	150,000	150,000	150,000
% of Total Shares	100%	100%	100%	100%	100%
% Change during the year	NIL	NIL	NIL	NIL	NIL



Axis Trustee Services Limited

Notes to Financial Statements for the year ended 31 March 2024

4. Reserves and surplus

	Amount (Rs.)	Amount (Rs.)
	31 March 2024	31 March 2023
General reserve		
Balance as per the last financial statements	225,855,435	201,215,485
Add: amount transferred from surplus balance in the statement of profit and loss	24,660,902	24,639,950
Closing Balance	250,516,337	225,855,435

Surplus/ (deficit) in the statement of profit and loss

	31 March 2024	31 March 2023
Balance as per last financial statements	653,209,905	581,450,355
Profit for the year	246,609,019	246,399,500
Less: Appropriations	-	-
Dividend on equity shares (amount per share Rs. 95 per share)	(142,500,000)	(150,000,000)
Transfer to general reserve	(24,660,902)	(24,639,950)
Total appropriations	(167,160,902)	(174,639,950)
Net surplus in the statement of profit and loss	732,658,022	653,209,905
Total reserves and surplus	983,174,360	879,065,340

5. Other long-term liabilities

	Amount (Rs.)	Amount (Rs.)
	31 March 2024	31 March 2023
Lease equalization Reserve	4,952	20,898
	4,952	20,898



Axis Trustee Services Limited

Notes to Financial Statements for the year ended 31 March 2024

6. Provisions

	Amount (Rs.) 31 March 2024	Amount (Rs.) 31 March 2023
Long-Term		
Provision for employee benefits		
Provision for gratuity (Refer Note 22)	2,968,661	2,497,304
	2,968,661	2,497,304
Short-Term		
Provision for employee benefits		
Provision for gratuity (Refer Note 22)	796,700	591,673
Provident fund and ESIC payable	287,464	218,314
Gratuity Payable	-	118,621
Provision for variable pay	15,000,000	15,000,000
Salary Payable	-	-
	16,084,164	15,928,608
Short-Term		
Other provisions		
Provision for expenses	6,694,025	6,437,499
Provision for income tax after adjusting Advance Tax : Rs. 4,77,00,000 Current Year & Rs.4,44,00,000 Previous year)	-	-
	6,694,025	6,437,499
	22,778,189	22,366,107

7. Other current liabilities

	Amount (Rs.) 31 March 2024	Amount (Rs.) 31 March 2023
Trade Payables	7,287,200	3,520,583
Advance From Customers	17,997,667	12,023,029
Other Payable	35,578	-
	25,320,445	15,543,612
Other liabilities		
Income received in advance	2,016,496	2,192,312
Other advances	121,443,649	103,255,192
Others:		
Undisputed statutory dues payable	3,950,545	7,819,741
	127,410,690	113,267,245
	152,731,135	128,810,857

For Noting

Due to the holding company (Axis Bank)	4,287,197	3,484,676
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Axis Trustee Services Limited
Notes to Financial Statements for the year ended 31 March 2024

8. Property plant and equipment

	Computers	Computer Server	Office Equipment's	Furniture and Fixtures	Total
Cost					
At 1 April 2022	6,586,001	1,012,200	835,561	1,753,179	10,186,941
Additions	1,530,000	-	-	-	1,530,000
Disposals	-	-	-	-	-
At 31 March 2023	8,116,001	1,012,200	835,561	1,753,179	11,716,941
Additions	3,217,515	-	17,133	-	3,234,648
Disposals	1,864,168	-	-	-	1,864,168
At 31 March 2024	9,469,348	1,012,200	852,694	1,753,179	13,087,421
Depreciation					
At 1 April 2022	4,179,268	1,012,200	180,916	1,309,312	6,681,696
Charge for the year	1,441,446	-	89,075	110,704	1,641,225
Disposals	-	-	-	-	-
At 31 March 2023	5,620,714	1,012,200	269,991	1,420,016	8,322,921
Charge for the year	2,032,725	-	94,889	84,750	2,212,364
Disposals	1,864,168	-	-	-	1,864,168
At 31 March 2024	5,789,271	1,012,200	364,880	1,504,766	8,671,117
Net Block					
At 31 March 2023	2,495,287	-	565,570	333,163	3,394,020
At 31 March 2024	3,680,077	-	487,814	248,413	4,416,304



Axis Trustee Services Limited
Notes to Financial Statements for the year ended 31 March 2024

9. Intangible assets

	Computer Software
Gross block	
At 1 April 2022	13,527,436
Additions	-
Disposal/write off	-
At 31 March 2023	13,527,436
Additions (including capitalized during the year)	2,095,000
Disposal/Write off	-
At 31 March 2024	15,622,436
Amortization	
At 1 April 2023	11,756,354
Charge for the year	937,487
Disposal/write off	-
At 31 March 2024	12,693,841
Net block	
At 31 March 2023	1,771,082
At 31 March 2024	2,928,595

9.1 Intangible assets under development

	Amount (Rs.) 31 March 2024	Amount (Rs.) 31 March 2023
Intangible assets under development - less than 1 year	2,500,000	2,670,000

(a) Intangible assets under development, following ageing schedule shall be given:

Intangible assets under development aging schedule

					31 March 2024
					(Amount in Rs.)
Amount in Intangible assets under development for a period of	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,250,000	1,250,000	-	-	-
Projects temporarily suspended	-	-	-	-	-

Intangible assets under development aging schedule

					31 March 2023
					(Amount in Rs.)
Amount in Intangible assets under development for a period of	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,670,000	-	-	-	-



Axis Trustee Services Limited**Notes to Financial Statements for the year ended 31 March 2024****10. Deferred tax asset (net)**

	Amount (Rs.)	Amount (Rs.)
	31 March 2024	31 March 2023
Deferred tax asset		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	-	-
Property, plant and equipment and intangible assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	720,548	769,224
Provision for Gratuity & leave encashment	1,380,838	1,210,605
Provision for doubtful debts	40,029,947	31,114,708
Gross deferred tax asset	42,131,333	33,094,537
Deferred tax liability		
Property, plant and equipment and intangible assets : Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	-	-
Gross deferred tax liability	-	-
Net deferred tax asset	42,131,333	33,094,537



Axis Trustee Services Limited

Notes to Financial Statements for the year ended 31 March 2024

11. Investments

	Amount (Rs.) 31 March 2024	Amount (Rs.) 31 March 2023
Current:-		
Investments valued at Cost		
Quoted		
Investment in Mutual Funds (Market Value Rs.14,96,21,184.26) (Previous Year Rs.18,20,77,027.72)	144,538,020	173,129,196
	144,538,020	173,129,196

12. Loans & Advances

	Amount (Rs.) 31 March 2024	Amount (Rs.) 31 March 2023
Current:-		
Other Loans & Advances		
Unsecured, considered good		
Prepaid expenses	1,532,990	1,504,857
Deposit with Central Registry	150,810	336,749
Other Advances	-	1,076
Less: Provision for Advances	-	-
Non-Current:-		
Advance payment of income tax / tax deducted at source (after adjusting provision for tax: Current Year ; INR 96,39,483 previous year ; INR 19,03,773)	9,639,483	1,903,773
	11,323,283	3,746,455



13. Trade receivables

	Amount (Rs.)	Amount (Rs.)
	31 March 2024	31 March 2023
Current:-		
Outstanding for a period exceeding six months from the date they are due -for payment		
Unsecured, considered good	113,000,854	101,042,667
Doubtful	86,080,804	61,974,065
	199,081,658	163,016,732
Provision for doubtful receivables	86,080,804	61,974,065
	(a) 113,000,854	101,042,667
Other receivables		
Unsecured, considered good	-	-
Doubtful	-	-
Provision for doubtful receivables	-	-
	(b) -	-
Total (a + b)	113,000,854	101,042,667

For Noting

Due from the holding company	944,000	3,837,700
Due From Other Subsidiary	81,000	-

Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:

- (a) repayable on demand or
(b) without specifying any terms or period of repayment

	Amount (Rs.)	Amount (Rs.)
	31 March 2024	31 March 2023
Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Amount of loan or advance in the nature of loan outstanding
Promoters	-	-
Directors	-	-
KMPs	-	-
Related Parties	-	-



Axis Trustee Services Limited
Notes to Financial Statements for the year ended 31 March 2024

14. Other assets

	Amount in (Rs.)	Amount in (Rs.)
	31 March 2024	31 March 2023
Current:-		
Unsecured, considered good unless stated otherwise		
Non-current bank balances (Note15)	537,258,318	390,609,977
Others		
Interest accrued on fixed deposits	25,721,612	15,453,734
Goods and services tax	9,287,684	-
a)	35,009,296	15,453,734
Non-Current:-		
Unsecured, considered good unless stated otherwise		
Non-current bank balances (Note15)	85,000,000	161,727,818
Others		
Other Deposits	693,710	193,710
b)	85,693,710	161,921,528
	120,703,006	177,375,262

15. Cash and bank balances

	Amount (Rs.)	Amount (Rs.)
	31 March 2024	31 March 2023
Cash and cash equivalents		
Balances with banks:		
– On current accounts	197,857,584	160,927,311
Current:-		
Other bank balances		
– Deposits with remaining maturity for less than 12 months	537,258,318	390,609,977
Non-current:-		
– Deposits with remaining maturity for more than 12 months	85,000,000	161,727,818
– Margin money deposit	-	-
Amount disclosed under non-current assets (note 14)	(85,000,000)	(161,727,818)
	735,115,902	551,537,288



Axis Trustee Services Limited**Notes to Financial Statements for the year ended 31 March 2024****16. Income from Operations**

	Period ended as on	Year ended as on
	Amount (Rs.)	Amount (Rs.)
	31 March 2024	31 March 2023
Income from operations		
Rendering of services	522,334,877	500,235,831
Income from operations	522,334,877	500,235,831

Detail of services rendered

Initial acceptance fees	169,778,885	128,680,981
Annual fees	336,275,866	355,668,988
Servicing fees	16,280,126	15,885,862
	522,334,877	500,235,831

17. Other income

	Amount (Rs.)	Amount (Rs.)
	31 March 2024	31 March 2023
Interest income on bank deposits	39,129,965	25,957,835
Net gain/ (loss) on sale of investments	13,908,824	8,285,172
Recovery of Doubtful Debts	1,428,744	1,298,000
Exchange Gain	1,968,069	3,764,358
Other Income	6,780.00	-
	56,442,382	39,305,365



Axis Trustee Services Limited

Notes to Financial Statements for the year ended 31 March 2024

18. Employee benefit expense

	Amount (Rs.) 31 March 2024	Amount (Rs.) 31 March 2023
Salaries, wages and bonus (including amount paid to employees on deputation)	117,373,170	99,093,818
Contribution to provident and other funds,	3,092,189	2,760,165
Gratuity expense (Refer Note 22)	584,671	533,190
Staff welfare expenses	1,083,208	968,041
	122,133,238	103,355,214

19. Other expenses

	Amount (Rs.) 31 March 2024	Amount (Rs.) 31 March 2023
Power and fuel	881,382	698,909
Rent	12,983,145	12,570,549
Rates and taxes	491,051	491,051
Travelling and conveyance	3,854,959	2,217,073
Conference Expenses	550,340	1,940,595
Communication expenses	593,256	176,330
Printing and stationery	296,423	188,244
Professional & legal fees	30,590,251	14,036,054
Directors' sitting fees	550,000	850,000
Bank charges	4,525,838	1,563,611
DP charges	16,804	153,468
Registration fees	786,010	390,629
Payment to auditor (Refer details below)	2,350,000	3,150,000
Referral fees	-	-
CSR expenditure (Refer details below)	5,880,000	5,324,000
Office expenses	13,624,159	13,950,333
AMC Charges	2,419,551	2,065,947
Royalty Charges	783,502	750,354
Provision for Doubtful Debts	35,422,912	39,758,721
Website Development Expenses	5,915,755	2,403,915
Exchange Loss	-	-
Bad debts recognised	11,315,060	10,314,183
Less : Write off	(11,315,060)	(10,314,183)
	122,515,338	102,679,783



Axis Trustee Services Limited

Notes to Financial Statements for the year ended 31 March 2024

Details of CSR Expenditure	Amount (Rs.) 31 March 2024	Amount (Rs.) 31 March 2023
(a) amount required to be spent by the company during the year	5,880,000	5,324,000
(b) amount of expenditure incurred	5,880,000	5,324,000
(c) shortfall at the end of the year	NIL	NIL
(d) total of previous years shortfall	NIL	NIL
(e) reason for shortfall	Not applicable	Not applicable
(f) nature of CSR activities	Sustainable Livelihoods Program	Rural Livelihoods
(g) details of related party transactions:		
Axis Bank Foundation	Implementing Agency of ATSL through which ATSL undertakes activity	Implementing Agency of ATSL through which ATSL undertakes activity
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	Not applicable	Not applicable

Payment to auditor

	Amount (Rs.) 31 March 2024	Amount (Rs.) 31 March 2023
As auditor:		
Audit fee (Including limited review fees)	2,050,000	2,050,000
Gift City Previous period (3 years from 2019-20 to Gift City	-	800,000
	300,000	300,000
In other capacity:		
Reimbursement of expenses	-	-
	2,350,000	3,150,000

20. Depreciation and amortization expense

	Amount (Rs.) 31 March 2024	Amount (Rs.) 31 March 2023
Depreciation of Property, plant and equipment assets	2,212,364	1,641,223
Amortization of intangible assets	937,487	810,715
	3,149,851	2,451,938



Axis Trustee Services Limited

Notes to Financial Statements for the year ended 31 March 2024

21. Earnings per share (EPS)

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

	Amount (Rs.) 31 March 2024	Amount (Rs.) 31 March 2023
Total operations for the year		
Profit after tax	246,609,019	246,399,500
Net profit for calculation of basic EPS	246,609,019	246,399,500
Net profit as above	246,609,019	246,399,500
Net profit for calculation of diluted EPS	246,609,019	246,399,500
Weighted average number of equity shares in calculating basic EPS	1,500,000	1,500,000
Weighted average number of equity shares in calculating diluted EPS	1,500,000	1,500,000
Earnings per equity share		
Basic earnings per share	164	164
Diluted earnings per share	164	164



22. Gratuity

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

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

Net employees benefit expense (recognised in Employee Cost):

Particulars	Gratuity	
	31 March 2024	31 March 2023
Current service cost	536,746	437,500
Net Interest cost	225,186	135,742
Net Actuarial (gains) / losses	499,123	413,153
Past Services cost-Vested Benefit Recognized during the period	-	-
Net Expenses recognized in the statement of profit or loss	1,261,055	986,395

Balance Sheet

Particulars	Gratuity	
	31 March 2024	31 March 2023
Defined benefit obligation	3,765,361	3,088,977
Fair value of plan assets	-	-
Unrecognised past service cost	-	-
Net (Liability)/Asset Recognised in the Balance Sheet	(3,765,361)	(3,088,977)

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

Particulars	Gratuity	
	31 March 2024	31 March 2023
Opening defined benefit obligation	3,088,977	2,635,772
Net Interest cost	225,186	135,742
Current service cost	536,746	437,500
Past Services cost-Vested Benefit Recognized during the period	-	-
Liability transferred out/ Divsetments	(584,671)	(406,062)
Benefits paid	-	(127,128)
Actuarial (gains) / losses on obligation-due to change in Demographic assumptions	-	138,774
Actuarial (gains) / losses on obligation-due to change in financial assumptions	15,013	(26,311)
Actuarial (gains) / losses on obligation – due to experience	484,110	300,690
Present Value of Benefit Obligation at the end of the period	3,765,361	3,088,977



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

Particulars	31 March 2024	31 March 2023
Discount rate	7.16%	7.29%
Increment rate	12%	12%
Attrition rate	28%	28%

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

Amounts for the current and previous 3 periods are as follows

	31-Mar-24	31-Mar-23	31-Mar-22	31-Mar-21
Defined benefit obligation	3,765,361	3,088,977	2,635,772	1,973,641
Fair value of plan assets	-	-	-	-
Unrecognised past service cost	-	-	-	-
Net (Liability)/Asset Recognised in the Balance Sheet	(3,765,361)	(3,088,977)	(2,635,772)	(1,973,641)



Axis Trustee Services Limited

Notes to Financial Statements for the year ended 31 March 2024

23. Operating Lease : Company as Lessee

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

Description	31 March 2024	31 March 2023
Operating lease payments recognized during the year	12,580,854	12,209,866
Minimum Lease Obligations		
Not later than one year	12,254,699	12,209,868
Later than one year but not later than five years	17,084,358	11,512,727
Later than five years	-	-

24. Related party disclosures

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

Holding Company	Axis Bank Limited (the Bank or the Holding Company)
Key Management Personnel	Ms. Deepa Rath (Managing Director & CEO)
Fellow Subsidiary Companies	Axis Finance Limited
	Axis Mutual Fund Trustee Limited
	Axis Asset Management Company Limited
	Axis Bank U.K. Limited
	Axis Capital Limited
	Axis Securities Limited
	A. Treds Limited
	Freecharge Payment Technologies Private Limited.
Step down subsidiary	Axis Capital USA LLC
	Axis Pension Fund Management Limited



Particulars	Holding Company	Fellow Subsidiary	Key Management Personnel	Total
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Income				
Interest Income	39,129,965	-	-	39,129,965
	(25,957,835)	-	-	(25,957,835)
Servicing Fees	14,643,228	-	-	14,643,228
	(15,885,862)	-	-	(15,885,862)
Rendering of services (Transaction banking) Axis Bank Ltd	1,500,000			1,500,000
	(1,150,000)			(1,150,000)
Rendering of services (Axis Capital Limited)	-	(360,423)	-	(360,423)
Rendering of services (Axis Finance Limited)	-	857,500	-	857,500
	-	(1,212,500)	-	(1,212,500)
Rendering of services (Axis Asset Management company Ltd)	-	-	-	-
Rendering of services (Axis Securities Ltd)	-	738083.00	-	738,083
	-	(244,718)	-	(244,718)
Expenses				
Rent Paid	12,580,854	-	-	12,580,854
	(12,209,866)	-	-	(12,209,866)
Reimbursement of Staff Cost	8,578,205	-	11,392,194	19,970,399
	(6,944,805)	-	(10,345,510)	(17,290,315)
Reimbursement of other Expenses (IT Cost & Royalty)	834,190	-	-	834,190
	(801,042)	-	-	(801,042)
Other reimbursement of expenses (Including ESOP)	18,625,826	-	-	18,625,826
	(16,458,530)	-	-	(16,458,530)
Payment of Dividend	142,500,000	-	-	142,500,000
	(150,000,000)	-	-	(150,000,000)
Fees and Bank Charges paid to Axis Bank Ltd.	4,525,838	-	-	4,525,838
	(1,563,611)	-	-	(1,563,611)
DP Charges on Demat Accounts paid to Axis Bank Ltd	215,571	-	-	215,571
	(153,468)	-	-	(153,468)
Balance Outstanding				
Fixed Deposits	622,258,318	-	-	622,258,318
	(552,337,795)	-	-	(552,337,795)
Balance in current account	137,038,297	-	-	137,038,297
	(142,514,806)	-	-	(142,514,806)
Share Capital	15,000,000	-	-	15,000,000
	(15,000,000)	-	-	(15,000,000)



Axis Trustee Services Limited

Notes to Financial Statements for the year ended 31 March 2024

Particulars	Holding Company	Fellow Subsidiary	Key Management Personnel	Total
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
Balance in Other Current Accounts	GBP 24159.13			GBP 24159.13
	USD 511743.81			USD 511743.81
	EUR 52273.53			EUR 52273.53
	GBP (15159.07)			GBP (15159.07)
	USD (129385)			USD (129385)
	EUR (21325.06)			EUR (21325.06)
Interest Receivable	25,721,612			25,721,612
	(15,453,734)			(15,453,734)
Reimbursement of Staff Cost payable	4,054,047			4,054,047
	(3,222,745)			(3,222,745)
Other reimbursement of expenses payable	233,150			233,150
	(261,931)			(261,931)
Servicing Fees receivable				
	(3,837,701)			(3,837,701)
Income Received in Advance				
	(1,666,262)			(1,666,262)
Rendering of services (Transaction banking) Axis Bank Ltd - Receivable	944,000.00			944,000.00
Rendering of services - Axis Finance Ltd - Receivable		81,000.00		81,000.00

Notes

1. Related party relationships and transactions have been identified by the management and relied upon by the Auditors
2. The remuneration paid to the key managerial person does not include provision made for gratuity and leave benefits as they are determined on actuarial basis for Axis Bank as a whole
3. Figures mentioned in bracket in note no. 24 pertains to previous year ended 31 March 2023



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

	31 March 2024	31 March 2023
	Amount (Rs.)	Amount (Rs.)

The principal amount and the interest due there on remaining unpaid to any supplier as at the end of each accounting year

(b) Trade Payables ageing schedule

31 March 2024

(Amount in Rs.)

Particulars	Outstanding for following periods from date of the transaction				Total
	Less than one year	1-2 years	2-3 years	More than 3 years	
i. MSME	-	-	-	-	-
ii. Others	7,322,778	-	-	17,997,667	25,320,445
iii. Disputed dues - MSME	-	-	-	-	-
iv. Disputed dues - Others	-	-	-	-	-

31 March 2023

(Amount in Rs.)

Particulars	Outstanding for following periods from date of the transaction				Total
	Less than one year	1-2 years	2-3 years	More than 3 years	
i. MSME	-	-	-	-	-
ii. Others	3,520,583	-	-	12,023,029	15,543,612
iii. Disputed dues - MSME	-	-	-	-	-
iv. Disputed dues - Others	-	-	-	-	-



26. Trade Receivables ageing schedule

31 March 2024
(Amount in Rs.)

Particulars	Outstanding for following periods from the date of transaction					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	82,546,297	65,321,148	42,057,789	6,137,146	3,019,277	199,081,658
which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

31 March 2023
(Amount in Rs.)

Particulars	Outstanding for following periods from the date of transaction					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	97,063,696	43,938,454	22,014,582	-	-	163,016,732
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31 March 2024

27. Capital and other commitments

As at 31 March 2024, the Company has capital commitments of Rs. 2,500,000 /- relating to development of business Software (Previous year Rs. 26,70,000/-).

28. Details of Benami Property held

The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

29. Borrowings from banks or financial institutions.

The Company has not taken any borrowings from banks or financial institutions on the cobasis of security of current assets.

30. Willful Defaulter

The Company is not declared as willful defaulter by any bank or financial Institution or other lender.

31. Relationship with Struck off Companies

The Company do not have any transactions with companies struck off.

32. Registration of charges or satisfaction with Registrar of Companies (ROC)

The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

33. Compliance with number of layers of companies.

Since the Company does not have any subsidiary, the provision of section 2 clause 87 of the Act, read with Companies (Restriction on number of Layers) Rules, 2017, is not applicable to the Company.



34. Following Ratios to be disclosed:-

	31-Mar-24	31-Mar-23	%Change	Reason for Variance
Current Assets (A)	1,038,987,355	844,909,340		
Current Liabilities (B)	175,509,324	151,176,964		
(a) Current Ratio (A/B)	5.92	5.59	5.92%	Nil
(b) Debt-Equity Ratio,	Not applicable			
(c) Debt Service Coverage Ratio	Not applicable			
Net Income- Profit after tax (C)	246,609,019	246,399,500		
Shareholders Equity (D)	998,174,360	894,065,340		
(d) Return on Equity Ratio (C/D)	0.25	0.28	-10.35%	Nil
e) Inventory turnover ratio,	Not applicable			
Net credit sales (E)	522,334,877	500,235,831		
Average Accounts Receivables (F)	181,049,195	152,935,375		
f) Trade Receivables turnover ratio (E/F)	2.89	3.27	-11.80%	Nil
(g) Trade payables turnover ratio	Not applicable			
Total Sales (G)	578,777,259	539,541,196		
Shareholders Equity (H)	15,000,000	15,000,000		
(h) Net capital turnover ratio (G/H)	38.59	35.97	7.27%	Nil
(i) Net profit ratio,	0.57	0.61	-6.80%	Nil
(j) Return on Capital employed,	0.33	0.37	-10.45%	Nil
(k) Return on Investment.	7.62%	5.85%	30.26%	Utilisation of funds effecently and effectively to maximlse the

Note:-

- Debt-Equity ratio is not applicable to the Company, as the company does not have any debt.
- Debt service coverage ratio is not applicable to the Company, as the company does not have any debt.
- Inventory turnover ratio is not applicable to Company, as the company is service provider
- Trade payable turnover ratio is not applicable to Company, as the company do not have any credit purchase.
- Current ratio in FY 24 is improved on account of increase in current assets as compared to previous year



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31 March 2024

35. Utilisation of Borrowed funds and share premium:

- The Company have not advanced or loaned or invested funds to any other person(s) or entities), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(q) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(r) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

- The Company have not received any fund from any person(s) or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

36. "(I) Undisclosed income

The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

37. Crypto Currency or Virtual Currency.

The Company have not traded or invested in Crypto currency or Virtual Currency during the current and previous financial year.



Axis Trustee Services Limited

Notes to Financial statements for the year ended 31 March 2024

38. The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature is not enabled at the database level insofar as it relates to RTMS accounting software. Further, there was no use of this functionality during the year and no instance of audit trail feature being tampered with was noted in respect of other software.

39. Previous Year Figures

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

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



per Jitendra H. Ranawat
Partner
Membership No.: 103380
Place: Mumbai
Date: 12 April, 2024



For and on behalf of Board of Directors of
Of Axis Trustee Services Ltd.


Deepa Rath
Managing Director & CEO
DIN No: 09163254
Place: Mumbai
Date: 12 April, 2024




Sumit Bali
Director
DIN No.02896088
Place: Mumbai
Date: 12 April, 2024