

# **SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED**

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**21<sup>st</sup> Annual Report 2023-24**

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# SBI Mutual Fund

Board of Directors of SBI Mutual Fund Trustee Company Private Limited



**Mr. Sunil Gulati**  
Independent Director



**Dr. Archana Hingorani**  
Independent Director



**Mr. Achal Kumar Gupta**  
Associate Director



**Mr. Amarjit Chopra**  
Independent Director



**Mr. P. B. Santhanakrishnan**  
Associate Director



**Mr. Ashutosh Khajuria**  
Independent Director

## Auditors

**SHARP & TANNAN**  
Chartered Accountants  
Ravindra Annexe,  
194, Churchgate Reclamation,  
Dinshaw Vachha Road,  
Mumbai - 400 020,  
Maharashtra, India

## Bankers

State Bank of India  
Main Branch, Mumbai

## Registered Office

9th Floor, Crescenzo, C- 38 & 39  
G Block, Bandra-Kurla Complex,  
Bandra (East), Mumbai - 400 051  
Tel: +91 22 61793000  
Fax : + 91 22 67425687  
Website : [www.sbimf.com](http://www.sbimf.com)

## INDEX

CONTENTS	PAGES
DIRECTORS' REPORT	4
AUDITORS' REPORT	27
ANNEXURE TO THE AUDITORS' REPORT	31
COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA	35
BALANCE SHEET	36
STATEMENT OF PROFIT AND LOSS	37
CASH FLOW STATEMENT	38
NOTES TO THE FINANCIAL STATEMENTS	39

## SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED

### DIRECTORS' REPORT

TO,

#### THE MEMBERS

The Directors are pleased to present the 21st Annual Report together with the audited accounts of SBI Mutual Fund Trustee Company Private Limited for the year ended March 31, 2024.

#### 1. FINANCIAL RESULTS:

The highlights of the financial results of the Company are as under:

(₹ in lakh)

Particulars	Reporting Year	Previous Year
	2023-24	2022-23
Trusteeship Fees	341.88	282.10
Other Income (Investment income)	430.88	6.00
Total Income	772.76	288.10
Profit before tax	620.13	113.96
Less: Provision for tax	113.19	17.83
Profit for the period	507.14	96.13

#### 2. DIVIDEND:

The Board of Directors of the Company declared on 12th March 2024, an interim dividend of ₹ 2,500 per equity share of Face Value of ₹ 10 each for the year ended 31st March 2024 (previous year: Nil).

#### 3. TRANSFER TO RESERVES:

The Company has not transferred any amount from Statement of Profit and Loss to General Reserves (previous year: Nil).

#### 4. CAPITAL STRUCTURE:

During the year under review, the Company has not made any fresh issue of capital. The net worth of the Company is ₹ 2,056.33 lakh as at the end of March 31, 2024 from ₹ 4,049.19 lakh as at the end of March 31, 2023 after the payment of an interim dividend of Rs. 2,500 Lakh.

#### 5. DETAILS OF SUBSIDIARY COMPANIES / ASSOCIATES / JOINT VENTURES:

The Company does not have any subsidiary, associate or joint venture.

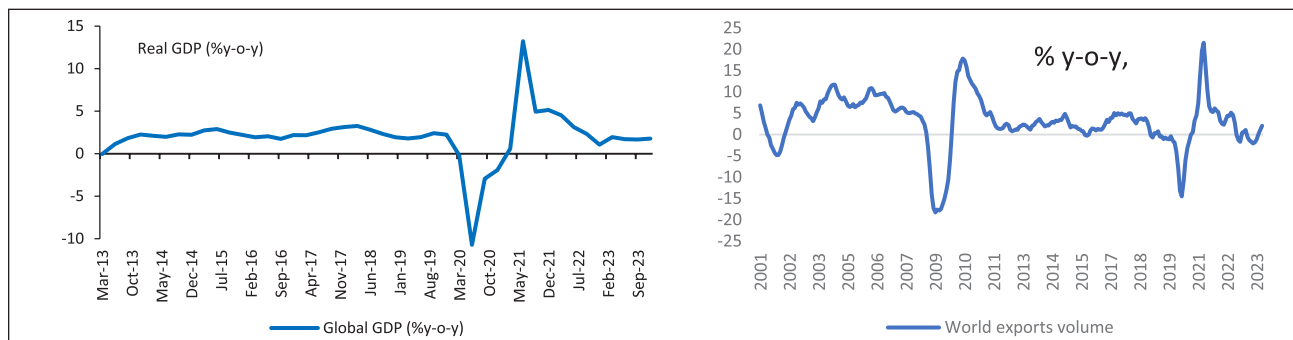
#### 6. MARKET ENVIRONMENT 2023-24

##### 6.1. GLOBAL MACRO

On the backdrops of synchronised rate hikes, elevated inflation and tightening liquidity, financial year 2023-24 started with concerns of global growth slowdown. Significant policy loosening was also being priced in most developed global markets with the FED expected to cut more than 100bps on account of concerns around growth and financial stability following the crisis at the small / regional banks.

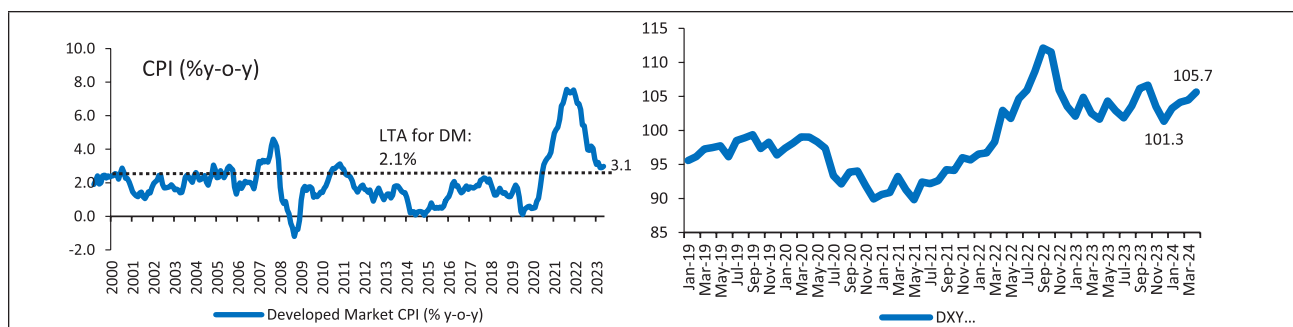
Macro outcomes during the fiscal year have evolved contrary to consensus with economic growth remaining resilient even as inflation recedes gradually towards the policy target. Global trade cycle appears to have bottomed and volumes growth is positive since December 2023.

## SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED



Source: Bloomberg, SBIMF Research

While growth is just humming along decently for now- neither overtly robust nor materially weak, inflation has bottomed out and is plateauing at the current levels in the developed world. Between October-December 2023, disinflation thesis had a stronger hold. Consequently, bond yields rallied, DXY weakened, and energy and precious metals were down. Starting 2024, inflation has been higher than expectations and market has been readjusting to the thesis of continued challenges in inflation. Hence bond prices have corrected, and commodities have gained.



Source: CEIC; Bloomberg; SBIMF Research

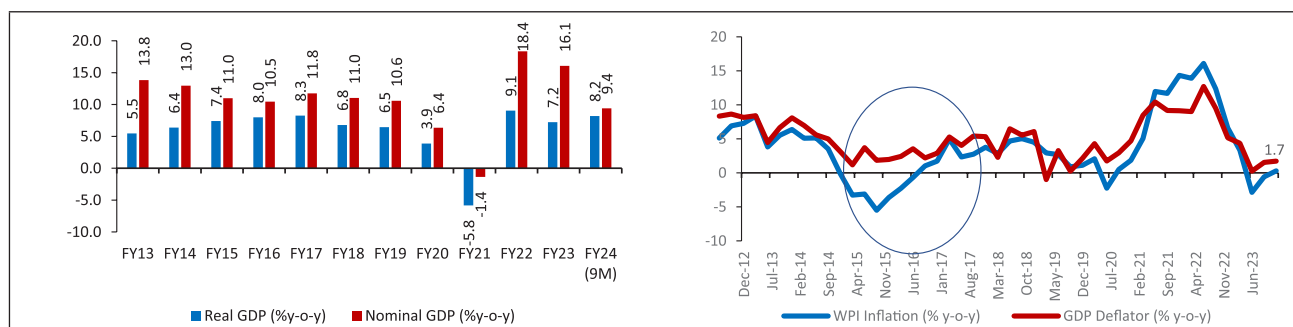
Studying the inflation data today, Inflation may not go back up to 7-8% in the developed markets but could get stuck on a plateau of 3-4% for a foreseeable future. The last mile in the disinflation journey remains quite the challenge in the coming months. And in such an environment- the thesis of higher for longer goes on and so does the need to hedge against inflation.

## 6.2 Indian Macro

The global macro backdrop in 2023 was less hostile for India than thought out at the start of the financial year. Global growth is better than envisaged at the start of 2023. Decline in India's exports wasn't as sharp as feared. Commodity costs were contained (along expected lines), thereby improving India's terms of trade. Tighter monetary conditions did not spill as much into India as manifested in narrowing bonds spreads (vis-à-vis the US) and surge in FII inflow.

India's nominal growth moderated sharply to 9.4% in 9M FY24 vs. 14.5% in FY23 and 18.9% in FY22. Real GDP grew by 8.2% in 9M FY24, driven more by investment than consumption on demand side, and by a stronger growth in manufacturing over services. There is a risk that reported GDP prints could plausibly be a bit exaggerated as India practices single deflation method which can exaggerate growth in times of falling commodity costs (read WPI) instead of double deflation practiced in many other countries. Additionally, there were low base effects, coming from the pandemic period, which led to high GDP numbers in 1H but will likely dissipate in 2H and lead to growth prints closer to the 6%- 6.5% handle.

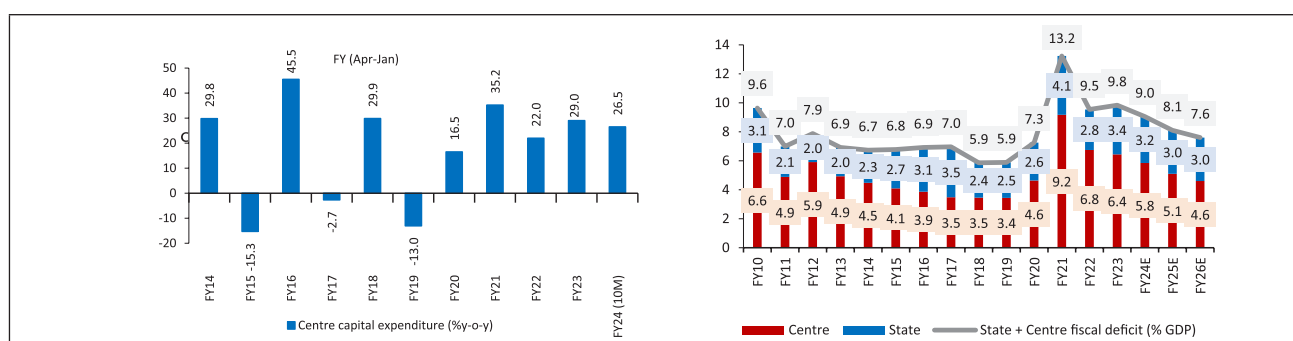
## SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED



Source: CMIE Economic Outlook, CEIC, SBIMF Research

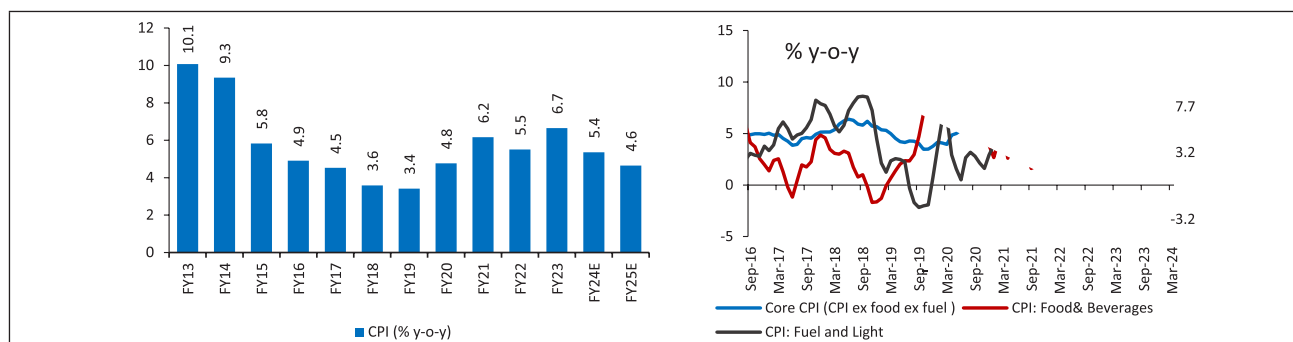
Statistical nuances aside, a strong bank credit growth, GST collection, electricity generation, cement and steel production are an indication that supply side economy is good. Government infrastructure thrust coupled with ongoing manufacturing sector and real estate recovery in India kept supply side of the economy robust. Looking ahead, if the general perception of a 'modest' slowdown in developed countries holds true, India's real growth could be a respectable 6.5% in FY25.

Despite the sharp moderation in nominal growth (9.4% in 9M FY24), overall tax buoyancy stayed healthy helping the central government to largely execute its ambitious capex. In FY24, tax and dividend flows have been supportive for the centre to achieve its consolidation target alongside catering to pre-election welfare spending needs, without compromising on its lofty capex goals. However, we do suspect government capex growth can moderate now given the strong commitments to fiscal consolidation and limited ability to rev-up tax buoyancy any further



Source: CMIE Economic Outlook, CEIC, RBI, SBIMF Research

On inflation front, The RBI is currently confronting several cross currents. Core inflation is at a multi-year low aided by contained commodity costs and weak consumption demand. Yet, food inflation has been notoriously painful. And the central bank appears justifiably uncomfortable at the pace of unsecured lending by banks and NBFCs, such that financial stability is also a consideration. We expect that the RBI will continue to use rates and liquidity to manage growth-inflation dynamics while using macroprudential measures to slow down credit growth.



Source: CMIE Economic Outlook, SBIMF Research

## SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED

If the current expectations of a softening of headline CPI closer to 4% materialize we could probably see a shift in stance towards neutral with tolerance of additional system liquidity towards the second half of CY24. Expectations around policy easing in India need to be tempered currently, even as the FED embarks on a rate easing cycle sometime in CY24.

On external account front the backdrop looks benign in FY25. We pencil FY25 CAD at 1.5% of GDP (US\$ 60bn) vs. a likely 1.2% of GDP in FY24 (US\$ 45bn). Manufacturing sector recovery is keeping non-oil non gold import elevated. Though, a benign global commodity environment should keep a lid on oil bills for India. Strong services sector surplus keeps current account dynamics extremely manageable based on current trends.

Overall, an expectation of supported growth alongside disinflation in FY25 rests on two critical assumptions of contained commodity costs and soft landing. Domestically, political stability implying policy continuity is also a critical underlying assumption underlying a healthy macro-outlook for India in FY25. India's balance sheets are healthy and ready for growth but remains susceptible to global growth inflation dynamics and consequent monetary and liquidity trajectory.

### 6.3. OUTLOOK:

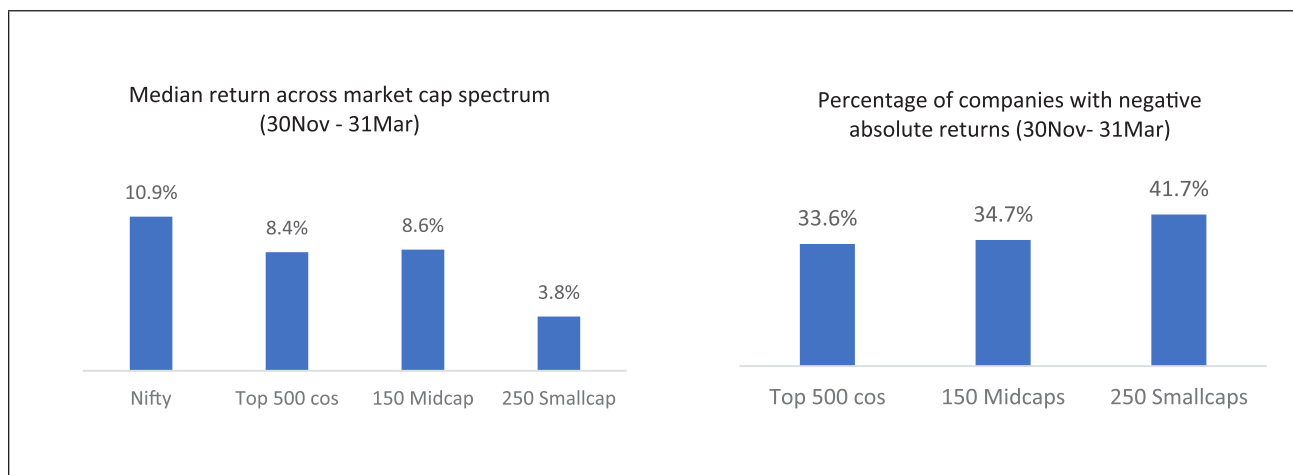
#### 6.3.1.EQUITY

Indian equities had a good outing in the just concluded financial year FY23-24 with strong broad-based gains. Yet the year was a tale of two halves - while the first half saw broader markets faring much better than the frontline indexes, Nifty and the Sensex, the large cap indexes fared much better in the latter part of the year. Especially, since the end of November 2023, coinciding with the election results announcement of four major states in early December, Nifty has seen a sharp surge with nearly 11% returns in the four months till March 2024. Broader markets, however, have not kept pace during this period and have significantly trailed the index. The Nifty and the 'markets' diverged quite a bit as a result.

The median return of the top 250 small cap companies by market cap was just 3.8% in the four-month period from Dec 2023 to Mar 2024 versus Nifty's 10.9% rise. Further, about 34% of the top 500 companies and 42% of the top 250 small cap companies have given negative absolute returns during this period.

Breadth in the recent past has been weak especially down the market cap curve

**After a rough outing in CY22, investors are seeking shelter in quality again**



Source: Bloomberg, SBIFM Research

\*Returns for the 4-month period from 30th November 2023 to 31st March 2024

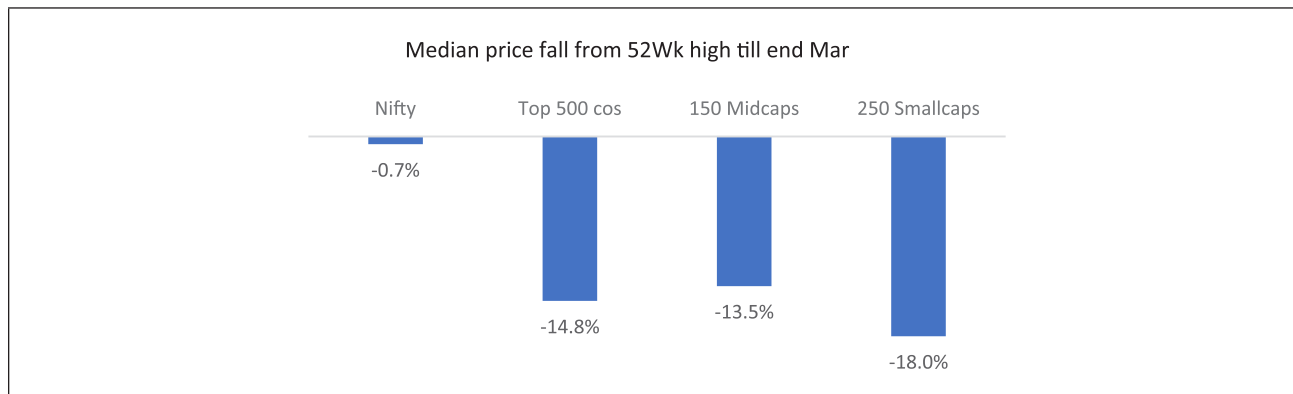
\*\* Mid cap and small cap companies are the subsequent 150 and 250 companies beyond the top100 large caps respectively

\*\*\* Nifty return data is for the index while other return numbers are medians for the respective universes

## SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED

The deterioration in breadth ultimately culminated in the Nifty Midcap150 and the Nifty Smallcap250 indices peaking in early Feb and subsequently correcting 8% and 14% respectively. The median drop in share prices from their 52-week highs till end March is 15% for the top 500 companies and 18% for small cap companies.

Recent correction has been more pronounced down the market cap curve



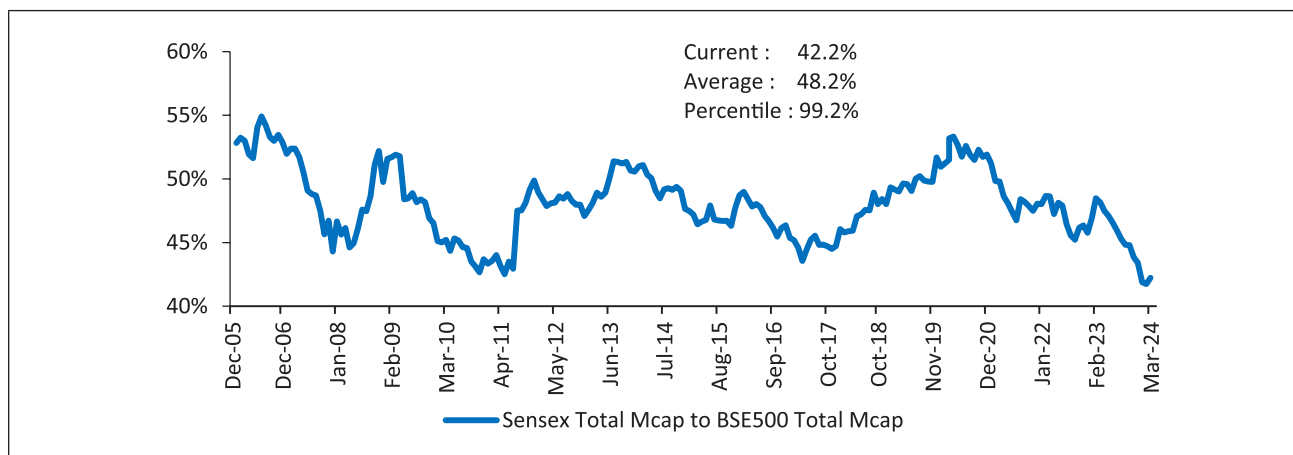
Source: Bloomberg, SBIFM Research

\*Returns for the 4-month period from 30th November 2023 to 31st March 2024

\*\* Mid cap and small cap companies are the subsequent 150 and 250 companies beyond the top100 large caps respectively

A combination of factors may have contributed to this disconnect between the Nifty and the 'market' like: a) relative valuations of large caps becoming attractive after the sharp rally in small and mid-cap companies over the last year, b) the regulator's increasing concern over potential overheating in mid and small caps, c) resumption of Foreign Portfolio Investors' (FII) inflows into equity markets post state election results (over US\$ 8bn FPI inflows in the last 4 months) which are largely large cap focused.

Sensex Market Cap to BSE500 Market Cap: Headline valuations favour large caps

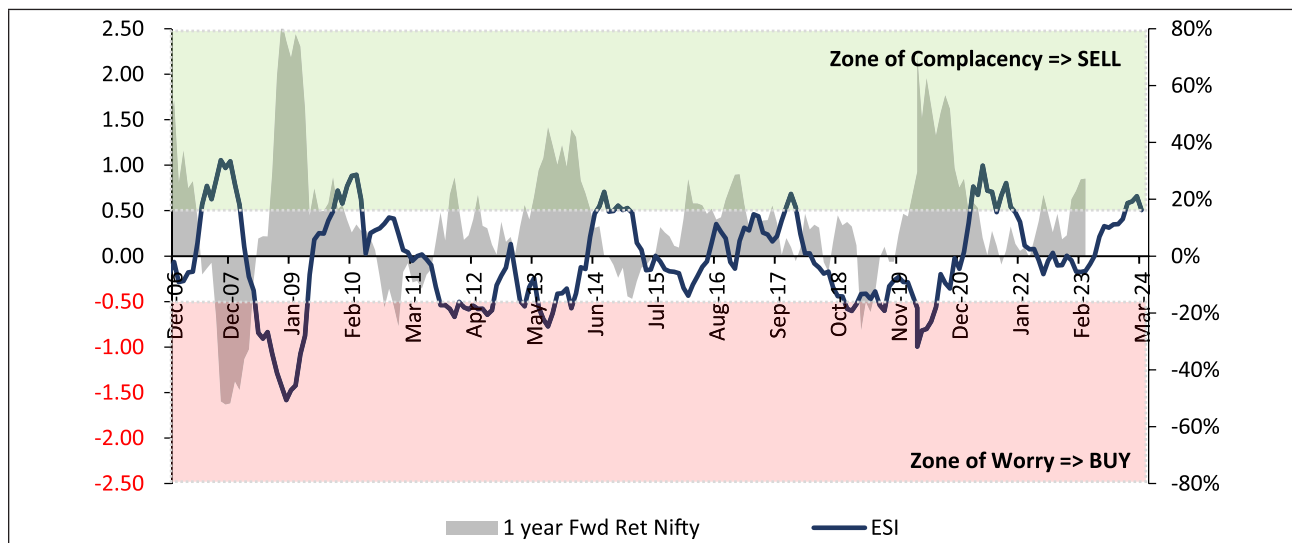


Source: Bloomberg, SBIFM Research

In summary, there is a lot of turbulence beneath the surface which is masked by the strong performance of the benchmark indices. The flip side however is that we have already seen a round of indiscriminate panic selling in mid- and small caps. While the turbulence may yet continue for similar reasons, we think increasingly the market will become more discerning and reward companies which have strong business models, long-term earnings growth visibility and sustainable cashflows across the market cap spectrum. Especially, at a time when the overall market sentiment continues to suggest complacency (discussed below), staying bottom-up and sticking to quality and sustainable growth should work.



## Equity sentiment index suggests heightened complacency



Source: Bloomberg, FactSet, SBIFM Research; Note: ESI stands for Equity Sentiment Index

Our equity sentiment measure has dipped slightly during the month, however, remaining high, reflecting complacency in the markets. Equity Sentiment as measured through our proprietary framework is a score considering a total of 14 sub factors covering various aspects of markets to arrive at a measure of market sentiment. The sentiment index works as a contrarian measure and has an inverse correlation to expected forward returns, especially at extremes.

### 6.3.2. FIXED INCOME

The second half of the year was highlighted by the much anticipated but nonetheless surprisingly early pivot announced by Fed chair Powell in its December policy which gave a boost to asset markets worldwide and provided a global tailwind to all Indian markets including the INR. This backdrop helped cool yields along with a favourable boost to Indian markets post state elections in December. However fixed Income market direction in India clearly broke from the interlinkages with US Treasury yields over the recent quarter.

While expectations on earlier and faster cuts from the FED has faded away resulting in treasury yields retracing higher, domestic factors have resulted in Indian rates staying supported with a significant flattening of the curve. The RBI policy in February reiterated the stance of withdrawal of accommodation. Interestingly the stance has been delinked from liquidity conditions and emphasized in terms of the policy interest rate and the variation of inflation with respect to the policy target of 4%. RBI forex balance build up upwards of 625 billion USD was also a highlight for the period.

Beyond policy easing expectations, sound macro fundamentals as well as well-matched demand- supply equation has supported the move lower in long term yields. This despite the initial trepidation in the markets around a larger than anticipated SDL borrowing for the quarter upwards of 4.13 trillion. Incidentally despite nearly borrowing the entire amount states managed to do so with tighter spreads over the sovereign showing strong investor appetite and some fine judgement in timing of the same. CPI inflation both headline as well as core on a sustained softening trend also builds the narrative of robust domestic macros.

Recent RBI actions on liquidity (Including a 5 billion USD swap maturity), helped by increased government spending have contributed to a gradual easing in the effective overnight rates from the upper MSF ceiling of 6.75% towards the repo rate of 6.5%. As headline CPI has moved lower to 5%+ from 6% over the last quarter the effective policy tightening that has been in place since Aug 23 has been gradually loosened. This trend of a vigilant RBI along with capital flows both in equities and debt could help anchor overnight rates close to RBIs policy rate for the foreseeable future.

With the announced market borrowings for FY25 being lower than market estimates and the continuing strong demand witnessed in recent past, the near-term outlook remains non disruptive from a market perspective. The shape of the curve will be affected by the internals of the borrowing calendar of both centre and states along with global factors like the USD & Brent affecting Indian bonds and rates. Markets are entering the new fiscal with an air of confidence with most participants constructive on rates. However, a

## SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED

regulatory change in accounting policies could alter behavior of banks who are typically the swing investors in Indian fixed income. Any trend of them paring SLR holdings to fuel the unrelenting credit growth in the economy pose a risk to the otherwise favorable environment for Indian bonds. The much-anticipated index flows should start from June even as the higher US treasury yields and the rate backdrop should temper active EM bond allocations.

Money market assets continue to provide adequate value and inflation adjusted carry for short holding period investments. The appeal of the same further strengthened as liquidity and seasonality ensured attractive entry levels over the latter part of the quarter. Within asset classes, sovereign / SDL provide higher relative value over high grade bonds as spreads remain tight, especially at the longer end of the curve. We also believe sovereign floaters along with other SLR spread assets are a tactical play and remain willing to increase duration across schemes on an opportunistic basis. For the non SLR part of the portfolio a core position in the 1-3Y high grade space provides excellent risk adjusted return opportunity owing to lower volatility and a possibly more benign liquidity environment next fiscal.

### 7. THE YEAR THAT WAS

The Indian Mutual Fund (MF) Industry witnessed a decent annual growth of 33.51%\* in the Quarterly AAUM (Average Assets Under Management) during the year on the back of net inflows of assets.

(₹ in Crore)

Particulars (MF Industry)	Reporting Year 2023-24	Previous Year 2022-23
Total Assets mobilized (₹ in Crore)	1,14,28,216	1,05,07,356
Total Redemptions/ Repurchases (₹ in Crore)	1,10,93,514	1,04,31,131
Net Inflows (₹ in Crore)	3,54,702	76,225
Quarterly (Q4) Average AUM * (₹ in Crore)	54,13,172	40,51,147
Monthly SIP Value (₹ in Crore)	22,188	17,511
Live SIPs (number in Crores)	7.51	5.91
Fresh SIPs during the year (number in Crores)	3.72	2.31

\*Source-AMFI

### 8. MUTUAL FUND INDUSTRY – REGULATORY DEVELOPMENTS

- SEBI has allowed payment for investment by any mode shall be accepted from the bank account of the minor, parent or legal guardian of the minor, or from a joint account of the minor with parent or legal guardian. Further, all redemption proceeds shall be credited only in the verified bank account of the minor.
- SEBI introduced a framework for Execution Only Platforms (EOP) for transacting in direct plans of Schemes of Mutual Funds. An EOP is a digital or online platform which facilitates transactions such as subscription, redemption and switch transactions in direct plans of schemes of mutual funds.
- SEBI amended various aspects, including definitions, sponsor requirements, disassociation of sponsors, trustee responsibilities, private equity fund or a pooled investment vehicle or a pooled investment fund as Sponsor, due diligence that has to be exercised by the Board of Directors of AMC, Joint meeting of Boards of AMC & Trustee company etc
- The new regulations also specified for constitution of Unitholder Protection Committee, obligation of AMC for listing of mutual fund units, other amendments relating to investment in environmental, social and governance (ESG) schemes, and participation in the Corporate Debt Market Development Fund.
- SEBI advised Trustees to review system checks periodically to prevent fraudulent transactions including front running by employees, splitting/ mis-selling by distributors etc, constitution of Unitholder Protection Committee, Chairperson of the Trustee Board, Joint meeting of AMC Board and Trustee Board, etc. SEBI also prescribed that Trustees have to independently evaluate the extent of compliance by AMC vis-à-vis the identified key areas and not merely rely on AMC's submissions/external assurances.
- SEBI has also prescribed regulations for deployment of liquid net worth by AMC, eligibility criteria of Sponsor for acquisition of AMC, disassociation of sponsor, Self-sponsored AMC, Re- Association of the Sponsor etc.

## **SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED**

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- SEBI has issued guidelines for new category of Mutual Fund schemes for Environmental, Social and Governance (“ESG”) Investing and related disclosures by Mutual Funds. Now, Mutual Funds can launch five (5) new categories with different ESG strategies. Further, Mutual Funds to clearly disclose the name of the ESG strategy in the name of the concerned ESG Fund. Also, Mutual Funds will have to make certain disclosure in their monthly portfolio statements of ESG schemes like security-wise BRSR Core scores and name of the ESG Rating Providers (ERPs) providing ESG scores, along with the ESG scores
- SEBI issued circular on Resources for Trustees of Mutual Funds which provides that Trustees shall have standing arrangements with independent firms for special purpose audit and/or to seek legal advice in case of any requirement as identified and whenever considered necessary.
- SEBI has introduced the Framework for Corporate Debt Market Development Fund (CDMDF). This framework aims to establish a Backstop Facility to purchase investment-grade corporate debt securities, enhance secondary market liquidity, and boost confidence in the Corporate Debt Market during periods of stress. The fund will act as a Backstop Facility for purchasing investment-grade corporate debt securities during market dislocations. SEBI Circular also provided that Corporate Debt Market Development Fund (CDMDF) will have to comply with the Guarantee Scheme for Corporate Debt (GSCD) as notified by Ministry of Finance vide notification dated July 26, 2023, which includes the Framework for Corporate Debt Market Development Fund.
- Units of CDMDF will be subscribed by AMCs of Mutual Funds and specified debt-oriented MF Schemes. Specified debt-oriented MF Schemes will invest 25 bps of their AUM in the units of CDMDF.
- SEBI also during the year introduced a mechanism for Online Resolution of Disputes in the Indian Securities Market, for resolving the disputes between Investors/Clients and listed companies or any of the specified intermediaries / regulated entities in securities market. The AMC, Portfolio Manager and the Manager of AIF will have to redress investor grievances promptly but not later than 21 calendar days from the date of receipt of the grievance and in such manner as may be specified by the SEBI. SEBI may also recognize a body corporate for handling and monitoring the process of grievance redressal within such time and in such manner as may be specified.
- SEBI vide its Circular No. SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/ 2023/0000000163 pertaining to Centralized mechanism for reporting the demise of an investor through KRAs introduced a centralized mechanism for reporting and verifying the demise of an investor through the KYC Registration Agency (KRAs) to smoothen the transmission process in the securities market.
- SEBI has advised that Schemes of AIFs will have an option of ‘Direct Plan’ for investors. Investors who approach the AIF through a SEBI registered intermediary which is separately charging the investor any fee are on-boarded via Direct Plan only. Further, SEBI also prescribed the Trail model for the distribution of commission in AIFs. AIFs will disclose fee to the investors at the time of on-boarding.
- During the year, SEBI also amended AIF Regulations to provide flexibility to AIFs to deal with investments of their schemes which are not sold due to lack of liquidity during the winding-up process by either selling such investments to a new scheme of the same AIF or distributing such unliquidated investments in-specie. SEBI has prescribed 2 options (i) Liquidation Scheme (ii) In-specie Distribution to deal with this scenario.
- During the year, SEBI issued a circular advising that AIFs units to be credited in dematerialised form. Investors who have not provided their demat account details, their units will be credited to a separate demat account -- “Aggregate Escrow Demat Account”. Managers of AIFs should continue to reach out to existing investors to obtain their demat account details and credit the units to their respective demat accounts.
- SEBI also advised that AIFs shall hold their investments in dematerialised form. The requirement shall not apply investments by AIF in such type of instruments which are not eligible for dematerialisation and investments held by a liquidation scheme of the AIF that are not available in the dematerialised form.
- SEBI has advised that Portfolio Managers are required to perform audit firm-level performance data on an annual basis and submit the confirmation of compliance within sixty days from end of each financial year. APML will specify standardised Terms of Reference (TOR) for audit of firm-level performance data.

## **9. PORTFOLIO MANAGEMENT SERVICES – REGULATORY DEVELOPMENTS:**

- SEBI amended PMS regulations and issued circular effective from September 20, 2022 which provides for prudential limits on investments in securities of associates/related parties of Portfolio Manager, requirement of taking prior consent of client for such

## SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED

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investments, minimum credit rating of securities for investments by Portfolio Managers, suitable disclosures to the clients regarding such investments, credit ratings, etc. in the Disclosure document, periodical reporting.

- SEBI has specified that Portfolio Managers to put in place a written down policy in compliance with the PMS Regulations and circulars issued thereunder, which inter-alia detail the specific activities, role and responsibilities of various teams engaged in fund management, dealing, compliance, risk management, back office, etc., with regard to management of client funds and securities including the order placement, execution of order, trade allocation amongst clients and other related matters; to constitute a dealing team (DT) responsible for order placement and execution of all orders; automated system with minimal manual intervention for ensuring effective funds and securities management; to maintain audit trail of all activities related to management of funds and securities of clients including order placement, trade execution and allocation. Further, there shall be time stamping with respect to order placement, order execution and trade allocation.
- SEBI has prescribed requirements related to performance reporting and benchmarking by Portfolio Managers. In addition to Investment Approach (IA), an additional layer of broadly defined investment themes called "Strategies" to be adopted by Portfolio Managers. Portfolio Manager shall present the Time-weighted Rate of Return ('TWRR') of the IA along with the trailing return of the selected benchmark when communicating/ advertising/ publishing/ mentioning performance of an IA.
- SEBI has issued guidelines on Cyber Security and Cyber Resilience effective from October 01, 2023 for all Portfolio Managers with AUM of INR 3000 crore or more, under discretionary and non-discretionary portfolio management service taken together, as on the last date of the previous calendar month.

### 10. ALTERNATIVE INVESTMENT FUNDS (AIF) – REGULATORY DEVELOPMENTS:

- Schemes of AIFs will have an option of 'Direct Plan' for investors. Investors who approach the AIF through a SEBI registered intermediary which is separately charging the investor any fee are on-boarded via Direct Plan only. AIFs will disclose fee to the investors at the time of on-boarding.
- Establishment of the Corporate Debt Market Development Fund (CDMDF), launching liquidation scheme, valuation procedures, investment conditions, governance mechanisms and disclosure requirements. It also covers the appointment of independent valuers, continuing eligibility of key personnel, unit issuance in dematerialized form, investment restrictions and the prohibition of listing for certain funds.
- SEBI has mandated that AIFs are required to carry out valuation of securities as per Mutual Fund Regulations for which valuation norms have already been prescribed under SEBI (Mutual Funds) Regulations, 1996 ('MF Regulations'). Valuation of securities which are not covered in MF Regulations, shall be carried out as per valuation guidelines endorsed by any AIF industry association, which in terms of membership represents at least 33% of the number of SEBI registered AIFs.
- SEBI amended AIF Regulations to provide flexibility to AIFs to deal with investments of their schemes which are not sold due to lack of liquidity during the winding-up process by either selling such investments to a new scheme of the same AIF or distributing such unliquidated investments in-specie. SEBI has prescribed 2 options (i) Liquidation Scheme (ii) In-specie Distribution to deal with this scenario.
- AIFs units to be credited in dematerialised form. Investors who have not provided their demat account details, their units will be credited to a separate demat account -- "Aggregate Escrow Demat Account". Managers of AIFs should continue to reach out to existing investors to obtain their demat account details and credit the units to their respective demat accounts.
- AIFs shall hold their investments in dematerialised form. The requirement shall not apply investments by AIF in such type of instruments which are not eligible for dematerialisation and investments held by a liquidation scheme of the AIF that are not available in the dematerialised form.

### 11. FUND HOUSE PERFORMANCE

#### 11.1 BUSINESS PERFORMANCE DURING THE YEAR

11.1.1 SBI Mutual Fund ('SBI MF' / the 'Fund House') grew by 27.4% in terms of average AUM on a year-on-year basis in FY 2024. Our average assets under management grew by Rs. 197,205 Crs in absolute terms during the year which is the highest in the industry. SBI MF consolidated its leadership and top rank in the industry in terms of the average AUM during the year and became the first mutual fund house to cross an Asset Under Management (AUM) of Rs. 9 Lakh Crs during the year. We have also added 40 Lakh new investors in the current financial year.

## SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED

11.1.2 A snapshot of the SBI Mutual Fund performance numbers during the year is provided below

(₹ in Crore)

Particulars	Reporting Year 2023-24	Previous Year 2022-23
Total Assets mobilized (₹ in crore)	24,11,449	25,83,924
Total Redemptions/ Repurchases (₹ in crore)	23,76,374	25,41,903
Net Inflows (₹ in crore)	35,075	42,021
Quarterly (Q4) Average AUM* (₹ in crore)	914,365	717,161
Market Share %	16.89	17.70
Average AUM Rank	1 <sup>st</sup>	1 <sup>st</sup>
Monthly SIP Value (₹ in crore)	3,007	2,306
Live SIPs (number in lakhs)	116.70	90.53
Fresh SIPs during the year (number in lakhs)	55.46	37.02

\*Source-AMFI

11.1.3 The Fund House continued to be the largest ETF Asset Manager in India, with QAAUM of ₹ 2,99,180 Crore with a market share of 43.03% for the quarter ending March 31, 2024 from ₹ 237,407 Crore and a market share of 46.82% for the quarter ending March 31, 2023.

11.1.4 SBI Mutual Fund launched 6 New Fund Offers (NFOs) during the year which includes 4 open ended funds and 2 Fixed Maturity debt funds mobilizing in aggregate Rs. 8,413 crores. The 4 open ended funds launched are SBI S&P BSE Sensex Index Fund, SBI Nifty 1D Rate ETF, SBI Nifty50 Equal Weight Index Fund and SBI Energy Opportunities Fund. SBI Energy Opportunities Fund mobilized Rs. 6,535 Crores

11.1.5 SBI Mutual Fund – Schemes Performance: As on March 31, 2024, under the one-year return category:

- 1) 94% of our fixed income funds, 19% of our equity funds and 100 % of our liquid funds were in the top two quartiles.
- 2) In the fixed income category, SBI Credit Risk Fund, SBI Dynamic Bond Fund, SBI Magnum Gilt Fund, SBI Long Duration Fund, SBI Medium Duration Fund, SBI Magnum Income Fund, SBI Retirement Benefit Fund - Conservative Hybrid Plan, SBI Magnum Children Benefit Fund- savings Fund and SBI Liquid Fund were in the top quartile.
- 3) Our equity funds namely SBI Long Term Equity Fund, SBI Banking and Financial Services Fund, SBI Magnum Childrens Benefit Fund - Investment Plan, SBI Arbitrage Opportunities Fund and SBI Equity Savings Fund were in the top quartile.

We have products available across all the open-ended SEBI defined categories. SBI Mutual Fund may launch new funds across differentiated themes as well as under the passive categories.

11.1.6 Systematic Investment Plans (SIPs) have played a key role in the growth of mutual fund industry, ensuring stickiness and building long term relationships. The monthly SIP trigger of SBI MF showed a growth of 30% year-on-year.

11.1.7 The concept of Net Promoter Score (NPS) which was introduced in FY23 to gauge customer loyalty, satisfaction and enthusiasm with a company has resulted into a positive feedback and leads to business growth through the digital assets.

## SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED

11.1.8 Apart from the mutual fund activity, the business parameters of the Portfolio Management / Advisory services (including Retail PMS), Alternate Investment Funds, Off-shore Fund, Corporate Debt Market Development Fund (CDMDF) and SBI Investment Opportunities Fund (IFSC) based in Gift City Gujarat were as under:

(₹ in Crore)

Particulars	Reporting Year 2023-24	Previous Year 2022-23
Portfolio Management/Advisory Services (including Retail business)	13,62,421	11,73,031
Alternate Investment Fund	387	481
SBI Resurgent India Opportunities Fund (Off- Shore Fund)	519	317
Corporate Debt Market Development Fund (CDMDF)	3,510	-
SBI Investment Opportunities Fund (IFSC) based in Gift City Gujarat	51	-

11.1.9 Overall, along with the growth in the business volume, the Company was managing total assets of about ₹ 22,84,806 Crores as on March 31, 2024 (₹ 18,81,441 Crores as on March 31, 2023).

## 12. DISTRIBUTION NETWORK

The Fund House works with a diverse set of distribution partners and currently has about 110,000 empaneled distributors which include mutual fund distributors, national distributors, banks (nationalized and private sector banks), investment advisers and fintech firms. During the year, we had a presence in 285 locations spread all over India with 1 overseas Point of Presence in Dubai.

## 13. AWARDS AND RECOGNITION

SBI Funds Management Limited, the asset manager for SBI Mutual Fund was awarded the **Best Asset Manager in the Morningstar Fund Awards Ceremony 2024**.

## 14. INVESTOR EDUCATION

14.1 As India sees increasing financialization of assets, mutual funds are increasing in their acceptance across all regions in the country. We believe that capital markets are the best way for investors to participate in India's growth story and mutual funds are the most convenient avenue to do that. As market leaders we believe that we are the drivers of broad basing and market expansion of mutual funds in India and continue to focus on investor awareness initiatives. As a fund house, we develop customized communication which is in line with investors' needs in terms of the language and the media platform they use. During the year, we used different communication mediums and launched our very own WhatsApp channel (over 6,000 subscribers), to reach out to all our stakeholders regularly.

14.2 Some of the major investor awareness activities undertaken by us during the year are mentioned as under:

### 1. Content development

- Articles** – We started an association with Outlook Money, a leading personal finance magazine in India, for a series of investor education articles titled '**Mutual Fund Solution Series**' which touches upon different facets of mutual funds and its facilities which can be used by investors as solutions for their different needs when planning for their different goals like an EMI for a house, car, travel or regular cashflow in retirement. In addition, content is generated in-house to promote a concept (solution-oriented funds or hybrid funds) to inform and guide investors. The content is adapted, when required, to formats like online mailers/WhatsApp and circulated to investors and distribution partners alike.
- Videos** – India has seen a significant increase in internet users, with approximately 850 million people now connected to the internet. Additionally, the average time spent on smartphones by an Indian individual has risen to ~ 8.5 hours per day – one of the highest in the world. Amidst the escalating consumption of content and the prevailing trend towards **short-format videos**, we continued to capitalize on this phenomenon and disseminate content on topics like SIP, SWP, SIP Top-up, ELSS, Multi Asset Allocation Funds, Hybrid Funds & Debt Funds, among other topics. These educational videos were disseminated across our social media platforms. These efforts, we believe, have helped build a strong affinity for the SBI Mutual Fund brand among the youth and other digital savvy audiences.



2. **Social Media** – During the year our social media subscribers across all our handles **crossed 1 million**. Our emphasis on elevating engagement across our social media platforms persisted, characterized by a content-driven strategy complemented by engaging and compelling multimedia content. Throughout the current financial year, alongside routine updates, we connected with our audience through quirky and topical posts on occasions ranging from Navratri to Diwali to Christmas and beyond along with curated investor education posts on SIP, SIP Top-up, Financial Tips and Myths vs. Facts. We were amongst the first AMCs to launch a **WhatsApp channel** to disseminate content to subscribers. Additionally, we introduced interactive formats such as live webinar sessions, reels, quizzes, and podcasts to foster continuous interaction with our audiences.
3. **Digital Marketing** – We have continued to leverage on reaching out to millennials and Gen Z with investor education content on SIP. Concurrently, our Hybrid Funds campaign had been crafted to **maximize visibility and resonance across key digital platforms**, targeting specific demographics. Furthermore, we have actively promoted concepts such as SIP Top-up, SWP, Multi Asset Allocation Funds and Equity Linked Savings Schemes (ELSS) through prominent finance websites and specialized domains. Dedicated landing pages which give users a seamless experience and help create awareness were our key objectives. These activities are supplemented with organic & affiliate email campaigns which help in increasing reach and awareness
4. **Public Relations/Media** – Our PR efforts are based on 3 aspects – **1) reach out to mainline & regional media, 2) Pitch key trends, milestones & differentiators of our funds and investment philosophy and 3) Focus on building thought leadership through proactive media engagement**. Our intent through interactions and authored articles with media (newspapers, magazines, online, and television) has been to guide and inform of our view as a fund house. A series of articles from the Chief Economist's Desk have decoded policy and government announcements while the interactions with Deputy MD & Joint CEO and CIO – Fixed Income have been to guide investors in their investments across asset classes.
5. **Media Campaigns**
  - i. **SIP Top-Up** is a convenient facility which allows an investor to top-up or increase their regular SIPs in line with an increase in income and lifestyle. Our **investor education campaign** was aimed to drive this point to investors through press advertisements, physical calculators, informational videos, outdoor campaign (across 103 cities) and leaflets in English & multiple regional languages.
  - ii. Every year a different asset class might perform hence **Multi Asset Allocation Funds score on diversification, taxation and convenience** fronts for an investor. Our investor education campaign was to reinforce this message to investors who can choose to invest in multiple asset classes through one fund. We increased our reach of this message through an outdoor campaign (across 103 cities), informational videos and leaflets in English & multiple regional languages.
  - iii. **Hybrid Funds** have emerged as a favoured option for investors across age groups who wish to diversify, benefit from growth across asset classes and do not have time to track their movements. The campaign centred around the fact that hybrid funds can work for all investors – first-salary earners, investors concerned about volatility and seasoned investors planning for retirement / post-retirement goals. We took these messages across the country with press advertisements in business & dailies (English & 9 regional languages), outdoor campaign (across 103 cities), television promotions through innovation advertisements on CNBC-TV18 network (English, Hindi and Gujarati) and Times Network (Business English & Hindi and Daily News) and Radio Jingles. Fund categories like Arbitrage Funds, Aggressive Hybrid Funds, Conservative Hybrid Funds, Balanced Advantage Funds, Multi Asset Allocation Funds, Equity Savings Funds, Retirement-Oriented and Children-Oriented Funds were highlighted on how these funds can help an investor plan for their various financial goals.
  - iv. Many a times, investors invest and forget or do not update their information leading to investments and amount paid in Income Distribution cum Withdrawal Plans (IDCW) lying unclaimed for years. **Your Money should be Yours** was the theme of our investor awareness campaign urging investors to update their information (PAN, KYC, Email Address, Mobile No. & Nominee) by checking their existing investments and visit the nearest branch of a fund house or Registrar & Transfer Agent. The advertisements were carried in select business dailies and personal finance publications.
  - v. For any parent, children are the center of their universe with every need becoming a priority. As a fund house, we believe **Children-Oriented Mutual Funds**, which are solution-oriented funds, are ideal as a lot of their aspirations are achievable if investments are done right. Our message **'Har Kadam Par Hogi Haan Jab Investment Hoga Sahi'** was to communicate this thought to parents / investors through high visibility advertisements in personal finance and business newspapers.

## SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED

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- vi. Mutual Funds are a versatile investment avenue for retail investors. As our country aims to realise its growth potential, various opportunities are present across the sectors and consumer segments. Mutual Funds remain an apt avenue to invest and participate in the nation's growth with solutions across equity, debt and hybrid funds. Our investor education campaign **Participate in Nation's Growth through Mutual Funds** was taken to 111 cities translated into 11 languages to increase the reach and efficacy of the message.

- 6. The asset management company of SBI Mutual Fund is actively engaged in promoting financial literacy across India. As of March 31, 2024, they have conducted 116 investor education meets reaching over 5,433 participants. These events feature trained professionals explaining investment basics, mutual funds, financial goal planning and wealth management concepts in an easy-to-understand manner. Presentations and video screenings further enhanced the learning experience. Notably, these programs are held at diverse locations like educational institutions, SBI branches, military bases, and even corporate houses, utilizing both online and offline formats. The positive feedback highlights the program's effectiveness in spreading financial awareness across various regions.

### 15. DIGITAL INITIATIVES

#### 15.1 New Feature / updates / customer reach

- 6 digital assets were refreshed during the year, added 15+ new features across digital assets and targeted over 77 Lakh investors with our campaigns via WhatsApp, email and app notifications. Using Digital Academy 75K+ users got registered and appropriate training and certification are getting to Sales team & all kinds of distributors.
- InvesTap alone engages with over 10 Lakh users each month, and the app was rated 4.5 + on both android and iOS store, the best in the Mutual Fund Industry.
- Partner app is also rated 4.7 on android and 4.9 on iOS Store, 24\*7 Digital Assets Support & Monitoring team.

#### 15.2 B2C New feature launches

- New GSIP, ESOA, ADMIN, ONLINESBIMF, GIFT City, CDMDF portal launched with new technology & features.
- New Payment Mode Launches – launched UPI services via a new Payment Gateway for improved user experience and to reduce dependency on a single payment gateway provider.
- Activated Investments in SBI Mutual Fund via SBI Bank's Net Banking Portal
- Activated Mutual Fund KYC on YONO App for retail investors.
- Launched Investor Self Service Zone – Paperless Non-financial transactions for updating bank account and nominees in a folio, consolidating folios and modifying KYC details. Introduced bulk nomination update facility for investors with multiple folios.
- Launched onlinesbimf.com – A seamless investment journey for repeat users.
- Accelerated Investment Journeys - Introduced Quick Buy Journey on website and app to reduce the time taken to transact from over 2 minutes to under a minute.
- Streamlined chatbot journeys for high-intent investors, reducing journeys to less than 5 steps for faster investment decisions.
- Improved campaign efficiency with Rich Media Messaging: Improved campaigns with content including images, videos, and PDFs with open/read rates up to 75% vs 20% on traditional mediums.
- Modified the back-end processes for managing transactions effectively and reducing dependency on third parties like CAMS, Payment service providers.
- Developed various customized journeys to upsell to investors.
- Upgraded Smart Statement for improved insights and user experience.



## SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED

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### 15.3 B2B Partner Facing Assets

- Launched project Sangam – Partner Website & App and Mitra Website & App launched with a revamped user experience and architecture.
- For Mitra users - Mitra App Access was extended to the entire SBI Workforce – now Non-ACEs can also service customers walking into the branch, Regional Rural Bank employees and SBI Wealth Employees. Enabled SBI's Controllers on Mitra to manage and monitor performance of the region under their control.
- Enhanced InvestEasy to facilitate initiated transactions within the investor's app and show case funds curated by distributors.

### 16. FUTURE PLANS

- **Business Development** – As a Fund House, we expect FY 2025 to be a dynamic year for the industry from the perspective of growth in assets and margins. Given the backdrop of high inflationary trajectory as well as the current global geo-political situation, we may witness turbulence across asset classes. We will, however, continue to focus on business development and market making activities as well as cost optimization through AMC. The asset manager will continue to invest in the business, especially for expanding the new business lines of alternates and will make significant investments into technology to protect the customer data by developing highest standards of data security.
- **New Products** - In terms of our product basket, SBI Mutual Fund will continue to add funds through innovation, especially on thematic and passives to meet product gaps. SBI Mutual Fund will also evaluate offerings on the alternatives – both PMS & AIF side. The Fund house would also be expanding their international range of offerings as well as launching more solution-oriented fund of funds in the coming year.
- **Increasing network of branches** – In line with the mission of Jan Nivesh through Bharat Outreach, the Fund House will continue expanding the physical network. In FY24, we added / upgraded 26 Branches & we have plans to open about 100 new branches in the next 2-3 years.
- **Digital** – The Fund House will also focus on creating more tools and solutions which will help our channel partners and investors in achieving the seamless investment experience.

### 17. SBI FUNDS MANAGEMENT LIMITED WAS APPOINTED BY THE HONORABLE SUPREME COURT OF INDIA TO UNDERTAKE LIQUIDATION AND DISTRIBUTION OF ASSETS OF SIX SCHEMES OF FRANKLIN TEMPLETON MUTUAL FUND

The Hon'ble Supreme Court Vide orders dated February 2, 2021, February 9, 2021 and February 12, 2021 in the SLP Nos. 14288-14291/2020 in Franklin Templeton (FT) Vs. Amruta Garg & OR's., appointed SBI Funds Management Ltd ('SBIFML') erstwhile SBI Funds Management Pvt Ltd, to undertake the exercise of distribution and winding up, which includes liquidation of the holdings/assets/portfolio and distribution/payment to the unitholders of the six schemes of Franklin Templeton Mutual Fund ('FTMF'). SBIFML received cash amounting to ₹ 9,122 crores for initial disbursement and balance securities amounting to ₹ 17,682 crores for liquidation and subsequent disbursement.

SBIFML based on its standard operating procedure application filed with the Hon'ble Supreme Court has fully liquidated securities received under liquidation. The proceeds from liquidation have been received from selling the securities, maturity proceeds, expense reversals and collections from coupons. As on March 31st, 2024, the securities amounting to ₹ 18,387 crores have been liquidated, out of which ₹ 520 crores have been liquidated in FY24. The total disbursements made by SBIFML to FT unitholders is ₹27,509 crores which include ₹ 577 crores disbursed in FY24, ₹ 833 crores disbursed in FY23, ₹ 16,977 crores disbursed in FY22 in addition to the ₹ 9,122 crores of the initial disbursement in FY21.

SBIFML has filed interim updates with the Hon'ble Supreme Court regarding progressive status of disbursement and liquidation on 15th March 2021, 17th January 2022, and 5th April 2022. The Hon'ble Supreme Court had vide its order dated April 12, 2022, directed that no further distribution of the available fund/money shall be made by SBIFML without prior permission/approval of this Court, which was subsequently vacated by orders dated 3rd August 2022 and 12th August 2022, by the Hon'ble Supreme Court, wherein the court allowed disbursement of certain amounts to the unitholders of various schemes. The matter is likely to be listed in July 2024.

## **SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED**

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### **18. CHANGE IN THE NATURE OF BUSINESS**

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

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

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 2023-24 and the date of this report.

### **20. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO**

#### **20.1 CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:**

Since the Company does not own any facility, the disclosure under this head is not applicable.

#### **20.2 FOREIGN EXCHANGE EARNINGS AND OUTGO:**

During the financial year under review, there was no earnings as well as outgo in foreign currency.

### **21. RISK MANAGEMENT SYSTEM**

The Company has in place a Risk Management Policy duly approved by the Risk Management Committee of the Board and the Board of Directors. An Enterprise Risk approach is followed, and the Policy covers Investment Risk, Operational Risk, Reputation Risk, Cyber Risk, Financial Risk etc. The Enterprise Risk control framework, escalation, and monitoring mechanism is outlined in the Policy and is in place within the Company. We follow the Risk Control Self-Assessment approach for identification of risks and the same is duly escalated to the Risk Management Committee of the Board. Key risk indicators have been defined for risk measurement and the same are duly monitored.

### **22. INTERNAL FINANCIAL CONTROLS**

The Company has put in place adequate internal control systems that are commensurate with the size of its operations. Internal control systems comprising policies and procedures are designed to ensure sound management of the Company's operations, safekeeping of its assets, optimal utilisation of resources, reliability of its financial information, and compliance. Clearly defined roles and responsibilities have been institutionalised, and systems and procedures are periodically reviewed to keep pace with the growing size and complexity of the Company's operations. During the year, these controls were tested and were found to be operating effectively.

### **23. LOANS, GUARANTEES OR INVESTMENTS**

- a) There are no Loans or Guarantees given by the Company under the provisions of Section 186 of the Companies Act, 2013.
- b) All the Investments made by the Company are within the limits specified under Section 186 of The Companies Act, 2013.

### **24. DEPOSITS:**

The Company has neither accepted deposit from the public nor from the members of the Company falling within the ambit of Section 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. Further, the Company has not accepted any funds from the Director(s) of the Company during the financial year under review.

### **25. RELATED PARTIES TRANSACTIONS**

All related party transactions entered into by the Company during the financial year were on arm's length basis and in the ordinary course of business of the Company. The details of all related party transactions have been placed before the Audit Committee of the Board and are provided in Note no. 7 to the financial statements of the Company.

### **26. DIRECTORS**

26.1 During the period under review and till the date of this Report, the following changes took place in the Board of Directors of the Company:

- a) Mr. Dhruv Prakash (DIN: 05124958) ceased to be Director from the close of business hours on March 13, 2024.

## SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED

The Board placed on record its appreciation of the valuable contributions made by Mr. Dhruv Prakash during his tenure.

The Company is a Private Limited Company, the provision of appointment for Independent Directors does not apply. However, in terms of SEBI (Mutual Funds) Regulations, 1996, the Company has appointed Independent Directors.

Mr. Ashutosh Khajuria was appointed as an Additional Director (Independent Director) by the Board w.e.f. May 10, 2024. It is proposed to appoint him as an Independent Director for a period of three years w.e.f. May 10, 2024, subject to approval of Shareholders at the ensuing Annual General Meeting.

Mr. Amarjit Chopra, Independent Director has completed his first tenure as an Independent Director. The Board had approved re-appointment of Mr. Amarjit Chopra as an Independent Director for second term of three years w.e.f. February 23, 2024, subject to the approval of shareholders at the ensuing Annual General Meeting.

Mr. Achal Kumar Gupta, Associate Director has completed his first tenure as an Associate Director. The Board had approved re-appointment of Mr. Achal Kumar Gupta as an Associate Director for second term of three years w.e.f. June 14, 2024, subject to the approval of shareholders at the ensuing Annual General Meeting.

### 26.2 BOARD MEETINGS

9 Board meetings were held during the financial year under review on following dates: April 28, June 09, July 26, August 18, September 26, October 30, December 13 of 2023 and January 23 and March 12 of 2024. The attendance of each director at the meetings of the Board of Directors was as under:

Name of the Director	Director Identification Number (DIN)	Category of Director	Number of meetings attended
Mr. Dhruv Prakash*	05124958	Independent	9
Mr. Sunil Gulati	00016990	Independent	7
Mr. Achal Kumar Gupta	02192183	Associate	9
Dr. Archana Hingorani	00028037	Independent	8
Mr. Amarjit Chopra	00043355	Independent	9
Mr. P.B Santhanakrishnan	03213653	Associate	9

\*Ceased to be Director from the close of business hours on March 13, 2024 during the period under review as specified in Para 26.1 above

### 26.3 AUDIT COMMITTEE OF DIRECTORS

The Audit Committee was constituted by the Board of Directors in their meeting held on December 29, 2004. The Audit Committee reviews the internal/concurrent audit reports of schemes of SBI Mutual Fund and its compliance with SEBI/RBI instructions, approves the financial results of the domestic schemes of SBI Mutual Fund, the off-shore Fund and the Company.

The Audit Committee met 8 times during the year on: April 28, June 09, July 25, August 18, September 26, October 30 of 2023, and January 23 and March 12 of 2024. All the meetings of the Audit Committee were chaired by an Independent Director who is a Chartered Accountant. The attendance of each member at the meetings of the Audit Committee was as under:

Name of the Director	Director Identification Number (DIN)	Category of Director	Number of meetings attended
Mr. Dhruv Prakash*	05124958	Independent	8
Mr. Achal Kumar Gupta	02192183	Associate	8
Mr. Amarjit Chopra	00043355	Independent	8
Mr. P.B Santhanakrishnan	03213653	Associate	8

(\*) Ceased to be a Director from the close of business hours on March 13, 2024 during the period under review as specified in Para 26.1 above

## SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED

### 26 JOINT MEETING OF AUDIT COMMITTEES OF TRUSTEE COMPANY & AMC

The Audit Committee met once during the year on 13 December 23 as per SEBI Circular no. SEBI/HO/IMD/IMD-I DOF2/P/CIR/2022/17 dated February 09, 2022 which required that the Audit Committee of AMC (SBI Funds Management Limited) would interact with the Audit Committee of the Trustee Company at least once annually.

The attendance of each member at the joint meeting of the Audit Committees of Trustee Company and AMC was as under:

Name of the Director	Director Identification Number (DIN)	Category of Director	Number of meetings attended
<b>Trustee Company - Audit Committee Directors</b>			
Mr. Dhruv Prakash*	05124958	Independent	1
Mr. Achal Kumar Gupta	02192183	Associate	1
Mr. Amarjit Chopra	00043355	Independent	1
Mr. P. B. Santhanakrishnan	03213653	Associate	1
<b>SBIFM (AMC) Audit Committee Directors</b>			
Mr. Moiz Miyajiwala	00026258	Independent	1
Ms. Sudha Krishnan	02885630	Independent	1
Mr. Fathi Jerfel	05225974	Associate	None
Dr. T.T Ram Mohan	00008651	Independent	None

\*Ceased to be Director from the close of business hours on March 13, 2024 during the period under review as specified in Para 26.1 above

### 26.4 RISK MANAGEMENT COMMITTEE OF DIRECTORS

During the year, 4 meetings of the Risk Management Committee of Directors were held on following dates: April 25, July 25, October 23 of 2023 and January 19 of 2024. The attendance of each member at the meetings of the Risk Management Committee was as under:

Name of the Director	Director Identification Number (DIN)	Category of Director	Number of meetings attended
Mr. Dhruv Prakash*	05124958	Independent	4
Mr. Sunil Gulati	00016990	Independent	4
Dr. Archana Hingorani	00028037	Independent	4

\*Ceased to be Director from the close of business hours on March 13, 2024 during the period under review as specified in Para 26.1 above

### 26.5 INDEPENDENT DIRECTOR DECLARATION U/S 149 (6)

Section 149(6) of the Companies Act, 2013 is not applicable to a Private Company. However, in terms of SEBI (Mutual Funds) Regulations, 1996, the Company has appointed Independent Directors. All the Independent Directors have submitted the requisite declarations, on a voluntary basis, confirming that they continue to meet the criteria of independence as prescribed under section 149(6) of the Companies Act, 2013 and SEBI (Mutual Fund) Regulations, 1996.

## **SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED**

### **27. DIRECTORS' RESPONSIBILITY STATEMENT PURSUANT TO SECTION 134(5) OF THE COMPANIES ACT, 2013**

The Directors hereby confirm that:

- a) In the preparation of the annual accounts of the Company for the year ended 31st March, 2024, the applicable accounting standards have been followed.
- b) Reasonable and prudent accounting policies have been selected and applied consistently along with reasonable and prudent judgments and estimates so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and the profit or loss of the Company for that period.
- c) 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) Internal financial controls in the Company are adequate and operating effectively.
- e) The annual accounts have been prepared on a going concern basis.
- f) The Company has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **28. KEY MANAGERIAL PERSONNEL**

There is no employee covered under Section 197 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Hence, the provisions are not applicable to the Company.

### **29. EXTRACT OF ANNUAL RETURN**

In terms of the provisions of Section 92 and Section 134 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the website of the Company, i.e., [www.sbimf.com](http://www.sbimf.com).

### **30. MATERIAL ORDERS BY REGULATOR, COURT, TRIBUNALS IMPACTING THE GOING CONCERN AND / COMPANY'S OPERATION**

There is no material order by any regulator, court, tribunals which has any significant impact on the going concern status and the Company's operation in future.

### **31. DETAILS OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12) OF THE COMPANIES ACT, 2013**

There was no fraud identified by the Company. The auditors of the Company have also not reported any frauds under section 143(12) of the Companies Act, 2013.

### **32. MAINTENANCE OF COST RECORDS**

Disclosure pertaining to maintenance of cost records as specified by the Central Government under section 148(1) of the Companies Act, 2013 is not applicable to the Company.

### **33. REPORTING ON THE RECOMMENDATIONS MADE BY THE COMMITTEE ON PAPERS LAID ON THE TABLE (RAJYA SABHA) IN ITS 150TH REPORT:**

#### **A) DETAILS OF THE VIGILANCE CASES FOR THE FY 2023-24**

Opening Cases	Cases received during 2023-24	Cases Disposed off	Closing Cases
Nil	Nil	Nil	Nil

#### **B) STATUS OF PENDING CAG PARAS AND MANAGEMENT REPLIES**

There is no pending CAG Para as on the date of this Report.

## **SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED**

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### **34. CODE OF CONDUCT**

The Directors confirm that all Board members have affirmed compliance with the Company's Code of Conduct for the financial year 2023-24.

### **35. PERSONNEL**

Employee relations remained cordial during the year. The Directors place on record their appreciation of the dedicated work put in by all the employees.

### **36. STATUTORY AUDITORS**

The Comptroller and Auditor General of India (CAG) has appointed M/s. Sharp & Tannan as the Statutory Auditor of the Company for the year under review, who will retire at the conclusion of the Twenty First Annual General Meeting.

Under Section 142(1) of the Companies Act, 2013, the remuneration of Auditors appointed under Section 139(5) by the CAG is fixed by the Company in the Annual General Meeting.

There were no qualifications, reservations or adverse comments or disclaimers made by the statutory auditor in their audit report.

### **37. COMPLIANCE OF SECRETARIAL STANDARDS**

The Company has complied with applicable Secretarial Standards during the year.

### **38. ACKNOWLEDGEMENT**

The Directors take this opportunity to express their gratitude for the continued support and co-operation extended by the State Bank of India, Amundi, the Registrars & Transfer Agents, the Custodians, the Collecting Banks, Government Agencies, Auditors, SEBI, AMFI, the Board of Directors of SBI Funds Management Limited and market intermediaries.

The Directors also express their gratitude to the large body of investors of various schemes of SBI Mutual Fund for the faith reposed in the Fund House and look forward to their continued patronage.

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

**Place: Mumbai**  
**Date: 05 July 2024**

Sd/-  
**Sunil Gulati**  
**Director**  
DIN: 00016990

**SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED****ANNEXURE I****Form No. MGT-9  
EXTRACT OF ANNUAL RETURN**

**as on the financial year ended on March 31, 2024**  
**[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the**  
**Companies (Management and Administration) Rules, 2014]**

**I. REGISTRATION AND OTHER DETAILS:**

i	CIN	U65991MH2003PTC138496
ii	Registration Date	02/01/2003
iii	Name of the Company	SBI Mutual Fund Trustee Company Private Limited
iv	Category/Sub-Category of the Company	Private Limited Company having Share Capital
v	Address of the Registered office and contact details	9th Floor, Crescenzo, C - 38 & 39, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400051, Maharashtra Tel. no: 022 61793000; Fax: 022 67425690 Email: <a href="mailto:vinaya.datar@sbimf.com">vinaya.datar@sbimf.com</a> Website: <a href="http://www.sbimf.com">www.sbimf.com</a>
vi	Whether Listed Company (Yes/No)	No
vii	Name, Address and Contact details of Registrar & Transfer Agents, if any	Datamatics Business Solutions Limited Plot No. B-5, Part b, Cross Rd B, M.I.D.C, Andheri East, Mumbai, Maharashtra 400093

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

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

Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
Trustees to SBI Mutual Fund & Alternative Investment Fund	6619	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

The Company does not have any Holding, Subsidiary or Associate Companies. However, the Company is the wholly owned subsidiary of State Bank of India.

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****i) Category-wise Shareholding**

Category of Shareholders	No. of shares held at the beginning of the year April 01, 2023				No. of shares held at the end of the year March 31, 2024				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual* / HUF	-	50	50	0.05	-	50	50	0.05	NIL
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Bank / FI	99950	-	99950	99.95	99950	-	99950	99.95	NIL
f) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1):-</b>	<b>99950</b>	<b>50</b>	<b>100000</b>	<b>100.00</b>	<b>99950</b>	<b>50</b>	<b>100000</b>	<b>100.00</b>	<b>NIL</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-

**SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED**

Category of Shareholders	No. of shares held at the beginning of the year April 01, 2023				No. of shares held at the end of the year March 31, 2024				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2)</b>	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter <b>(A) = (A)(1) + (A)(2)</b>	-	-	-	-	-	-	-	-	-
<b>B. Public Shareholding</b>									
<b>1.Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i)Others (spec-ify)	-	-	-	-	-	-	-	-	-
<b>Sub- total (B) (1)</b>	-	-	-	-	-	-	-	-	-
<b>2.Non-Institutions</b>									
a)Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 Lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	-	-	-	-	-	-	-	-	-
<b>Total Public Shareholding (B) = (B)(1) + (B)(2)</b>	-	-	-	-	-	-	-	-	-
<b>C. Shares held by Custodian for GDR's &amp; ADR's</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>99950</b>	<b>50</b>	<b>100000</b>	<b>100.00</b>	<b>99950</b>	<b>50</b>	<b>100000</b>	<b>100.00</b>	<b>NIL</b>

\*State Bank of India is the beneficial holder of these shares



## SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED

### ii) Shareholding of Promoters:

SI No.	Shareholder's Name	Shareholding at the beginning of the year April 01, 2023			Shareholding at the end of the year March 31, 2024			% change in Shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledge/ encumbered to total shares	
1	State Bank of India	99950	99.95	NA	99950	99.95	NA	NIL
2	Shri Mihir N. P. Mishra	25*	0.025	NA	25*	0.025	NA	NIL
3	Shri Vinay M. Tonse	25*	0.025	NA	25*	0.025	NA	NIL
	<b>Total</b>	<b>100000</b>	<b>100.00</b>	<b>NA</b>	<b>100000</b>	<b>100.00</b>	<b>NA</b>	<b>NIL</b>

\*State Bank of India is the beneficial holder of these shares

### iii) Change in Promoters' Shareholding

There is no change in promoters' shareholding during the financial year.

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

NOT APPLICABLE

### v) Shareholding of Directors and Key Managerial Personnel:

NOT APPLICABLE

### V. INDEBTNESS – NIL

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

NOT APPLICABLE

#### B. Remuneration to others directors

##### I. Independent Directors:

SI. No.	Particulars of Remuneration	Name of Directors				Total Amount (Rs in Lakh)
		Mr. Dhruv Prakash	Mr. Sunil Gulati	Mr. Amarjit Chopra	Dr. Archana Hingorani	
1	Fee for attending Board / Committee meetings	11.10	6.10	9.90	6.80	33.90
2	Commission	--	--	--	--	--
3	Others	--	--	--	--	--
	<b>Total (I) (Rs. in Lakh)</b>	<b>11.10</b>	<b>6.10</b>	<b>9.90</b>	<b>6.80</b>	<b>33.90</b>

**SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED****II. Other Non-Executive Directors:**

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount (Rs in Lakh)
		Mr. Achal Kumar Gupta	P.B. Santhanakrishnan @	
1	Fee for attending Board / Committee meetings	9.90	9.90	19.80
2	Commission	--	--	--
3	Others	--	--	--
	<b>Total (2)</b>	<b>9.90</b>	<b>9.90</b>	<b>19.80</b>
	<b>Total (B)=(1+2) (Rs. in Lakh)</b>			<b>53.70</b>
	Total Managerial Remuneration			
	Overall Ceiling as per the Act	--		

(\*) Ceased to be a Director from the close of business hours on March 13, 2024 during the period under review.

Since the Company is a Private Limited Company, the provision of Independent Directors does not apply. However, in terms of SEBI (Mutual Funds) Regulations, 1996, the Company has appointed Independent Directors and sitting fees are paid to these Directors for attending Board & Committee Meetings.

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

NOT APPLICABLE

**VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:**

There were no penalties / punishment / compounding of offences during the year ending March 31, 2024.

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## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of SBI Mutual Fund Trustee Company Private Limited**

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

#### **Opinion**

We have audited the accompanying financial statements of **SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED** ("the Company") which comprise the balance sheet as at 31 March 2024, the statement of profit and loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act, read with rule 7 of the Companies (Accounts) Amendment Rules, 2016 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, the profit for the year, and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. 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 Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### **Information other than the financial statements and auditor's report thereon ('other information')**

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

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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Management's responsibility for the financial statements**

The Company's Board 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 Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board 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 the Board either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board is also responsible for overseeing the Company's financial reporting process.

**Auditor's responsibility 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 Standards on Auditing ("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 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 scepticism 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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 - A, the statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose 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.

## SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED

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- (c) The balance sheet, the statement of profit and loss and 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 rule 7 of 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, 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure - B. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the auditor's report in accordance with the requirements of section 197(16) of the Act (as amended), the provisions of the said section are not applicable to the Company and
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 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 does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - (iii) There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (iv) (a) Management has represented to us that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ('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) Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, 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;  
  
(c) Based on the audit procedures 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-clauses (i) and (ii) of rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) The Company has paid interim dividend during the year under audit as mentioned in note no.2.2.
- (vi) Based on our examination which included test checks, the Company has used an 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 accounting period for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

**SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED**

3. As required by section 143(5) of the Companies Act, 2013 and in accordance with the directions issued by the Comptroller and Auditor-General of India we report on the matters specified in clauses I, II & III of the revised directions as under.

<b>SR. NO.</b>	<b>REVISED DIRECTIONS</b>	<b>SPECIFIC COMMENT ON REVISED DIRECTION</b>
<b>I</b>	Whether the Company has a system in place to process all the accounting transactions through the IT System? If yes, the implications of processing of accounting transactions outside the IT system on the integrity of the accounts along with the financial implication, if any may be stated?	The Company has a system in place to process all the accounting transactions through the IT system. According to the information and explanations given to us, and on the basis of our examination there are no accounting transactions processed outside the IT system impacting the integrity of the accounts.
<b>II</b>	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans /interest etc. made by a lender to the Company due to the Company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, the lender is a Government Company, then its direction is also applicable for the statutory auditor of the lender company).	According to the information and explanations given to us, and on the basis of our examination of the records of the Company, we report that there are no cases of waiver/write off of debts/ loans/interest due to the Company's inability to repay.
<b>III</b>	Whether funds (grants/subsidy, etc.) received /receivable for specific schemes from Central/State Government or its agencies were properly accounted for / utilized as per its terms and conditions? List the cases of deviation.	According to the information and explanation given to us, and on the basis of our examination of the records of the Company, there are no funds (grants / subsidy, etc.) received / receivable for specific schemes from Central/State Government or its agencies and as such there is no deviation.

**For Sharp & Tannan**  
**CHARTERED ACCOUNTANTS**  
FIRM REG. NO. 109982W

Place of Signature: Mumbai  
Date: 26 April 2024

Sd/-  
**FIRDOSH D. BUCHIA**  
(PARTNER)  
Membership No. 038332  
UDIN NO.: 24038332BKAUGP9226

**ANNEXURE “A” TO THE INDEPENDENT AUDITORS REPORT**

**(Referred to in paragraph 1 under ‘Report on other legal and regulatory requirements’ section of our report of even date)**

- (i) The Company does not own any property, plant and equipment during the financial year under review. Accordingly, reporting under clause 3(i)(a) to (e) of the Order is not applicable to the Company;
- (ii) Since the Company is a service provider primarily rendering Trusteeship services, it does not hold any physical inventories and hence, clause 3(ii) of the Order is not applicable to the Company;
- (iii) According to the information and explanations given to us, the Company has not made any investment, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms and limited liability partnerships or other parties. Hence, clause 3(iii)(a) to (f) of the Order is not applicable to the Company;
- (iv) According to the information and explanations given to us, the Company has not given any loans, guarantees or securities in respect of provisions of Sections 185 and 186 of Companies Act, 2013. Further, in respect of investments made, the Company has complied with the provisions of Section 186 of the Companies Act, 2013;
- (v) In our opinion, and according to information and explanations given to us, the Company has not accepted deposits within the meaning of sections 73 to 76 of the Act or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Hence clause 3(v) of the Order is not applicable to the Company;
- (vi) According to the information and explanations given to us, the central government of India has not specified the maintenance of cost records under section 148(1) of Companies Act, 2013 for any of the services rendered by the Company;
- (vii) (a) According to the information and explanations given to us and the records examined by us, the Company is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, Goods and Service Tax and other statutory dues applicable to the Company with appropriate authorities.  

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, Goods and Service Tax and any other material statutory dues applicable to the Company, were outstanding as on the last day of the financial year, for a period of more than six months from the date they became payable;
- (b) According to the information and explanations given to us, there are no dues outstanding in respect of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute;
- (viii) In our opinion and according to the information and explanations given to us, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of accounts, in the tax assessments under the Income-tax Act, 1961 as income during the year;
- (ix) According to the records of the Company examined by us and the information and explanations given to us:
  - (a) The Company has not defaulted in repayment of loans or borrowing to any bank;
  - (b) The Company has not been declared a wilful defaulter by any bank or financial institution or other lender;
  - (c) The Company has not taken any term loan. Accordingly, paragraph 3(ix)(c) of the Order is not applicable to the Company;
  - (d) The Company has not raised funds for short term. Accordingly, paragraph 3(ix)(d) is not applicable to the Company;
  - (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures; and
  - (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies;
- (x) (a) The Company has not raised monies by way of initial public offer or further public offer (including debt instruments) or term loans during the year. Accordingly 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 or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, paragraph 3(x)(b) of the Order is not applicable to the Company;
- (xi) (a) According to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year; and

## SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED

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- (b) No report under sub-section (12) of section 143 of the Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the central government;
- (c) According to the information and explanations given to us, no complaints were received as a part of the whistle-blower mechanism during the year Accordingly, paragraph 3(xi)(c) of the Order is not applicable to the Company;
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, clause 3(xii) of the Order is not applicable to the Company;
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable, and details of such transactions have been disclosed in the financial statements, as required by the applicable Accounting Standards;
- (xiv) (a) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.  
(b) We have considered, during the course of our audit, the reports of the Internal Auditor for the period under audit;
- (xv) According to the information and explanations given to us and based on our examination of the records, the Company has not entered during the year into any non-cash transactions with its directors or persons connected with them and hence, clause 3(xv) of the Order is not applicable to the Company;
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934;  
(b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable to the Company;  
(c) According to the information and explanations given to us, the Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraph 3(xvi)(c) and (d) of the Order is not applicable to the Company;
- (xvii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not incurred cash losses in the financial year ended 31 March 2023, the Company has not incurred cash losses in the immediately preceding financial year;
- (xviii) There has been no resignation of the statutory auditor of the Company during the year and hence, clause 3(xviii) of the Order is not applicable to the Company.
- (xix) In our opinion and according to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report and that the Company is 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.
- (xx) According to the information and explanations given to us, provisions of section 135 of the Act are not applicable to the Company. Accordingly, paragraph 3(xx)(a) and (b) of the Order is not applicable to the Company.
- (xxi) According to the information and explanations given to us, the Company is not required to prepare consolidated financial statements. Accordingly, paragraph 3(xxi) of the Order is not applicable to the Company.

**For Sharp & Tannan**  
**CHARTERED ACCOUNTANTS**  
FIRM REG. NO. 109982W

Place of Signature: Mumbai  
Date: 26 April 2024

Sd/-  
**FIRDOSH D. BUCHIA**  
(PARTNER)  
Membership No. 038332  
UDIN NO.: 24038332BKAUGP9226



**ANNEXURE “B” TO THE INDEPENDENT AUDITORS REPORT**

**(Referred to in paragraph 2(f) under ‘Report on other legal and regulatory requirements’ of our report of even date)**

**Report on the internal financial controls under clause (i) of sub-section (3) of section 143 of the Companies Act, 2013**

We have audited the internal financial controls over financial reporting of **SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE 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 (the “Guidance Note”). 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 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 Act

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, 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 system over financial reporting.

**Meaning of internal financial controls over financial reporting**

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

## **SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED**

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### **Inherent limitations of internal financial controls over financial reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting 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.

**For Sharp & Tannan**  
**CHARTERED ACCOUNTANTS**  
FIRM REG. NO. 109982W

Place of Signature: Mumbai  
Date: 26 April 2024

Sd/-  
**FIRDOSH D. BUCHIA**  
(PARTNER)  
Membership No.038332  
UDIN NO.: 24038332BKAUGP9226

## **SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED**

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### **COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED FOR THE YEAR ENDED 31 MARCH 2024**

The preparation of financial statements of SBI Mutual Fund Trustee Company Private Limited for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 26 April 2024.

The assets under management through various schemes managed by SBI Mutual Fund Trustee Company Private Limited are not reflected in its Balance Sheet, since these assets do not form part of the SBI Mutual Fund Trustee Company Private Limited. Therefore, I do not look into operation of these schemes including decision making regarding acquisition, management and disposal of the assets managed by the SBI Mutual Fund Trustee Company Private Limited and express no opinion on the soundness of the investments.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of SBI Mutual Fund Trustee Company Private Limited for the year ended 31 March 2024 under section 143(6)(a) of the Act.

**For and on the behalf of the  
Comptroller and Auditor General of India**

Sd/-  
**(Guljari Lal)**  
Director General of Audit (Shipping), Mumbai

Place : Mumbai  
Date : 27.06.2024

**SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED**
**BALANCE SHEET AS AT MARCH 31, 2024**

(₹ in Lakhs)

Particulars	Note	As at 31-Mar-24	As at 31-Mar-23
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 SHAREHOLDERS' FUNDS</b>			
(a) Share Capital	2.1	10.00	10.00
(b) Reserves and Surplus	2.2	2,046.33	4,039.19
		<b>2,056.33</b>	<b>4,049.19</b>
<b>2 NON-CURRENT LIABILITIES</b>			
(a) Long Term Provisions	2.3	9.88	9.15
		<b>9.88</b>	<b>9.15</b>
<b>3 CURRENT LIABILITIES</b>			
(a) Trade Payables	2.4		
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		5.22	3.99
(b) Other Current Liabilities	2.5	14.65	12.86
		<b>19.87</b>	<b>16.85</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,086.08</b>	<b>4,075.19</b>
<b>II. ASSETS</b>			
<b>1 NON-CURRENT ASSETS</b>			
(a) Non-current Investments	2.6	1,159.39	1,847.30
(b) Deferred Tax Assets (net)	2.7	2.74	2.54
(c) Long Term Loans & Advances	2.8	6.29	9.54
		<b>1,168.42</b>	<b>1,859.38</b>
<b>2 CURRENT ASSETS</b>			
(a) Current Investments	2.9	872.86	2,184.27
(b) Trade Receivables	2.10	35.57	27.52
(c) Cash and Cash Equivalents	2.11	9.23	3.80
(d) Other Current Assets	2.12	-	0.22
		<b>917.66</b>	<b>2,215.81</b>
<b>TOTAL ASSETS</b>		<b>2,086.08</b>	<b>4,075.19</b>

Significant Accounting Policies &amp; Notes to the Financial Statements

1 - 13

**As per our report of even date**
**For M/S. SHARP & TANNAN**  
**Chartered Accountants**  
**Firm Regn. No. 0109982W**

 Sd/-  
**Firdosh D Buchia**  
 Partner  
 M. No. 038332

**For and on behalf of the Board of Directors of**  
**SBI Mutual Fund Trustee Company Private Limited**

 Sd/-  
**Amarjit Chopra**  
 Director  
 DIN: 00043355

 Sd/-  
**P. B. Santhanakrishnan**  
 Director  
 DIN: 03213653

 Sd/-  
**Inderjeet Ghuliani**  
 Chief Financial Officer  
 (SBI Funds Management Limited)

 Place: Mumbai  
 Dated: April 26, 2024

Dated: April 26, 2024

**SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024**

(₹ in Lakhs)

Particulars	Note	For the year ended 31-Mar-24	For the year ended 31-Mar-23
<b>I Revenue from Operations</b>	2.13	341.88	282.10
<b>II Other Income</b>	2.14	430.88	6.00
<b>III Total Income (I + II)</b>		<b>772.76</b>	<b>288.10</b>
<b>IV Expenses</b>			
(1) Employee Benefit Expense	2.15	39.95	46.48
(2) Other Expenses	2.16	112.48	127.66
<b>Total Expenses</b>		<b>152.43</b>	<b>174.14</b>
<b>V Profit Before Tax (III - IV)</b>		<b>620.33</b>	<b>113.96</b>
<b>VI Tax Expense</b>			
(1) Current Tax		138.74	33.21
(2) Deferred Tax		(0.20)	(0.93)
(3) MAT Credit utilised against current year tax liability		(25.35)	(14.19)
(4) Short / (Excess) Provision of Past Years		-	(0.26)
<b>Total Tax Expense</b>		<b>113.19</b>	<b>17.83</b>
<b>VII Profit for the Year (V - VI)</b>		<b>507.14</b>	<b>96.13</b>
<b>VIII Earnings Per Equity Share (E.P.S.)</b> <b>[Nominal Value of Share ₹ 10 each (Previous Year ₹ 10)]</b>	4		
Basic and Diluted E.P.S.		507.14	96.13

Significant Accounting Policies & Notes to the Financial Statements 1 - 13

See summary of Significant Accounting Policies and accompanying notes which form an integral part of the financial statements.

**As per our report of even date**

**For M/S. SHARP & TANNAN**  
**Chartered Accountants**  
**Firm Regn. No. 0109982W**

Sd/-  
**Firdosh D Buchia**  
Partner  
M. No. 038332

Place: Mumbai  
Dated: April 26, 2024

**For and on behalf of the Board of Directors of**  
**SBI Mutual Fund Trustee Company Private Limited**

Sd/-  
**Amarjit Chopra**  
Director  
DIN: 00043355

Sd/-  
**P. B. Santhanakrishnan**  
Director  
DIN: 03213653

Sd/-  
**Inderjeet Ghuliani**  
Chief Financial Officer  
(SBI Funds Management Limited)

Dated: April 26, 2024

**SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED**
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024**

(₹ in Lakhs)

Particulars	For the period ended	
	31-Mar-24	31-Mar-23
<b>Cash flow from operating activities</b>		
Net Profit Before Taxation	620.33	113.96
<b>Less:</b>		
Provision for Gratuity	0.38	1.51
Provision for Leave Encashment	0.35	1.85
Interest on Income Tax Refund	(0.38)	-
Profit on sale of investments	(430.50)	(6.00)
<b>Operating profit before working capital changes</b>	<b>190.18</b>	<b>111.32</b>
Decrease/(Increase) in Trade Receivables	(8.05)	(2.73)
Decrease/(Increase) in other Current Assets	0.22	(0.22)
Increase/(Decrease) in Trade Payables & other Current Liabilities	3.02	10.78
<b>Cash generated from operations</b>	<b>185.37</b>	<b>119.15</b>
Income taxes paid	(109.77)	(22.73)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>75.60</b>	<b>96.42</b>
<b>Cash flow from investing activities</b>		
Purchase of non-current investments	(71.00)	-
Proceeds from sale/redemption of non-current investments	940.83	-
Purchase of current investments	(145.00)	(191.00)
Proceeds from sale/redemption of current investments	1,705.00	91.00
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>2,429.83</b>	<b>(100.00)</b>
Dividends paid	(2,500.00)	-
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>(2,500.00)</b>	<b>-</b>
<b>Net Increase in Cash and Cash Equivalents (A + B + C)</b>	<b>5.43</b>	<b>(3.58)</b>
<b>D. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>3.80</b>	<b>7.38</b>
<b>E. CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>9.23</b>	<b>3.80</b>
<b>Components of Cash and Cash Equivalents</b>		
Balance with bank in current account	9.23	3.80

Note: The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in AS 3 'Cash Flow Statements'.

Significant Accounting Policies &amp; Notes to the Financial Statements 1 - 13

**As per our report of even date**
**For M/S. SHARP & TANNAN**  
**Chartered Accountants**  
**Firm Regn. No. 0109982W**

 Sd/-  
**Firdosh D Buchia**  
 Partner  
 M. No. 038332

**For and on behalf of the Board of Directors of**  
**SBI Mutual Fund Trustee Company Private Limited**

 Sd/-  
**Amarjit Chopra**  
 Director  
 DIN: 00043355

 Sd/-  
**P. B. Santhanakrishnan**  
 Director  
 DIN: 03213653

 Sd/-  
**Inderjeet Ghuliani**  
 Chief Financial Officer  
 (SBI Funds Management Limited)

 Place: Mumbai  
 Dated: April 26, 2024

Dated: April 26, 2024

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024**

**1 Significant Accounting Policies**

**Corporate Information:**

SBI Mutual Fund Trustee Company Private Limited ('the Company') was incorporated on 2nd January 2003 under the Companies Act, 1956 as a wholly owned subsidiary of State Bank of India (SBI).

The Company is appointed as the Trustee to SBI Mutual Fund ('the Fund') vide the Restated and Amended Trust Deed dated December 29, 2004, to supervise the activities of the Fund, upon approval granted by Securities and Exchange Board of India ('SEBI') under SEBI (Mutual Funds) Regulations, 1996. The Company also provides Trusteeship services to various Category II and Category III Alternative Investment Funds (AIFs) launched by SBI Funds Management Limited.

**1.1. Basis of preparation:**

The financial statements of the Company conform to Generally Accepted Accounting Principles in India (Indian GAAP) and comply in all material respects with mandatory accounting standards as specified under section 133 of the Companies Act, 2013 and rules made thereunder as applicable to the Company. These financial statements have been prepared and presented under the historical cost convention, with fundamental accounting assumptions of going concern, consistency and accrual, unless otherwise stated.

**1.2. Use of Estimates:**

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) as on the date of the financial statements and the reported income and expenses during the reported period. The management believes that the estimates and assumptions used in the preparation of the financial statements are prudent and reasonable.

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

**1.3. Presentation of Financial Statements:**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of the services and the time between the provision of services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

**Assets**

An asset shall be classified as current when it satisfies any of the following criteria:

- a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
  - b) it is expected to be realized within twelve months after the reporting date; or
  - c) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. Current assets include current portion of non-current financial assets.
- All other assets shall be classified as non-current.

**Liabilities**

A liability shall be classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the Company's normal operating cycle;
- b) it is due to be settled within twelve months after the reporting date; or
- c) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Current liabilities include current portion of non-current financial liabilities. All other liabilities shall be classified as non-current.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024**

**1.4. Investments:**

Investments which are readily realizable and are intended to be held for not more than twelve months from the Balance Sheet date are classified as current investments. All other investments are classified as Non-Current investments. Current investments are carried at cost or fair value, whichever is lower. Non-Current investments are carried at cost. However, provision for diminution is made to recognize a decline, other than temporary, in the value of investments, such reduction being determined and made for each investment individually.

Purchase and sale of investments are recorded on trade date.

**1.5 Cash and Cash Equivalents:**

Cash and Cash Equivalents comprise of cash in hand, bank balances and other short-term highly liquid investments with original maturities of 3 months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

**1.6 Revenue Recognition:**

- (a) Trusteeship fee is recognised on accrual basis at specific rates agreed with the relevant schemes and approved by the Board of Directors of the Company, applied on the percentage of daily net assets of each scheme, and is in conformity with the limits specified under SEBI (Mutual Funds) Regulations, 1996.
- (b) Gains and losses on sale/redemption of investments are determined using the weighted average cost method.
- (c) Dividend income is recognised when the right to receive the same is established.
- (d) Interest on income-tax refund is accounted on receipt basis.

**1.7. Employee Benefits:**

**(i) Defined Contribution Plan:**

The Company has defined contribution plans for post-employment benefits in the form of Provident Fund, wherein the Company contributes to Government administered Statutory Provident Fund on behalf of employees. The Company has no further obligation beyond making the said contribution. The Company's contribution to Statutory Provident Fund is charged to the Statement of Profit and Loss.

**(ii) Defined Benefit Plans:**

Gratuity: The Company's gratuity scheme is a defined benefit plan, wherein the Company's gratuity obligation is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current period. The gratuity obligation is determined for every completed year of service or part thereof in excess of 6 months considering last drawn basic salary x 15/26, and charged to the Statement of Profit and Loss on accrual basis at the end of each financial year.

Leave Encashment: The employees are entitled to accumulate leave subject to certain limits for future encashment. The Leave Encashment liability is a defined benefit obligation determined based on gross salary and is charged to the Statement of Profit and Loss on accrual basis at the end of each financial year.

**1.8. Provisions, Contingent Liabilities and Contingent Assets:**

A provision is recognized when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date, supplemented by experience of similar transactions. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred, and the amount can be estimated reliably.



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024**

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 recognised because it cannot be measured with sufficient reliability. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the possibility of an outflow of economic resources is considered remote.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

**1.9. Taxes on Income:**

"Income tax expense comprises of current and deferred tax. Current Tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961. Tax assets and tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax assets and liabilities are recognised for future tax consequences attributable for timing differences between carrying amounts of existing assets and liabilities in the financial statements and their respective tax base. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are recognized on carried forward tax losses and unabsorbed depreciation only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realized against future taxable income. Deferred tax assets, unrecognized or recognized, are re-assessed at each balance sheet date and are recognized / reduced to the extent that it is reasonably certain / no longer reasonably certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Minimum Alternate Tax (MAT) Credit entitlement is recognised where there is convincing evidence that the same can be realised in future.

**1.10.Earnings Per Share:**

The Basic Earnings Per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted Earnings Per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period adjusted for effects of all dilutive potential equity shares.

# SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

### 2.1 EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
<b>Authorized Capital :</b>		
1,00,000 (PY:1,00,000) Equity Shares of ₹10/- each	10.00	10.00
	<b>10.00</b>	<b>10.00</b>
<b>ISSUED, SUBSCRIBED &amp; FULLY PAID UP</b>		
1,00,000 (PY:1,00,000) Equity Shares of ₹10/- each fully paid up	10.00	10.00
	<b>10.00</b>	<b>10.00</b>

#### a. Details of Shareholding as at March 31, 2024

##### Equity Shares held by:

1,00,000 shares (PY: 1,00,000) are held by State Bank of India, the Company's holding entity, and its nominees since the incorporation of the Company. Any transfer of shares shall take effect only by the approval of the Board of Directors of the Company.

#### b. Reconciliation of the number of Equity Shares outstanding

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Number of Shares at the beginning of the year	1,00,000	1,00,000
Add: Shares issued	-	-
Number of Shares at the end of the year	<b>1,00,000</b>	<b>1,00,000</b>

#### c. Each Equity Share is entitled to one voting right only.

### 2.2 RESERVES AND SURPLUS

#### a. Surplus as per Statement of Profit and Loss

(₹ in Lakhs)

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
<b>Balance brought forward</b>	4,039.19	3,943.06
Add: Net Profit after Tax for the year	507.14	96.13
Less: Interim Dividend	(2,500.00)	-
<b>Surplus Carried to Balance Sheet</b>	<b>2,046.33</b>	<b>4,039.19</b>

### 2.3 LONG TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
<b><u>Provision for Employee Benefits</u></b>		
Provision for Gratuity	5.16	4.78
Provision for Leave Encashment	4.72	4.37
<b>Total</b>	<b>9.88</b>	<b>9.15</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

## 2.4 TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
<b>Trade Payables</b>		
Dues to Micro, Small & Medium Enterprises (MSME)	-	-
Other than MSME	5.22	3.99
<b>Total</b>	<b>5.22</b>	<b>3.99</b>

## Trade Payables - Ageing Schedule

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others					
CY	5.22	-	-	-	5.22
*includes provisions also					
PY	3.99	-	-	-	3.99
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-

## 2.5 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
<b>Statutory Dues:</b>		
Statutory Dues (TDS, Profession Tax)	1.85	1.71
Staff Payable	9.00	8.50
GST Payable (net)	3.80	2.65
<b>Total</b>	<b>14.65</b>	<b>12.86</b>

**SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED**
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024**
**2.6 NON CURRENT INVESTMENTS**

(₹ in Lakhs)

Particulars	No. of units	As at 31-Mar-2024	No. of units	As at 31-Mar-2023
<b>A Unquoted Investments</b>				
<b>I. Investment in Equity Instruments (At Cost)</b>				
Equity shares of SBI Foundation (each share of ₹ 10 fully paid up)	1,000	0.10	1,000	0.10
<b>II. Investments in Mutual Funds (At Cost)</b>				
SBI Treasury Advantage Fund - Growth**	1,589	27.50	1,589	27.50
SBI Conservative Hybrid Fund - Direct - Growth *	9,20,558	489.98	9,20,558	489.97
SBI Multi Asset Allocation Fund - Direct - Growth *	80,022	42.00	-	-
SBI Arbitrage Opportunities Fund - Dividend *	-	-	51,76,175	729.92
SBI Short Term Debt Fund - Direct - Growth *	24,23,220	470.81	24,23,220	470.81
SBI Corp Bond Fund - Direct - Growth *	11,65,114	129.00	11,65,114	129.00
		<b>1,159.39</b>		<b>1,847.30</b>
* Face value of each Unit is ₹ 10/-				
** Face value of each Unit is ₹ 1,000/-				
a) Aggregate Value of unquoted investments in Equity Instruments (At Cost)		<b>0.10</b>		<b>0.10</b>
b) Aggregate NAV of unquoted investments in Mutual Funds		<b>1,646.11</b>		<b>2,293.40</b>
c) Aggregate provision for diminution in value of investments		<b>Nil</b>		<b>Nil</b>

**2.7 DEFERRED TAX ASSET**

(₹ in Lakhs)

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Provision for Gratuity	1.44	1.33
Provision for Leave Encashment	1.30	1.21
<b>Total</b>	<b>2.74</b>	<b>2.54</b>

**2.8 LONG TERM LOANS & ADVANCES**

(₹ in Lakhs)

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Advance Tax (Net)	6.29	9.54
<b>Total</b>	<b>6.29</b>	<b>9.54</b>

**2.9 CURRENT INVESTMENTS**

(₹ in Lakhs)

Particulars	No. of units	As at 31-Mar-2024	No. of units	As at 31-Mar-2023
<b>I. Investments in Mutual Funds (At Cost)</b>				
<b>Investment in Schemes of SBI Mutual Fund</b>				
SBI Magnum Ultra Short Fund - Direct - Growth **	6,234	293.36	36,307	1,708.67
SBI Liquid Fund - Direct - Growth **	17,404	579.50	11,673	475.60
<b>Total Current Investments</b>		<b>872.86</b>		<b>2,184.27</b>
** Face value of each Unit is ₹ 1,000/-				
a) Aggregate NAV of unquoted investments in Mutual Funds		<b>1,003.21</b>		<b>2,388.46</b>
b) Aggregate provision for diminution in value of investments		<b>Nil</b>		<b>Nil</b>

**SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED**
**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024**
**2.10 TRADE RECEIVABLES**

(₹ in Lakhs)

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
<b>Unsecured, Considered good</b>		
- Outstanding for a period exceeding six months from the date its due	-	-
- Others	35.57	27.52
<b>Total</b>	<b>35.57</b>	<b>27.52</b>

**Trade Receivables - Ageing Schedule**

(₹ in Lakhs)

Particulars		Outstanding for following periods from due date of payment					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	CY	35.57	-	-	-	-	35.57
	PY	27.52	-	-	-	-	27.52
(ii) Undisputed Trade Receivables – considered doubtful		-	-	-	-	-	-
(iii) Disputed Trade Receivables – considered good		-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered doubtful		-	-	-	-	-	-

**2.11 CASH AND CASH EQUIVALENTS**

(₹ in Lakhs)

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Balance with Bank in Current Account	9.23	3.80
<b>Total</b>	<b>9.23</b>	<b>3.80</b>

**2.12 OTHER CURRENT ASSETS**

(₹ in Lakhs)

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Other receivables	-	0.22
<b>Total</b>	<b>-</b>	<b>0.22</b>

**2.13 REVENUE FROM OPERATIONS**

(₹ in Lakhs)

Particulars	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Trusteeship Fees	341.88	282.10
<b>Total</b>	<b>341.88</b>	<b>282.10</b>

**SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED****NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024****2.14 OTHER INCOME****(₹ in Lakhs)**

<b>Particulars</b>	<b>Year ended 31-Mar-2024</b>	<b>Year ended 31-Mar-2023</b>
Net gain on redemption of investments in Mutual Funds	430.50	6.00
Interest on Income Tax Refund	0.38	-
<b>Total</b>	<b>430.88</b>	<b>6.00</b>

**2.15 EMPLOYEE BENEFIT EXPENSES****(₹ in Lakhs)**

<b>Particulars</b>	<b>Year ended 31-Mar-2024</b>	<b>Year ended 31-Mar-2023</b>
Salaries, bonus and allowances	37.73	41.73
Leave salary	0.35	1.85
Contribution to provident fund	1.49	1.39
Provision for gratuity	0.38	1.51
<b>Total</b>	<b>39.95</b>	<b>46.48</b>

**2.16 OTHER EXPENSES****(₹ in Lakhs)**

<b>Particulars</b>	<b>Year ended 31-Mar-2024</b>	<b>Year ended 31-Mar-2023</b>
Administrative & Establishment Cost	30.00	30.00
Directors Sitting Fees	53.70	47.40
Board Meeting Expenses	23.95	44.16
Legal and Professional Fees	3.13	2.99
<b><u>Auditors Remuneration:</u></b>		
Audit Fees	1.35	0.85
Other services	-	0.50
Miscellaneous Expenses	0.35	1.76
<b>Total</b>	<b>112.48</b>	<b>127.66</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

## 3. EMPLOYEE BENEFITS

In accordance with the Accounting Standard on "Employee Benefits" (AS-15) (Revised 2005), the Company has provided the following benefits to its employees which are charged to the Statement of Profit and Loss under the head 'Employee Benefit Expenses':

(₹ in Lakhs)

Particulars	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Contribution to Provident Fund	1.49	1.39
Liability for Gratuity	0.38	1.51
Liability for Leave Encashment	0.35	1.85

## 4. Earnings Per Share (E.P.S.)

EPS is computed in accordance with the AS-20 'Earnings Per Share'. The numerators and denominators used to calculate the Basic and Diluted EPS are given below:

Particulars	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Net Profit attributable to Equity Shareholders (A) (₹ in lakhs)	507.14	96.13
Weighted Average Number of Shares (Nos.) (B)	1,00,000	1,00,000
Basic and Diluted Earnings Per Share (A/B) (₹ per share)	507.14	96.13
Nominal Value per Share	10.00	10.00

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

## 5. Contingent Liabilities &amp; Capital Commitments: Nil (PY: Nil)

## 6. SEGMENTAL REPORTING:

The Company is in the business of providing Trusteeship services to schemes floated by SBI Mutual Fund and various Category II and Category III AIFs. The Company is engaged in only one business segment and its operations are carried out entirely in Mumbai, India. Hence, there are no separate reportable segments as per AS-17 'Segment Reporting'.

## 7. RELATED PARTY DISCLOSURE:

Holding Company	State Bank of India holds 100% of the share capital
<b>Other Related parties with whom transacted:</b>	
Fellow Subsidiaries	SBI Funds Management Limited SBI Foundation
Mutual Fund and Alternate Investment Fund (AIF), for which the Company is the Trustee	SBI Mutual Fund SBI Alternative Debt Fund (Cat-II AIF) SBI Alternative Equity Fund (Cat-III AIF)
<b>Key Managerial Personnel:</b>	
Director	Dhruv Prakash (up to 13.03.2024) (DIN: 05124958) Sunil Satyapal Gulati (DIN: 00016990) Dr. Archana Niranjana Hingorani (DIN: 00028037) Achal Kumar Gupta (DIN: 02192183) Amarjit Chopra (DIN: 00043355) P. B. Santhanakrishnan (DIN: 03213653)

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

List of transactions with related parties:

(₹ in Lakhs)

Nature of Transaction	Holding Company	Fellow Subsidiaries	Mutual Fund & AIF for which the Company is a Trustee	Directors
Administrative & Establishment Expenses	-	30.00 (30.00)	-	-
Reimbursement of Expenses	-	- (0.13)	-	-
Trusteeship Fees	-	-	341.88 (282.10)	-
Purchase of investments	-	-	216.00 (191.00)	-
Sale / Redemption of investments	-	-	2,645.83 (91.00)	-
Balance in current account	9.23 (3.80)	-	-	-
Sundry Debtors	-	-	35.57 (27.52)	-
Bank Charges	0.01 (0.01)	-	-	-
Sitting Fees	-	-	-	53.70 (47.40)

Note: Figures in the brackets represent previous year figures.

The Company has maintained bank account with State Bank of India (SBI), which is operated in the ordinary course of business. Inflows and outflows routed through such bank account are not considered as transactions with related party (SBI) and hence, have not been disclosed above.

## 8. DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES

Trade payables and other current liabilities do not include any amount payable to Micro, Small and Medium Enterprises. Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMEDA) which came into force from October 02, 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. On the basis of the information and records available with the management, the following disclosures are made for the amounts due to the Micro, Small and Medium Enterprises, who have registered with the competent authorities.

Particulars	Year ended 31-Mar-2024	Year ended 31-Mar-2023
Principal amount remaining unpaid to any supplier as at the year end	Nil	Nil
Interest due thereon	Nil	Nil
Amount of interest paid by the company in terms of section 16 of the MSMEDA, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	Nil	Nil
Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMEDA	Nil	Nil
Amount of interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024**

**9. Expenditure in Foreign Currency: Nil (PY: Nil).**

**10. Earnings in Foreign Currency: Nil (PY: Nil).**

**11. Additional Regulatory Information:**

- The Company does not have immovable property or any Property, Plant and Equipment during the year.
- The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013) either severally or jointly with any other person.
- The Company does not have any capital work in progress.
- The Company does not have any Intangible Assets under development.
- No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.
- The Company does not have any borrowings from banks or financial institutions on the basis of security of current assets.
- The Company has not been declared a Wilful Defaulter by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- The Company has not entered into any transaction with companies struck off under section 248 of the Companies Act 2013.
- The Company does not have any charges or satisfaction yet to be registered with ROC beyond the statutory period.
- The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- The Company has not entered into any Scheme of Arrangements in terms of sections 230 to 237 of the Companies Act 2013.
- The Company has neither advanced or loaned or invested funds (either borrowed funds or share premium or any other source or kind of funds) nor received any funds to/ from any other person(s) or entity(ies), including foreign entities (Intermediaries) for lending or investing or providing guarantees to/ on behalf of the ultimate beneficiary during the financial year.
- The Company does not have transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income during financial year in the tax assessments under the Income Tax Act, 1961.
- The Company is not covered under the provisions of Section 135 of Companies Act 2013 relating to Corporate Social Responsibility (CSR).
- The Company has not traded or invested in Crypto currency or Virtual Currency during any financial year .

# SBI MUTUAL FUND TRUSTEE COMPANY PRIVATE LIMITED

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

### 12. Ratios:

Ratios	Formula	FY 2023-24		FY 2022-23		% Change
		Basis (₹ in lakhs)	Ratios	Basis (₹ in lakhs)	Ratios	
Current Ratio (#)	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	$\frac{917.66}{19.87}$	46.18	$\frac{2215.81}{16.85}$	131.50	-64.88%
Return on Equity Ratio / Return on Capital Employed / Return on Investment (*)	$\frac{\text{Net Profit After Tax} \times 100}{\text{Networth}}$	$\frac{507.14}{2056.33}$	24.66%	$\frac{96.13}{4049.19}$	2.37%	938.81%
Trade Receivables Turnover Ratio (\$)	$\frac{\text{Credit Sales}}{\text{Average Trade Receivables}}$	$\frac{341.88}{31.545}$	10.84	$\frac{282.10}{26.16}$	10.79	0.48%
Trade Payables Turnover Ratio	$\frac{\text{Net Credit Purchases}}{\text{Average Trade Payables}}$	$\frac{112.48}{4.61}$	24.43	$\frac{127.66}{3.01}$	42.48	-42.50%
Net Capital Turnover Ratio (\$)	$\frac{\text{Sales}}{\text{Net Assets}}$	$\frac{341.88}{2056.33}$	0.17	$\frac{282.10}{4049.19}$	0.07	138.64%
Net Profit Ratio	$\frac{\text{Net Profit After Tax} \times 100}{\text{Sales}}$	$\frac{507.14}{772.76}$	65.63%	$\frac{96.13}{288.10}$	33.37%	96.68%
Debt-Equity Ratio / Debt Service Coverage Ratio	Not Applicable since the Company does not have any Debt					
Inventory Turnover Ratio	Not Applicable since the Company is a service provider and does not have any Inventory					

(#) Current Ratio has declined due to increase in current liabilities and redemption of current investments

(\*) Return on Equity / Capital Employed / Investment and Net Profit Ratio is higher in the current year on account of profit on redemption of Mutual Funds.

(\$ ) Trade Receivables and Net Capital Turnover Ratio is impacted on account of increase in revenue from operations

13. Previous year's figures have been regrouped/reclassified, wherever necessary, to conform to the current year's classification.

### As per our report of even date

**For M/S. SHARP & TANNAN**  
Chartered Accountants  
Firm Regn. No. 0109982W

Sd/-  
**Firdosh D Buchia**  
Partner  
M. No. 038332

**For and on behalf of the Board of Directors of**  
**SBI Mutual Fund Trustee Company Private Limited**

Sd/-  
**Amarjit Chopra**  
Director  
DIN: 00043355

Sd/-  
**P. B. Santhanakrishnan**  
Director  
DIN: 03213653

Sd/-  
**Inderjeet Ghuliani**  
Chief Financial Officer  
(SBI Funds Management Limited)

Place: Mumbai  
Dated: April 26, 2024

Dated: April 26, 2024



