



Kotak Mahindra Trustee Company Limited
Annual Report 2025-26



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Directors' Report

To the Members of

Kotak Mahindra Trustee Company Limited

Your Directors are pleased to present their 31st (Thirty First) Annual Report of Kotak Mahindra Trustee Company Limited ("the Company"/your Company"), together with the Audited Financial Statement for the financial year ("FY") ended 31st March, 2026.

1. FINANCIAL HIGHLIGHTS

A. FINANCIAL PERFORMANCE

The Financial Statements of your Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Companies Act, 2013 ('the Act'). The summary of financial performance of your Company for the financial year ended 31st March, 2026 as compared to the previous financial year ended 31st March, 2025 is as follows:

₹ in lakh

Particulars	31 st March, 2026	31 st March, 2025
Gross income	26,826	23,981
Profit before Depreciation and Tax	26,252	23,529
Depreciation	-	-
Profit before Tax	26,252	23,529
Profit after Tax	20,129	18,079
Balance of Profit from previous years	75,952	57,873
Amount available for appropriation	96,082	75,952
Appropriations:		
Surplus carried forward to the Balance Sheet	96,082	75,952

B. DIVIDEND

Your Directors do not recommend any dividend for financial year ended 31st March, 2026.

C. TRANSFER TO RESERVES

Your Directors do not propose any transfer of profit to the General Reserves of your Company for the financial year ended 31st March, 2026.

D. SHARE CAPITAL

As on 31st March, 2026, the authorized share capital of your Company was ₹10,000,000 comprising of 1,000,000 equity shares of face value of ₹10 each; and the issued, subscribed and paid-up share capital of your Company was Rs. ₹500,700 comprising of 50,070 equity shares of face value of ₹10 each.

During the year under review, your Company has not issued any further shares. Accordingly, there was no change in the Capital Structure of your Company during the financial year.

E. DEMATERIALIZATION OF EQUITY SHARES

The Company, being a wholly owned subsidiary of Kotak Mahindra Bank Limited ("Kotak Bank"), was exempted from compliance with Section 29 of the Act read with Rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, 2014, w.r.t. mandatory dematerialization of equity shares of unlisted public companies.

However, as a good governance practice, the Company has admitted its equity shares in the Depository System of National Securities Depository Limited ("NSDL"), and appointed MUFG Intime India Private Limited as its Registrar & Share Transfer Agent. The ISIN for equity shares of the Company is INE1SPV01014.

During the financial year, the Company completed the dematerialisation of its equity shares in accordance with applicable regulatory requirements.



2. SUBSIDIARY/ASSOCIATES

A. SUBSIDIARY

Your Company does not have any subsidiary as on 31st March, 2026.

B. ASSOCIATES

Your Company does not have any associate company as on 31st March, 2026.

3. REVIEW OF OPERATIONS OF THE COMPANY

Your Company is a wholly-owned subsidiary of Kotak Mahindra Bank Limited ("KMBL") and is the Trustee for Kotak Mahindra Mutual Fund (KMMF) which is a trust set up under the provisions of The Indian Trusts Act, 1882. It also acts as a trustee to the AIF "Kotak India Renaissance Fund-I" and "Kotak Credit Opportunities Fund-AIF".

The mutual fund industry had registered a growth of ~20% in FY 2025-26 over the previous year with the Average Assets under Management ("AAUM") for FY 2025-26 of ₹79.50 lakh crore against ₹66.17 lakh crore in FY 2024-25.

The AAUM of KMMF for the FY 2025-26 was ₹5.7 lakh crore against ₹4.69 lakh crore in the FY 2024-25, a growth of 22%, marginally higher than the industry growth.

The Equity AAUM (excluding passives and arbitrage categories) for the FY 2025-26 was at ₹2.69 lakh crore as against ₹2.30 lakh crore in the previous year, a growth of 17%, as against the industry growth of 18% in the same period.

Basis the RTA data, KMMF has 75.78 lakh unique investors as on 31st March, 2026 as compared to 67.05 lakh unique investors as on 31st March, 2025

The Company also acts as Trustee to Kotak India Renaissance Fund-I, a Category III Alternate Investment Fund with an AUM of ₹54.41 crores as on 31st March, 2026 as compared to ₹57.32 crores as on 31st March, 2025.

During the FY 2025-26, the Company launched Kotak Credit Opportunities Fund, a Category II close-ended Alternative Investment Fund. As of 31st March, 2026, the Kotak Credit Opportunities Fund had received total capital commitments of ₹1,967.35 crore.

The Profit before tax of the Company, without investment income was ₹21,561 lakh for the FY March 2026 against ₹18,074 for FY March 2025, a growth of 19%, in line with the growth of AAUM of KMMF.

4. KEY SEBI CIRCULARS

The key SEBI circulars/amendments pertaining to the mutual fund area issued by SEBI/AMFI during FY 2025-26 are as follows:

Sr. No.	Date of Circular/ Letters	Key matter of the Circulars/Letters/Amendments
1.	22 nd April, 2025	Change in cut-off timings to determine applicable NAV with respect to repurchase/redemption of units in overnight schemes of Mutual Funds
2.	13 th May, 2025	Strengthening the monitoring mechanism to detect potential and/or actual cases of mis-selling of MF schemes by MFDs and reporting the cases of mis-selling to AMFI
3.	23 rd May, 2025	Accessibility and Inclusiveness of Digital KYC to Persons with Disabilities.
4.	26 th June, 2025	Timelines for rebalancing of portfolios of mutual fund schemes in cases of all passive breaches
5.	31 st July, 2025	Rights of Persons with Disabilities Act, 2016 and rules made thereunder-mandatory compliance by all Regulated Entities
6.	1 st November, 2025	Securities and Exchange Board of India (Mutual Funds) (Second Amendment) Regulations, 2025
7.	27 th November, 2025 & 7 th January, 2026	Additional incentives to distributors for onboarding new individual investors from B-30 cities and women investors
8.	26 th February, 2026	Categorization and Rationalization of Mutual Fund Schemes
9.	26 th February, 2026	Valuation of physical Gold and Silver held by mutual fund schemes
10.	6 th March, 2026	Introduction of Voluntary Lock-in Debit freeze facility to Mutual Fund Folios

Your Company has ensured that KMMF has appropriately complied with all applicable circulars issued by SEBI during the year.

5. UPDATES ON KEY EVENTS:

The Company had received a show cause notice dated 10th May, 2019 31st May, 2019 and 12th October, 2020 w.r.t. delayed payments of part proceeds in six FMP's on account of delay in realization from underlying investments in Essel Group of Companies by these FMP's. SEBI vide its order dated 30th June, 2022 had imposed penalty of ₹40 lakh on the Company. The Company had obtained a stay order from the Securities Appellate Tribunal (SAT) against the SEBI order on 16th August, 2022 vide the SAT order dated 24th August, 2022. On 6th March, 2026, the Company received the SAT order upholding the penalties. The Company has filed an appeal with Supreme Court of India on 20th April, 2026 against the same.

6. DIRECTORS

A. BOARD OF DIRECTORS

The Board comprises professional individuals with varied experience, skills, qualifications and competencies which enables constructive discussion and informed decisions. The Board comprises of an optimum mix of Non-Executive Non-Independent and Independent Directors in alignment with the provisions of the Act, SEBI MF Regulations and other applicable statutory, regulatory and contractual obligations.

As on 31st March, 2026, the Board comprises of 4 (Four) directors, consisting of 2 (two) Independent Directors, 2 (two) Non-Executive & Non-Independent Directors as follows:

Sr. No.	Name of Director	Designation	DIN
1.	Mr. Sharadkumar Bhatia	Chairman and Independent Director	07327383
2.	Mr. Amit Desai	Non-Executive Director	00310510
3.	Mr. Chandrashekhar Sathe	Non-Executive Director	00017605
4.	Mr. Noshir Dastur	Independent Director	00493177

I. Directors Retiring by Rotation

Pursuant to Section 152 of the Act read with the Articles of Association of the Company, Mr. Amit Desai (DIN 00310510) is liable to retire by rotation at the ensuing 31st (Thirty First) Annual General Meeting ("AGM") of and being eligible, offers himself for re-appointment as Non-Executive Director.

The Board recommends the re-appointment of Mr. Amit Desai as Non-Executive Director at the ensuing 31st (Thirty First) AGM.

The necessary resolutions for re-appointment of Mr. Amit Desai including his brief profile and other related information have been included in the Notice of the 31st (Thirty First) AGM.

II. Cessation During the Year

Mr. Uday Phadke (DIN: 00030191) was appointed as Independent Director by the members of the Company at its Annual General meeting held on August 13, 2020 for a period of five consecutive years i.e. up to 14th June, 2025 Mr. Uday Phadke conveyed his intention to demit the position of Independent Director of the Company with effect from 14th June, 2025 citing age-related considerations.

Mr. Jayesh Merchant (DIN: 00555052) was appointed as Independent Director by the members of the Company at its Annual General meeting held on 7th July, 2021 for a period of five consecutive years i.e. up to 18th March, 2026 Mr. Jayesh Merchant conveyed his intention to demit the position of Independent Director of the Company with effect from 18th March, 2026 due to other professional commitments.

Directors place on record their appreciation and gratitude for the invaluable contributions made by Mr. Uday Phadke and Mr. Jayesh Merchant during their tenure as member of the Board.

III. Directors Appointed During the Year

Based on the recommendation of Nomination and Remuneration Committee, the Board had appointed Mr. Noshir Dastur as an Additional Director, designated as Non-Executive and Independent Director, of the Company w.e.f. 27th June, 2025 not liable to retire by rotation. Subsequently, the members had at the Annual General Meeting ("AGM") of the Company held on 22nd July, 2025, approved the appointment of Mr. Noshir Dastur as a Director of the Company designated as "Non-Executive and Independent Director", not liable to retire by rotation.



Further, Mr. Sharadkumar Bhatia was appointed as an Independent Director of the Company for the first term of 5 (five) consecutive years with effect from 7th January, 2021 to 6th January, 2026. The Board had, basis the recommendation of its Nomination and Remuneration Committee, approved the re-appointment of Mr. Sharadkumar Bhatia as an Independent Director of the Company for the second term of 5 (five) years from 7th January, 2026 till 6th January, 2031 (both days inclusive), not liable to retire by rotation, and recommended the same to the members for their approval. Consequently, the members had, at the EGM of the Company, held on 19th December, 2025 approved the re-appointment of Mr. Sharadkumar Bhatia as an Independent Director for the aforesaid term.

Additionally, Mr. Trivikram Kamath (DIN 03517349) was appointed as Additional (Non-Executive & Independent) Director of the Company w.e.f. 10th April, 2026.

In the opinion of the Board, Mr. Trivikram Kamath (DIN 03517349) possesses integrity, expertise and experience for his appointment as a (Non-Executive & Independent) Director of the Company and is independent of the Management.

IV. Fit and Proper Criteria

All the Directors meet the fit and proper criteria as stipulated under the SEBI MF Regulations, as amended from time to time.

V. Declaration of Non-Disqualification by Directors

Basis the declaration received from all the directors of the Company, none of the directors are disqualified from being appointed as director pursuant to Section 164 of the Act.

VI. Declaration From Independent Directors

All the Independent Directors have submitted the declarations as per the provisions of Section 149(7) of the Act and the Board is satisfied that all the Independent Directors meets the criteria of independence as mentioned in Section 149(6) of the Act. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

In the opinion of the Board, the Independent Directors possess the requisite integrity, experience, expertise and proficiency required under all applicable laws.

The Independent Directors have registered themselves on Independent Director's Databank and have complied with Rule 6(1) and Rule 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time.

VII. Director E-KYC

The Ministry of Corporate Affairs ("MCA"), vide the Companies (Appointment and Qualification of Directors) Amendment Rules, 2025, has mandated registration of KYC for the Directors once in every three consecutive financial years. Since the Directors of the Company have already filed their KYC for the financial year 2025-26, they are not required to file the same during the current financial year.

VIII. Board Evaluation

A formal evaluation of the performance of the Board, its Committees, the Chairman and the Individual Directors was conducted for the FY 2025-26. The evaluation was carried out based on the detailed questionnaire which inter-alia covered the following key criteria:

- i. **Board:** Competencies, composition and structure of the Board, board dynamics, process and procedure, Board functioning, oversight of committee composition & functioning and ethics & compliance.
- ii. **Chairman of the Board:** Function & Duties, management relations, professional & ethical conduct, development and personal.
- iii. **Individual Directors:** Function & Duties, management relations and professional & ethical conduct.
- iv. **Committees constituted by the Board:** Composition and quality, process & procedure, terms of reference and Committee specific questions.

As part of the evaluation process, the performance of Non-Independent Directors, the Chairman and the Board was evaluated by the Independent Directors. The performance evaluation of the Board, its Committees, Chairman and that of Independent and Non-Independent Directors was done by the Board, excluding the Director being evaluated. Based on the performance

evaluation, the Board is satisfied with the results of the performance evaluation of the Board, its Committees, the Chairman and the Individual Directors.

B. REMUNERATION/COMPENSATION POLICY

The Nomination and Remuneration Committee of the Company has formulated the criteria for remuneration of Trustee Officer.

The Company has in-place Remuneration/Compensation Policy which inter-alia covers compensation philosophy, forms of compensation to the Non-Executive Directors and Trustee Officer, etc.

The approval of the members is sought at the ensuing 31st (Thirty First) AGM of the Company for payment of profit-based commission to Non-Executive Directors and Independent Directors (i.e. directors who are not in employment of Kotak Bank or its subsidiaries and associates) of the Company for FY 2025-26, computed as per the Remuneration/Compensation Policy.

The details on the commission are included in the Notice convening the 31st Thirty First AGM of the Company.

The remuneration to Trustee Officer is as per the terms of their employment.

7. BOARD AND ITS COMMITTEES

A. BOARD MEETINGS

The Board meets at regular intervals, inter-alia, to discuss various matters relating to the Company's business, scheme performance review, financial performance, risk management, internal controls, operations, compliance management, business strategies, audit matters and other pertinent matters. During the FY 2025-26, 7 (seven) meetings of the Board of Directors were held i.e on 30th April, 2025, 27th June, 2025, 22nd July, 2025, 25th September, 2025, 16th October, 2025, 21st January, 2026 and 17th March, 2026 and the gap between any two consecutive meetings was less than 120 (one hundred and twenty) days.

Additionally, a joint meeting of Board of Kotak Mahindra Asset Management Company Limited ("KMAMC") and KMTC was held on 21st February, 2026, wherein the Directors discussed the business and strategic matters.

B. COMMITTEES

The Board has constituted various Board Committees to strengthen the governance framework of the Company. The Board Committees are constituted in compliance with the provisions of the Act, SEBI MF Regulations and amendment thereof including various circulars/guidelines/letters/notifications issued by SEBI, AMFI and other applicable regulatory bodies and basis good governance practices.

The meetings of the Committees are also conducted at regular intervals to enable focused deliberation on statutory, business and other matters that forms the basis for the Board's decision-making.

The Chairpersons of Audit Committee and Risk Management Committee are Independent Directors.

During the FY 2025-26, there have been no instances where the Board has not accepted any recommendation of any Committee of the Board.

I. Audit Committee

The Company has in-place a Board-level Audit Committee and is in compliance with the provisions of the SEBI Master Circular for Mutual Funds dated 27th June, 2024. As on 31st March, 2026 the composition of the Audit Committee is as follows:

Sr. No.	Name	Position on the Committee	Designation
1.	Mr. Noshir Dastur	Chairman	Independent Director
2.	Mr. Chandrashekhar Sathe	Member	Non-Executive Director
3.	Mr. Sharadkumar Bhatia	Member	Independent Director

Note:



- a. Mr. Noshir Dastur was appointed as a Chairman of the Audit Committee w.e.f. 27th June, 2025.

During the FY 2025–26, 6 (six) meetings of the Audit Committee were held i.e 30th April, 2025, 27th June, 2025, 22nd July, 2025, 16th October, 2025, 21st January, 2026 and 17th March, 2026 the gap between any two consecutive meetings was less than 120 (one hundred and twenty) days.

The quorum for the meeting of the Audit Committee is presence of two members or one third of the members of the Audit Committee, whichever is greater, with at least two Independent Directors.

Additionally, a joint meeting of Audit Committee of KMAMC and KMTC was held on 13th March, 2026, wherein the members discussed the implementation of the revised terms of reference for internal auditors of the schemes of Kotak Mutual Fund, performance review of the auditors and other key matters. Further, the statutory and secretarial auditors of KMAMC have interacted with the Audit Committee of the Company sans presence of management.

II. Corporate Social Responsibility Committee (“CSR”)

The Company has a Board–level Corporate Social Responsibility Committee in compliance with the provisions of Section 135 of the Act, the Corporate Social Responsibility Committee monitors, reviews, approves CSR initiatives and expenditure and makes recommendations to the Board on CSR policy and related matters. As on 31st March, 2026 the composition of the CSR Committee is as follows:

Sr. No.	Name	Position on the Committee	Designation
1.	Mr. Chandrashekhar Sathe	Chairman	Non-Executive Director
2.	Mr. Noshir Dastur	Member	Independent Director

Note:

- b. Mr. Jayesh Merchant ceased to be a member of the CSR Committee subsequent to his cessation from the Board of the Company w.e.f. 18th March, 2026.

During the FY 2025–26, 2 (two) meetings of the CSR Committee were held i.e. on 24th September, 2025, and 27th March, 2026. The quorum for the meeting of the CSR Committee is presence of any two members.

III. Nomination and Remuneration Committee (“NRC”)

The Company, being the wholly owned subsidiary of Kotak Bank, is exempted from compliance with the provisions of Section 178 of the Act including the constitution of Nomination and Remuneration Committee (“NRC”). However, the Company has in–place the Board–level NRC as a good governance practice. As on 31st March, 2026, the composition of the NRC is as follows:

Sr. No.	Name	Position on the Committee	Designation
1.	Mr. Chandrashekhar Sathe	Chairman	Non-Executive Director
2.	Mr. Sharadkumar Bhatia	Member	Independent Director

Note:

- a. Mr. Jayesh Merchant ceased to be a member of the NRC subsequent to his cessation from the Board of the Company w.e.f. 18th March, 2026.

During FY 2025–26, 3 (three) meeting of the NRC was held on 14th May, 2025, 16th October, 2025 and 17th March, 2026. The quorum for the meeting of NRC is presence of any two members, with at least one Independent Director.

IV. Risk Management Committee (“RMC”)

The Company has in-place a Board-level Risk Management Committee (“RMC”) which inter-alia reviews the overall risk management policies, framework and its implementation thereof in compliance with the provisions of the SEBI Master Circular on Mutual Funds dated 27th June, 2024. As on 31st March, 2026, the composition of the RMC is as follows:

Sr. No.	Name	Position on the Committee	Designation
1.	Mr. Sharadkumar Bhatia	Chairman	Independent Director
2.	Mr. Chandrashekhar Sathe	Member	Non-Executive Director

Note:

- Mr. Jayesh Merchant ceased to be a member of the RMC subsequent to his cessation from the Board of the Company w.e.f. 18th March, 2026.

During the Financial year 2025–26, 4 (four) meetings of the RMC were held i.e 27th June, 2025, 24th September, 2025, 19th December, 2025 and 27th March, 2026. The quorum for the meeting of RMC is presence of any two members, including at least one Independent Director.

8. AUDITORS

A. STATUTORY AUDITORS

In terms of Section 139 of the Act, V.C. Shah & Co. Chartered Accountants, were appointed as the Statutory Auditors of your Company for a second term of five years from the conclusion of the Annual General Meeting of FY 2024–25 until the conclusion of the Annual General Meeting of FY 2028–29 of the Company.

The Report issued by the Auditors on the financial statements of the Company is part of this Report. The Statutory Auditor’s report does not contain any qualifications, reservations or adverse remarks.

Further, no frauds have been reported by the Auditors under Section 143(12) of the Act.

B. INTERNAL AUDIT

Pursuant to Section 138 of the Act, read with Rule 13 of the Companies (Accounts) Rules, 2014, Chokshi & Chokshi LLP, Chartered Accountants (Firm registration no.101872W/W100045) are the Internal Auditors of the Company for a term of 3 years commencing from 2024–2025 to 2026–2027.

C. COST AUDIT

The provisions relating to the cost records and cost audit as prescribed under Section 148 of the Act, are not applicable to the Company

9. INTERNAL FINANCIAL CONTROLS

The Board of Directors confirms that there are adequate internal financial controls in place with reference to financial statements and that such controls are operating effectively. During the financial year 2025–26, no material or serious observations were highlighted on account of inefficiency or inadequacy of such controls.

10. RELATED PARTY TRANSACTIONS

The Company has a Board approved policy for dealing with Related Party Transactions for identification of related parties and dealing with all related party transactions.

During the FY 2025–26, the Company has entered into transactions with related parties as defined under Section 2(76) of the Act read with Companies (Specification of Definitions Details) Rules, 2014, and applicable Accounting Standards. All such transactions were in the ordinary course of business and at arm’s length. The Company had obtained the omnibus approval of the Audit Committee for all such transactions; and the Audit Committee reviews all such transactions on a quarterly basis.



Further, the Company has not entered into any material related party transactions during the FY 2025–26.

Pursuant to Section 134(3)(h) read with Rule 8(2) of the Companies (Accounts) Rules, 2014, there are no transactions to be reported under Section 188(1) of the Act, in form AOC–2.

All related party transactions as required under Indian Accounting Standard (IND–AS) 24 are reported in the notes to the financial statements.

11. PARTICULARS OF LOAN GUARANTEES OR INVESTMENTS

During the financial year ended 31st March, 2026 the Company has not given any loans, guarantees or made investments which attract the provisions of Section 186 of the Act.

12. CORPORATE SOCIAL RESPONSIBILITY

The Company's CSR policy sets out our vision, mission, governance and CSR focus areas to fulfill its inclusive agenda across various geographies of India. The CSR Policy also highlights your Company's intent to contribute towards the economic, environmental and social growth of the nation and also reflects the organization's commitment to contribute towards United Nation's ("UN") Sustainable Development Goals ("SDGs"). Your Company has collaborated with implementing agencies to implement projects in the CSR focus areas viz. Education and Healthcare as defined under the CSR Policy.

Your Company's CSR Committee is responsible to identify, execute and monitor CSR projects, to assist the Board in fulfilling its CSR objectives, to ensure compliance of CSR regulations and to oversee reporting and disclosure of CSR activity. Further, your Company's CSR Committee makes recommendations to the Board to review and approve the CSR Policy, Annual Action Plan, CSR Projects including its budget, design, scope, expenditure payments and related matters

The Company's CSR policy is available on the Company's website viz. URL: https://www.kotakmf.com/Information/corporate-disclosure/KMTC_CSR_Policy/Kotak_MTC_CSR_Policy

Your Company's CSR Project and CSR Project Expenditure are compliant with the CSR mandate as specified under Section 134, Section 135 read with schedule VII of the Act along with the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time and in line with the Government of India's notifications issued from time-to-time

The 2% of average net profit of the Company for CSR Obligations of FY 2024–25 as per Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules 2014, as amended from time to time, is ₹2.91 crores. The Company's Board-approved CSR Annual Action Plan for FY 2025–26 amounts to ₹2.96 crores, of which ₹2.91 crores pertained to CSR Projects and ₹0.05 crore on CSR administrative overheads.

Together with the CSR Project spend and Administrative Overheads, the total CSR Expenditure for FY 2025–26 was ₹2.96 crore, which is in excess of ₹0.05 crore over the total CSR obligation for FY 2025–26. The excess CSR spent of ₹0.5 crore for FY 2025–26 is being carried forward to succeeding financial years and would be available for set-off.

The details are more particularly described in the section on Annual Report on CSR activities for FY 2025–26.

Your Company also maintains the following Unspent CSR Bank accounts pertaining to funds earmarked for its Ongoing CSR Projects for the previous financial years:–

(₹ crore-- rounded off amounts)

Name of the Unspent account	Ongoing CSR Projects to which Unspent account relates	Amount transferred to Unspent account in respective financial years	Amount disbursed from unspent accounts till date	Balance as on 31 st March, 2026*
Kotak Mahindra Trustee Company Limited Unspent CSR account FY 2022-23	FY 2022-23	1.15	1.15	Nil
Kotak Mahindra Trustee Company Limited Unspent CSR account FY 2023-24	FY 2023-24	0.29	0.29	Nil
Kotak Mahindra Trustee Company Limited Unspent CSR account FY 2024-25	FY 2024-25	0.045	0.045	Nil

* All previous Unspent accounts stand closed as on 31st March 2026.

In FY 2025–26, your Company has extended its support by undertaking CSR Project in the CSR focus area ‘Education and Healthcare.

The details of CSR Project and Expenditure under Section 135 of the Act, for FY 2024–25, are annexed to this Report as Annexure A

13. RISK AND LIQUIDITY MANAGEMENT

RISK MANAGEMENT

Risk Management Framework for Mutual Funds has been prescribed under Chapter 4 of SEBI Master circular for Mutual Funds dated 27th June, 2024 effective from 1st April, 2022.

With the overall objective of management of key risks involved in mutual fund operation, the Risk Management Framework (RMF) provides a set of principles or standards, which inter alia comprise the policies, procedures, risk management functions and roles & responsibilities of the management, the Board of AMC and the Board of Trustees.

Risk Management Committee (RMC) is a committee of the Board of Directors and is chaired by an Independent Director. RMC oversees the risk management function.

The RMF practices are being audited by the Internal Auditors and their audit report on risk management is presented to the Boards of the Company and of KAMAC, periodically. Additionally, SEBI has mandated mutual funds to conduct system audit annually and cyber security audit twice a year, by an independent auditor. The same has been implemented by the Company.

The Investment/Credit and Liquidity risks related to schemes are managed by the Investment Committee which is appointed by the Board of AMC, System and cyber related risks are managed by Board appointed Information Technology Strategy Committee, whereas, the Risk Management Committee oversees the operational risk function.

The Company has robust risk management policy and practices in all the above related areas of functioning to check the adequacy of the risk management systems.

The Company has adhered to various clauses of Cyber Security and Cyber Resilience framework as mandated by regulators, and the compliance status is also audited on a periodic basis.

LIQUIDITY MANAGEMENT

The RBI in its Circular No. DBOD.BP.NO.56/21.04.098/2012–13 dated 7th November, 2012 had stipulated that Banks need to put in place a framework for monitoring institution-wide liquidity risk and for overseeing operating subsidiaries and foreign branches. Further, the RBI, in its Annual Financial Inspection Report has directed the Bank to implement a Group wide Liquidity Risk management framework.

Based on the above, Kotak Bank and its group companies have adopted a Liquidity Risk Management Policy. The Board of Directors has adopted Liquidity Risk Management Policy which is in line with the Kotak Bank Policy.

The Company invests its surplus funds in schemes of the Kotak Mahindra Mutual Fund as mandated by the Board of Directors. The Company's surplus funds were invested by the authorized personnel as per the mandate of the Board of Directors. The Company also has Manual of Policies and Procedures for expenditure management (including capital and revenue). All expenses during the year were in accordance with the policy.

14. EMPLOYEES

Your Company had one employee as on 31st March, 2026 and company uses the services of Kotak Mahindra Asset Management Company Limited personnel too.

In compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated a Policy on Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) which is a zero-tolerance policy and provides protection against sexual harassment of KMTC's women employee at workplace, and the prevention and redressal of complaints therein.

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



During the FY 2025–26, no complaints of sexual harassment were received, cases filed or cases pending under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Pursuant to the Companies (Accounts) Second Amendment Rules, 2025, the details relating to complaints of sexual harassment are as under:

Sr. No.	Name	Position on the Committee
1.	Number of complaints pending at the start of the year	Nil
2.	Number of complaints of sexual harassment received in the year.	Nil
3.	Number of complaints disposed off during the year.	NA
4.	Number of cases pending for more than ninety days.	NA
5.	Number of complaints pending at the end of the year.	Nil

Further, during the FY 2025–26, the Company has complied with the provisions of the Maternity Benefit Act, 1961 and the applicable maternity-related provisions of the Code on Social Security, 2020, to the extent notified and applicable.

15. COMPLIANCE WITH THE MATERNITY BENEFIT ACT, 1961

The Company confirms that it has fully complied with the provisions of the Maternity Benefit Act, 1961, and all related statutory benefits to eligible employees.

16. DEPOSITS

Your Company neither invited nor accepted any deposit from the public falling within the ambit of Section 73 to Section 76 of the Act and The Companies (Acceptance of Deposits) Rules, 2014 during the year. Also, there are no deposits due and outstanding as on 31st March, 2026.

17. CONSERVATION OF ENERGY, TECHNOLOGICAL ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Since, your Company does not undertake any manufacturing facility; the provisions pertaining to Section 134(3)(m) read with Rule 8(3) (A) and (B) of the Companies (Accounts) Rules, 2014 of the Act, regarding conservation of energy and technological absorption are not applicable to the Company.

During the financial year ended 31st March, 2026 the Company has no foreign exchange inflow and outgo.

18. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

As per 134(3)(l) of the Act, there have been no material changes and commitments affecting the financial position of your 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.

19. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS WHICH IMPACTS GOING CONCERN STATUS AND COMPANY OPERATIONS IN FUTURE.

There have been no orders passed by the Regulators/Courts/Tribunal, which would impact the going concern status of your Company and its future operations, during the financial year 2025–26.

20. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors, based on the representations received from management, confirms in pursuance of Section 134(5) of the Act, that:

- Your Company has, in the preparation of the annual financial statements for the financial year ended 31st March, 2026, followed the applicable accounting standards along with proper explanations relating to material departures, if any;
- The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at 31st March, 2026 and of the Profit of your Company for the financial year ended 31st March, 2026;

- iii. The Directors had taken proper and sufficient care to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- iv. The Directors had prepared the annual financial statements on a going concern basis; and
- v. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

21. SECRETARIAL STANDARDS

During the FY 2025–26, the Company had complied with the applicable Secretarial Standards i.e. Secretarial Standards on Meeting of the Board of Directors (SS–1) and Secretarial Standards on General Meetings (SS–2), issued by the Institute of Company Secretaries of India in terms of the Act.

22. CHANGE IN THE NATURE OF BUSINESS

The Company has not undergone any changes in the nature of the business during the Financial Year 2025–26.

23. ANNUAL RETURN

Pursuant to the provisions of Section 92(3) read with Section 134(3)(a) of the Act, the copy of the Annual Return (MGT–7) is available on the Company's website viz. URL: <https://kotakmf.com/Information/corporate-disclosure>.

24. OTHER DISCLOSURES

In terms of the applicable provisions of the Act, the Company additionally discloses that during FY 2025–26:

- i. There was no revision in the financial statements or Directors' Report of the Company in preceding 3 (three) financial years;
- ii. The Company has not made any applications and no proceeding were pending under the Insolvency and Bankruptcy Code, 2016; and
- iii. The Company has not made any one-time settlement with the Banks or Financial Institutions.

ANNEXURES

The following document is set out as Annexures to the Directors' Report:

Report on CSR activities pursuant to the provisions of Section 135(4)(a) of the Act, read with Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 (Annexure–A)

ACKNOWLEDGEMENT

The Board would like to place on record their gratitude for the valuable guidance received from the Government of India, Securities and Exchange Board of India, Reserve Bank of India, Association of Mutual Funds of India and other Government and Regulatory agencies, investors in the mutual fund schemes and the Auditors and to the shareholders for their continued support extended to your Company.

The Directors also express their gratitude for the unstinted support and guidance received from Kotak Bank and other group companies.

For and on behalf of the Board of Directors

Sharadkumar Bhatia
(Chairman)
DIN: 07327383

Place: Mumbai
Date: _____, 2026



Annual Report on Csr Activities of the Company

for the financial year ended 31st March 2026

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY.

Kotak Mahindra Trustee Company Ltd. ("Company") recognises its responsibility to bring about a positive change in the lives of the communities through its business operations and Corporate Social Responsibility ("CSR") initiatives.

Your Company aspires to be a trusted partner and contributes significantly towards the economic, environmental and social growth of the nation. It is also committed to contribute towards United Nation's (UN) Sustainable Development Goals (SDGs). Your Company's CSR policy sets out its vision, mission, governance, and CSR focus areas to fulfil its inclusive growth agenda in India.

While ensuring that its CSR Policy, projects and programmes are compliant with the CSR mandate as specified under section 134, section 135 read with schedule VII of the Companies Act, 2013 along with the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time and in line with the Government of India's notifications issued from time-to-time, your Company also endeavours to align its CSR projects and programmes with government initiated social development programmes and interventions and last but not the least, United Nation's Sustainable Development Goals (SDGs).

2. COMPOSITION OF CSR COMMITTEE:

Sr. No.	Name of Director	Designation Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Chandrashekhar Sathe	Chairman	2	2
2	Mr. Noshir Dastur	Member	2	2
3	Mr. Jayesh Merchant	Member	1	1

3. Web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company: <https://www.kotakmf.com/Information/corporate-disclosure>

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

The impact assessment is not mandatory for the Company as its CSR obligation is less than ₹10 crore (limit for mandatory Impact assessment prescribed under Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time)

5. (a) Average net profit of the company as per as per sub-section (5) of section 135.-**₹145.53 crore**

(b) Two percent of average net profit of the company as per sub-section (5) of section 135-**₹2.91 crore**

(c) Surplus arising out of the CSR projects, programmes, or activities of the previous financial years. - **Not Applicable**

(d) Amount required to be set off for the financial year, if any-**₹0.00 crore**

(e) Total CSR obligation for the financial year [(b) + (c)-(d)]. **₹2.91 crore**

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)-**₹2.91 crore**

(b) Amount spent in Administrative Overheads. - **₹0.05 crore**

(c) Amount spent on Impact Assessment, if applicable-**Not applicable**

(d) Total amount spent for the Financial Year [(a)+(b)+(c)].-**₹2.96 crore**

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (₹Crore)	Amount Unspent (₹ crore)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6) of the Act.		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) of the Act.		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
2.96	0.00	NA	N.A	N.A	N.A

* includes administrative overhead cost of ₹0.05 crore.

(f) Excess amount of set-off, if any

Sr. No.	Particular	Amount (₹ crore)
(i)	Two percent of average net profit of the company as per section 135(5) of the Act	2.91
(ii)	Total amount spent for the Financial Year	2.96*
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.05
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.05**

*Includes administrative overheads

** does not include set off amount of previous financial year

7. DETAILS OF UNSPENT CORPORATE SOCIAL RESPONSIBILITY AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS

Sr. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹ crore)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹ crore)	Amount spent in the reporting Financial Year (in ₹ crore). *	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹ crore.)
					Name of the Fund	Amount (in ₹).	Date of transfer.	
1	2022-23	1.15	0.16	0.16	NA	NA	NA	0.00
2	2023-24	0.29	0.29	0.29	NA	NA	NA	0.00
3	2024-25	0.045	0.045	0.045	NA	NA	NA	0.00

8. WHETHER ANY CAPITAL ASSETS HAVE BEEN CREATED OR ACQUIRED THROUGH CORPORATE SOCIAL RESPONSIBILITY AMOUNT SPENT IN THE FINANCIAL YEAR:

Yes (✓) No(-) 1

If Yes, enter the number of capital assets created/acquired

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



A. Capital assets created or acquired through Corporate Social Responsibility Projects of FY 2024–25:

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.		
					CSR Registration Number, if applicable	Name	Registered address
1	12 Tablets Sakur PHC At. Post Sakur, Tal. Jawhar Dist. Palghar, Maharashtra	401604	16 th May, 2025	142,800	CSR00006398	ARMMAN	2 nd Floor, Advance House, Plot-A, ARK Industrial Estate Compound, Makwana Road, Marol Naka, Andheri East, Mubai-400059

B. Capital assets created/acquired from Unspent Corporate Social responsibility spent of financial year 2022–23: NIL

C. Capital assets created/acquired from Unspent Corporate Social responsibility spent of financial year 2021–22: NIL

9. SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PER CENT OF THE AVERAGE NET PROFIT AS PER SECTION 135(5) OF THE ACT. – NOT APPLICABLE

For and on behalf of the Board of Directors

Sharadkumar Bhatia

(Chairman)

DIN: 07327383

Place: Mumbai

Date: _____, 2026

Independent Auditor's Report

To
The Members of
Kotak Mahindra Trustee Company Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying financial statements of Kotak Mahindra Trustee Company Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant 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 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SA's") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made 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

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

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

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

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

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



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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and
- Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone Special Purpose Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone Special Purpose Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work; and (ii) to evaluate the effect of any identified misstatements in the standalone Special Purpose 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 section 143(11) of the Act, we give in "**Annexure A**", a 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, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 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:

In our opinion and according to the information and explanation given to us, during the current year, the remuneration paid by the Company to its Directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any Director is not in excess of the limit laid down under Section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements—Refer Note 35 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (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) The 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 entity ("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-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has neither declared nor paid the dividend during the year.
- vi. Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2026 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **V C Shah & Co**

Chartered Accountants

Firm Registration No.109818W

Viral J. Shah

Partner

Membership No.: 110120

UDIN: 26110120GEKMSI4799

Place: Mumbai

Date: 28th April, 2026

Annexure 'A' to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of Kotak Mahindra Trustee Company Limited on the financial statements for the year ended March 31, 2026)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and to the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. The Company does not have any property, plant and equipment, intangible assets and lease assets. Hence reporting under clause 3(i)(a) to (d) of the Order is not applicable.
 - (e) As represented by the Management, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The Company is in the business of rendering services, and consequently, does not hold any inventory. Accordingly, the provisions of clause 3(ii)(a) of the Order are not applicable to the Company.
 - (b) The Company has not been sanctioned working capital limits in excess of ₹5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. The Company has made only the investments of its surplus funds into the Mutual funds' schemes. The Company has not made any investment in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties. Hence, reporting under clause 3(iii)(a) to (f) of the Order is not applicable.
- iv. The Company has not given any loan to directors and any other Company. Hence, the requirements under Section 185 and 186 of the Act are not applicable. Accordingly reporting under clause 3(iv) of the Order is not applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits, as per the directives issued by Reserve Bank of India and the provisions of the section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made thereunder. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. In respect of statutory dues:
 - (a) In our opinion, the Company has been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There are no dues of Income-tax or Goods and Service Tax and other material statutory dues as on 31st March, 2026 on account of disputes except the details given below.

Name of the statute	Nature of dues	Amount in Rupees	Period to which it relates	Forum where dispute is pending
SEBI Act, 1992	Adjudication order from SEBI	40 lakh	FY 2019-20 and FY 2020-21	Supreme Court of India



- viii. As represented by the Management, there were no transactions which were previously not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) to (f) of the Order is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Hence, reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally). Hence, reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) As represented by the Management, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented by the management, there are no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company and hence, reporting under clause 3 (xii) (a) to (c) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors as per the provisions of section 192 of the Companies Act, 2013. Hence, reporting under 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. Hence, the reporting under clauses 3(xvi)(a) to (c) is not applicable.
- (b) In our opinion and based on the information received there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year. Hence, reporting under clause 3(xvii) of the Order is not applicable to the Company.
- xviii. During the year there was No Resignation of the Auditors. Hence reporting under clause 3 (xviii) of the Order is not applicable to the company.
- xix. 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 and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Hence, reporting under clause 3(xx)(a) of the Order is not applicable for the year to the Company.
- (b) The unspent amounts towards Corporate Social Responsibility (CSR) on any ongoing projects has been transferred to a special account in compliance with sub-section (6) of Section 135 of the said Act.

For **V C Shah & Co**
Chartered Accountants
Firm Registration No.109818W

Viral J. Shah
Partner
Membership No.: 110120
UDIN: 26110120GEKMSI4799

Place: Mumbai
Date: 28th April, 2026



Annexure “B” to the Independent Auditor’s Report

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the Members of Kotak Mahindra Trustee Company Limited on the financial statements for the year ended March 31, 2026)

REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (THE “ACT”)

We have audited the internal financial controls over financial reporting of Kotak Mahindra Trustee Company Limited (the “Company”) as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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, 2026, based on the criteria for internal financial control over financial reporting 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 ICAI.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Management of the Company 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 “ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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.

For **V C Shah & Co**
Chartered Accountants
Firm Registration No.109818W

Viral J. Shah
Partner

Membership No.: 110120
UDIN: 26110120GEKMSI4799

Place: Mumbai
Date: 28th April, 2026



Balance Sheet

as at 31st March, 2026

₹ in lakh

Particulars	Note No.	As at 31 st March, 2026	As at 31 st March, 2025
ASSETS			
1 Non-current assets			
(a) Other non-current assets	3	61.67	6.72
Total Non-current assets		61.67	6.72
2 Current assets			
(a) Financial Assets			
(i) Investments	4	97,783.13	77,303.98
(ii) Trade receivables	5	2,069.09	1,734.14
(iii) Cash and cash equivalents	6	5.16	7.27
(b) Other current assets	7	-	0.24
Total Current assets		99,857.38	79,045.63
TOTAL ASSETS		99,919.05	79,052.35
EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	8	5.01	5.01
(b) Other Equity	9	96,788.66	76,659.29
Total equity		96,793.67	76,664.30
2 Liabilities			
(1) Non current liabilities			
(a) Deferred tax liabilities (net)		2,351.36	1,760.64
(b) Other non-current liabilities	10	3.93	3.31
Total Non current liabilities		2,355.29	1,763.95
(2) Current liabilities			
(a) Financial liabilities			
(i) Trade payables			
(A) Total outstanding dues of micro enterprises and small enterprises		-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	11	84.06	55.24
(b) Provisions	12	12.50	10.00
(c) Other current liabilities	13	669.72	558.86
(d) Current tax liabilities (Net)	14	3.81	-
Total current liabilities		770.09	624.10
TOTAL EQUITY AND LIABILITIES		99,919.05	79,052.35
See accompanying notes forming part of the financial statements	1-39		

For V C Shah & Co

Firm Registration Number: 109818W
Chartered Accountants

Viral J. Shah

Partner
Membership Number: 110120

Place: Mumbai

Date: 28th April, 2026

For and on behalf of the Board of Directors

Chandrashekhhar Sathe

Director
DIN : 00017605

Sharadkumar Bhatia

Director
DIN : 07327383

Statement of Profit and Loss

for the year ended 31st March, 2026

₹ in lakh

Particulars	Note No.	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
I. Revenue From Operations	15	22,135.29	18,526.12
II. Other Income	16	4,691.15	5,454.68
III. Total Income (I+II)		26,826.44	23,980.80
IV. EXPENSES			
Finance Costs	17	5.17	3.19
Employee Benefits expense	18	34.09	26.36
Other Expenses	19	534.72	422.69
Total Expenses (IV)		573.98	452.24
V. Profit before tax (III-IV)		26,252.46	23,528.56
VI. Tax Expense:	20		
(a) Current Tax		5,532.22	4,697.25
(b) Current Tax pertaining to prior periods		-	0.98
(c) Deferred Tax		590.76	751.01
Tax Expense (a)+(b)+(c)		6,122.98	5,449.24
VII. Profit for the Year (V-VI)		20,129.48	18,079.32
VIII. Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
(i) Remeasurement of defined benefit plans		(0.16)	(0.30)
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.04	0.08
IX. Total comprehensive income for the year (comprising Profit and other comprehensive income for the period)		20,129.36	18,079.10
X. Earning per equity share [nominal value of share ₹10] Basic and diluted [in Rupees]	21	40,203	36,108
See accompanying notes forming part of the financial statements	1-39		

For V C Shah & Co

Firm Registration Number: 109818W
Chartered Accountants

Viral J. Shah

Partner
Membership Number: 110120

Place: Mumbai

Date: 28th April, 2026
For and on behalf of the Board of Directors
Chandrashekhar Sathe

Director
DIN : 00017605

Sharadkumar Bhatia

Director
DIN : 07327383



Cash Flow Statement

for the year ended 31st March, 2026

₹ in lakh

Particulars	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	26,252.46	23,528.56
Adjustments for:		
Profit on sale of current investments	(140.53)	(486.96)
Fair Valuation of Defined Obligation	(0.16)	(0.30)
Net gain/(loss) on fair value changes :-Investments	(4,550.62)	(4,967.72)
Interest expense on Income Tax	(5.17)	(3.19)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	21,555.98	18,070.39
Increase/(decrease) in trade payables	28.82	(6.36)
Increase/(decrease) in other current liabilities	110.86	69.56
Increase/(decrease) in provision	2.50	2.50
Increase/(decrease) in other non-current liabilities	0.63	0.32
Decrease/(increase) in trade receivables	(334.95)	(357.54)
Decrease/(increase) in other current assets	0.24	(0.24)
Net change in working capital	(191.90)	(291.76)
CASH GENERATED FROM OPERATIONS	21,364.08	17,778.63
Payment of taxes (net of refunds)	(5,578.19)	(4,780.07)
NET CASH FROM OPERATING ACTIVITIES (A)	15,785.89	12,998.56
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from sale/maturity of current investments	8,934.00	6,470.50
Purchase of Investments	(24,722.00)	(19,476.00)
NET CASH FROM/(USED) IN INVESTMENT ACTIVITIES (B)	(15,788.00)	(13,005.50)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
CASH FLOW FROM FINANCING ACTIVITIES (C)	-	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A + B + C)	(2.11)	(6.94)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	7.27	14.21
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	5.16	7.27
Reconciliation of cash and cash equivalents with the balance sheet		
Cash and cash equivalents as per balance sheet (refer note 6)		
Balances with banks in current account	5.16	7.27
Cash and cash equivalents as restated as at the year end	5.16	7.27

The above Cash Flow statement has been prepared under the 'Indirect Method' as set out in Ind AS 7 "Cash Flow Statements"

For V C Shah & Co

Firm Registration Number: 109818W

Chartered Accountants

Viral J. Shah

Partner

Membership Number: 110120

Place: Mumbai

Date: 28th April, 2026

For and on behalf of the Board of Directors

Chandrashekhar Sathe

Director

DIN : 00017605

Sharadkumar Bhatia

Director

DIN : 07327383

Statement of Changes in Equity for the year ended 31st March, 2026

A. EQUITY SHARE CAPITAL

₹ in lakh

Particulars	Balance at the beginning of the period	Changes in equity share capital during the year	Balance at the end of the period
Equity shares of ₹10 each fully paid up			
As on 01 st April, 2024	5.01	-	5.01
As on 31 st March, 2025	5.01	-	5.01
As on 31 st March, 2026	5.01	-	5.01

B. OTHER EQUITY

₹ in lakh

Particulars	Reserves and Surplus		Total
	General Reserve	Retained Earnings	
Opening balance as at 01st April, 2024	706.83	57,873.37	58,580.20
Profit for the year	-	18,079.32	18,079.32
Appropriations :			
Remeasurements of defined benefit plans	-	(0.22)	(0.22)
Changes during the year	-	18,079.10	18,079.10
Closing balance as at 31st March, 2025	706.83	75,952.47	76,659.30
Profit for the year	-	20,129.48	20,129.48
Appropriations :			
Remeasurements of defined benefit plans	-	(0.12)	(0.12)
Changes during the year	-	20,129.36	20,129.36
Closing balance as at 31st March, 2026	706.83	96,081.83	96,788.66

For V C Shah & Co

Firm Registration Number: 109818W
Chartered Accountants

Viral J. Shah

Partner
Membership Number: 110120

Place: Mumbai

Date: 28th April, 2026

For and on behalf of the Board of Directors

Chandrashekhar Sathe

Director
DIN : 00017605

Sharadkumar Bhatia

Director
DIN : 07327383



Notes

to the Financial Statements as at 31st March, 2026

1. CORPORATE INFORMATION

Kotak Mahindra Trustee Company Limited ('the Company') is a company domiciled in India and incorporated on 5th July, 1995 with its Registered Office situated at 27 BKC C-27, G Block, Bandra-Kurla Complex, Bandra East, Mumbai. The Company is approved by the Securities and Exchange Board of India (SEBI), to act as the Trustee for the Schemes of Kotak Mahindra Mutual Fund and Alternate Investment Fund.

1.2. A BASIS OF PREPARATION

a) Statement of Compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Companies Act, 2013 ("Act").

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements.

b) Basis of Measurement

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

- Certain financial assets and liabilities—Measured at fair value (refer accounting policy regarding financial instruments);
- Defined benefit plans—Plan assets are measured at fair value;
- Share-based payments—Measured at fair value

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

d) Rounding of Amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest "lakh" as per the requirement of Schedule III, unless otherwise stated. Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes in these financial statements.

B. FUNCTIONAL AND PRESENTATION CURRENCY

The financial statements are presented in Indian Rupees (₹) which is also the Company's functional currency.

C. USE OF CRITICAL ESTIMATES AND JUDGEMENTS

The preparation of the financial statements in accordance with Ind AS requires use of judgements, estimates and assumptions for some items, which might have an effect on their recognition and measurement in the Balance Sheet and the Statement of Profit and Loss. The actual amounts realized may differ from these estimates. The estimates and the underlying assumptions are reviewed on an ongoing basis.

Judgment, estimates and assumptions are required in particular for:

I. Recognition of Revenue

The Company acts as the Trustee for the Schemes of Kotak Mahindra Mutual Fund and Alternate Investment Fund. The Company recognizes revenue from trusteeship services over time as the customer simultaneously receives and consumes the benefits as the services are rendered.

Notes

to the Financial Statements as at 31st March, 2026

II. Recognition of Deferred Tax Assets

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, depreciation carry-forwards and carry forward losses. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, depreciation carry-forwards and unused tax credits could be utilized.

III. Recognition and Measurement of Provisions and Contingencies

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

IV. Fair Value of Financial Instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. For further details about determination of fair value please refer Note 26.

V. Business Model Assessment

Classification and measurement of financial assets depends on the results of the Solely Payments of principal and interest (SPPI) and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment, reflecting all relevant evidence, including how the performance of the assets is evaluated and their performance is measured, the risks that affect the performance of the assets and how these are managed. The Company monitors financial assets measured at amortized cost or fair value through other comprehensive income that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held.

VI. Effective Interest Rate (EIR) Method

The Company's EIR methodology, recognises interest income/expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of financial instruments and recognises the effect of potentially different interest rates at various stages and other characteristics of the financial instrument. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well as expected changes to benchmark rate and other fee income/expense that are integral parts of the instrument.

VII. Impairment of Financial Assets

The Company recognizes loss allowances for expected credit losses on its financial assets measured at amortized cost and Fair Value through Other Comprehensive Income (FVOCI). At each reporting date, the Company assesses whether the above financial assets are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. The Company's ECL calculations are outputs of statistical models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies such as macroeconomic scenarios.

VIII. Recognition and Measurement of Defined Benefit Obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial valuation. Key actuarial assumptions which form the basis of above valuation include discount rate, trends in salary escalation, demographics and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Further details are disclosed in Note 25.



Notes

to the Financial Statements as at 31st March, 2026

IX. Determination of Lease Term

Ind AS 116–Leases requires lessee to determine the lease term as the non–cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

X. Discount rate for Lease Liability

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated.

D. NEW STANDARDS AND AMENDMENTS TO EXISTING IND AS:

The Ministry of Corporate Affairs vide notification dated 7th May, 2025 and 13th August 2025 notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 and Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which amended certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1st April, 2025:

1. Supplier Finance Arrangements–Amendments to Ind AS 7 and Ind AS 107

The Company does not have any Supplier Finance Arrangements, hence this amendment is not applicable.

2. International Tax Reform–Pillar Two Model Rules–Amendments to Ind AS 12

The Company is not within the scope of the OECD Pillar Two Model Rules, as Pillar Two legislation has not yet been enacted in any of the jurisdictions in which the group operates.

3. Lack of Exchangeability–Amendments to Ind AS 21

The amended Ind AS 21 have added requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use where it is not.

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

1.3 MATERIAL ACCOUNTING POLICIES

A. REVENUE RECOGNITION OF INCOME

Rendering of Services

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

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

The Company principally generates revenue by providing trusteeship services to Kotak Mahindra Mutual fund and Alternate Investment Fund.

Trusteeship fees (net of indirect tax) from mutual fund schemes and Alternate Investment Fund are recognised on an accrual basis in accordance with the Trust Deed. Fees earned for the provision of services are recognized over time as the customer simultaneously receives and consumes the benefits, as the services are rendered.

Notes

to the Financial Statements as at 31st March, 2026

Interest Income:

Interest income on financial assets is recognized on an accrual basis using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. Interest revenue is continued to be recognized at the original effective interest rate applied on the gross carrying amount of assets falling under impairment stages 1 and 2 as against on amortized cost for the assets falling under impairment stage 3.

Dividend Income:

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

B. INCOME TAX

Income tax expense comprises current and deferred tax. It is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income (OCI).

Current Tax

Current tax is measured at the amount expected to be paid in respect of taxable income for the year in accordance with the Income Tax Act, 1961.

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and current tax liabilities are offset only if the Company has a legally enforceable right to set off the recognized amounts, and it intends to realize the asset and settle the liability on a net basis or simultaneously.

Deferred Tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the deferred tax is also recognised in other comprehensive income or directly in equity, respectively. Deferred tax assets are reviewed at each reporting date and based on management's judgment, are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

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



Notes

to the Financial Statements as at 31st March, 2026

Deferred tax assets and liabilities are offset only if:

- a. the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b. the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

C. EMPLOYEE BENEFITS

Defined Contribution Plan

Provident Fund/Employee State Insurance Scheme

The Company's contribution to government provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees. The Company has no further obligations.

Defined Benefit Plan

Gratuity

The Company accounts for the liability for future gratuity benefits based on an independent actuarial valuation. The gratuity obligation is unfunded. The net present value of the Company's obligation towards the same is determined based on the Projected Unit Credit method as at the Balance Sheet date.

Remeasurement of all defined benefit plans, which comprise actuarial gains and losses and the effect of asset ceiling, if applicable are recognized immediately in OCI in the year they are incurred. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognized in the Statement of Profit and Loss. Remeasurements are not reclassified to profit or loss in subsequent period.

Compensated Absences

Compensated absences which accrue to employees and which are expected to be availed within twelve months immediately following the year end are reported as expenses during the year in which the employees performs the services that the benefit covers and the liabilities are reported at the undiscounted amount of the benefit, and where the availment or encashment is otherwise not expected to wholly occur within the next twelve months, the liability on account of the benefit is actuarially determined using the projected unit credit method.

Other Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentives.

As per the Group policy, employees of the Company are eligible for an award after completion of a specified number of years of service with the Company. The obligation is measured at the Balance Sheet date on the basis of an actuarial valuation using the projected unit credit method.

D. FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Recognition, Initial Measurement and Derecognition

All financial assets are recognized initially at fair value plus or minus, in the case of financial assets not recorded at fair value through the Statement of Profit or Loss, transaction fees or costs that are directly attributable and incremental to the origination/acquisition of the financial asset unless otherwise specifically mentioned in the accounting policies.

Notes

to the Financial Statements as at 31st March, 2026

All regular way purchase or sale of financial assets are recognized and derecognized on a trade date basis. Regular way purchase or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. The profit/loss on sale of investments is recognized in the Statement of Profit and Loss on the trade date, using the weighted average cost method.

Classification

The Company classifies its financial assets as subsequently measured at either amortized cost or fair value based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Business Model Assessment

The Company makes an assessment of the objective of a business model in which an asset is held such that it best reflects the way the business is managed and is consistent with the information provided to the Management. The information considered includes:

- the objectives for the portfolio, in particular, Management's strategy of focusing on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realizing cash flows through the sale of the assets;
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Company's stated objective for managing the financial assets is achieved and how cash flows are realized.
- the risks that affect the performance of the business model, the financial assets held within that business model and how those risks are managed.

Assessment Whether Contractual Cash Flows are Solely Payments of Principal and Interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as profit margin.

Subsequent Measurement

The Company classifies its financial assets in the following measurement categories:

Financial Assets at Amortized Cost

A financial asset is measured at amortized cost if it meets both of the following conditions:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR and reported as part of interest income in the Statement of Profit and Loss. The losses if any, arising from impairment are recognized in the Statement of Profit and Loss.

Financial Asset at Fair Value through other Comprehensive Income (FVOCI)

A financial asset is measured at FVOCI if it meets both of the following conditions:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes

to the Financial Statements as at 31st March, 2026

After initial measurement, such financial assets are subsequently measured at fair value. Interest income is recognized using the effective interest (EIR) method. The impairment losses, if any, are recognized through Statement of Profit and Loss. The loss allowance is recognized in OCI and does not reduce the carrying value of the financial asset.

Financial asset at fair value through profit and loss (FVTPL)

Any financial asset, which does not meet the criteria for classification as at amortized cost or as FVOCI, is classified to be measured at FVTPL.

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

All equity investments except for investments in subsidiary/associate/joint ventures are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL.

Financial Liabilities

The Company classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through profit or loss. Liabilities which are classified at fair value through profit or loss shall be subsequently measured at fair value. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of profit and loss. Any gain or loss on derecognition is also recognised in Statement of profit and loss.

Impairment of Financial Assets

Methodology for Computation of Expected Credit Losses (ECL)

The financial instruments covered within the scope of ECL include financial assets measured at amortized cost and FVOCI, such as trade receivables, balances with banks and other financial assets. ECL has not been determined on financial assets measured at FVTPL.

The loss allowance has been measured using lifetime ECL except for financial assets on which there has been no significant increase in credit risk since initial recognition. In such cases, loss allowance has been measured at 12 month ECL.

At each reporting date, the Company assesses whether financial assets carried at amortized cost and FVOCI are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred since initial recognition. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganization;
- the disappearance of an active market for that financial asset because of financial difficulties

ECL is probability weighted estimate of credit losses estimated by determining the probability of default ('PD'), Exposure At Default ('EAD') and loss given default ('LGD').

For trade receivables the Company applies a simplified approach. It recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The expected credit losses on these financial assets are estimated considering the credit worthiness of counter parties and their credit ratings adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

Notes

to the Financial Statements as at 31st March, 2026

E. DERECOGNITION OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognized) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognized in OCI is recognized in the Statement of Profit and Loss.

Financial Liabilities

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

1.4 OTHER ACCOUNTING POLICY

A. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares), if any, that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

B. PROVISIONS AND CONTINGENT LIABILITIES

A provision is recognized when the Company has a present obligation as a result of past events 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. When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are not recognized but are disclosed in the notes.

C. WRITE-OFFS

Financial assets are written off either partially or in their entirety when there is no realistic prospect of recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment on financial instruments in statement of profit and loss. However, financial assets that are written off may be subject to enforcement activities to comply with the Company's procedures for recovery of amounts due.



Notes

to the Financial Statements as at 31st March, 2026

D. MODIFICATIONS OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Financial Assets

If the terms of a financial asset are modified, the Company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognized and a new financial asset is recognized at fair value.

Financial Liabilities

The Company derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different.

E. MEASUREMENT OF FAIR VALUES

The Company's accounting policies and disclosures require fair value measurement of financial instruments such as investment in unquoted equity instruments, mutual fund, etc.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Management uses its judgment in selecting an appropriate valuation technique for financial instruments not quoted in an active market. Valuation techniques commonly used by market participants are applied.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

F. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise of cash on hand and demand deposits with banks. It also comprises of short-term deposits with an original maturity of three months or less, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

G. SEGMENT REPORTING

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's Board, the Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

Since, the primary activity of the Company is to act as trustee for the schemes of Kotak Mahindra Mutual Fund and Alternate Investment Fund, there are no separate reportable segments identified as per the Ind AS 108-Segment Reporting.

Notes

to the Financial Statements as at 31st March, 2026

NOTE 3

₹ in lakh

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Non-current assets		
Non Current tax assets (Net)	61.67	6.72
[Net of Provision for Tax of 13,721.65 lakh (31 st March, 2025 ₹9,598.49 lakh)]		
Total	61.67	6.72

NOTE 4

₹ in lakh

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Investments		
At fair value through profit or loss (FVTPL)		
Investment in mutual funds	97,783.13	77,303.98
Total (A)	97,783.13	77,303.98
(i) Investment outside India		
(i) Investment in India	97,783.13	77,303.98
Total (B)	97,783.13	77,303.98

NOTE 5

₹ in lakh

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Trade receivables		
Unsecured, considered good	2,069.09	1,734.14
Total	2,069.09	1,734.14

(Refer Note 30)

NOTE 6

₹ in lakh

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Cash and cash equivalents		
Balance with banks :		
In current account	5.16	7.27
Total	5.16	7.27



Notes

to the Financial Statements as at 31st March, 2026

NOTE 7

₹ in lakh

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Other current assets		
Advance recoverable in cash or in kind	-	0.24
Total	-	0.24

NOTE 8 : EQUITY SHARE CAPITAL

₹ in lakh

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Authorized		
10,00,000 (31 March 2025 : 10,00,000) equity shares of ₹10/-each	100.00	100.00
Issued, subscribed and paid-up		
50,070 equity shares (31 March 2025 : 50,070) of ₹10/-each, fully paid up	5.01	5.01
	5.01	5.01

a. RECONCILIATION OF NUMBER OF SHARES OUTSTANDING AT THE BEGINNING AND END OF THE YEAR :

₹ in lakh

Particulars	No. of shares	Rupees in lakh
Equity shares of ₹10 each, fully paid-up		
As at 01 st April, 2024	50,070	5.01
Add : Issued during the year	-	-
As at 31 st March, 2025	50,070	5.01
Add : Issued during the year	-	-
As at 31st March, 2026	50,070	5.01

b. TERMS/RIGHTS ATTACHED TO EQUITY SHARES

Equity Shares: The Company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. SHARES HELD BY HOLDING COMPANY

₹ in lakh

Particulars	As at 31 st March, 2026		As at 31 st March, 2025	
	Number of shares	% Holding	Number of shares	% Holding
Kotak Mahindra Bank Limited	50,070	100	50,070	100
	50,070	100	50,070	100

Notes

to the Financial Statements as at 31st March, 2026

d. DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% SHARES IN THE COMPANY

₹ in lakh

Particulars	As at 31 st March, 2026		As at 31 st March, 2025	
	Number of shares	% Holding	Number of shares	% Holding
Kotak Mahindra Bank Limited	50,070	100	50,070	100
Total	50,070	100	50,070	100

e. SHAREHOLDING OF PROMOTERS

Shares held by promoters at the end of the year 31st March, 2026

₹ in lakh

Promoter name	Number of Shares	% of total shares	% Change during the year
Kotak Mahindra Bank Limited	50,070	100	Nil
Total	50,070	100	

Shares held by promoters at the end of the year 31st March, 2025

₹ in lakh

Promoter name	Number of Shares	% of total shares	% Change during the year
Kotak Mahindra Bank Limited	50,070	100	Nil
Total	50,070	100	

NOTE 9

₹ in lakh

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Other equity		
General reserve	706.83	706.83
Retained Earnings	96,081.83	75,952.46
Total	96,788.66	76,659.29

NOTE 9.1 NATURE AND PURPOSE OF RESERVE

General Reserve

General Reserve represents appropriation of net profit of the Company and is available for distribution to the shareholders.

Retained Earnings

Retained Earnings represents surplus/deficit of the Company and is available for distribution to the shareholders.

NOTE 9.2 OTHER EQUITY MOVEMENT

₹ in lakh

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
General reserve		
Opening balance	706.83	706.83
Addition during the year	-	-
Closing balance	706.83	706.83



Notes

to the Financial Statements as at 31st March, 2026

₹ in lakh

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Retained Earnings		
Opening balance	75,952.47	57,873.36
Addition during the year	20,129.48	18,079.32
Remeasurements of defined benefit plans	(0.12)	(0.22)
Closing balance	96,081.83	75,952.47

NOTE 10

₹ in lakh

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Other non-current liabilities		
Other payables	2.60	2.60
Provision for employee benefits	0.10	0.11
Provision for gratuity (Refer note 25)	1.23	0.60
Total	3.93	3.31

NOTE 11

₹ in lakh

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Current-Trade payables		
Trade payables		
(i) Total outstanding dues of micro enterprises and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer Note 26 , Note 31 and Note 32)	84.06	55.24
Total	84.06	55.24

NOTE 12

₹ in lakh

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Provisions :		
Incentive Payable	12.50	10.00
Total	12.50	10.00

Notes

to the Financial Statements as at 31st March, 2026

NOTE 13

₹ in lakh

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Other current liabilities		
Statutory dues payable	669.09	553.57
Unspent CSR payables	-	4.45
Provision for employee benefits	0.05	0.56
Provision for gratuity (Refer note 25)	0.58	0.28
Total	669.72	558.86

NOTE 14

₹ in lakh

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Current tax liabilities (Net)		
Provision for income tax	3.81	-
[Net of advance tax and Tax deducted at source of ₹1,410.42 lakh (March 31,2025: NIL)]		
Total	3.81	-

NOTE 15

₹ in lakh

Particulars	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
Revenue From Operations		
Trustee fees	22,135.29	18,526.12
Total	22,135.29	18,526.12

NOTE 16

₹ in lakh

Particulars	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
Other Income		
Net gain/(loss) on fair value changes of Investments classified as FVTPL	4,691.15	5,454.68
Total Net gains (losses) on fair value changes include ₹140.53 lakh [previous year: ₹486.96 lakh] as 'Realised Net gain or loss on sale of investments'.		
Total	4,691.15	5,454.68



Notes

to the Financial Statements as at 31st March, 2026

NOTE 17

₹ in lakh

Particulars	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
Finance Costs :		
Other interest expense	5.17	3.19
	5.17	3.19

NOTE 18

₹ in lakh

Particulars	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
Employee Benefits expenses :		
Salaries and wages	32.34	25.35
Contribution to provident and other funds	0.98	0.79
Gratuity	0.77	0.22
Total	34.09	26.36

NOTE 19

₹ in lakh

Particulars	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
Other Expenses		
Rent, rates and taxes	0.75	0.75
Legal, professional and consultancy charges	2.98	6.52
Insurance	5.66	6.44
Directors fees	140.50	98.50
Payment to auditors	3.92	3.89
Royalty Expenses	46.32	33.34
Contribution towards corporate social responsibility (Refer note 23)	296.07	244.88
Reimbursement of common administrative cost	35.73	25.67
Miscellaneous expenses	2.79	2.70
Total	534.72	422.69
Details of Auditors fees and expenses		
(a) As auditor	3.25	3.25
(b) Reimbursement of expenses	0.07	0.04
(c) Tax Auditor	0.60	0.60
Total	3.92	3.89

Notes

to the Financial Statements as at 31st March, 2026

NOTE 20

₹ in lakh

Particulars	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
Tax Expense:		
Current tax-current tax expense	5,532.22	4,697.25
Current tax-current tax expense for prior period	-	0.98
Deferred Tax	590.76	751.01
	6,122.98	5,449.24

NOTE 21 : EARNINGS PER SHARE

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

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

₹ in lakh

Sr No	Particulars	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
A)	i. Profit attributable to Equity holders of Company		
	Profit attributable to equity holders of the Company	20,129.48	18,079.32
B)	Profit attributable to equity holders of the Company for basic earnings	20,129.48	18,079.32
	ii. Weighted average number of ordinary shares		
	Issued ordinary shares	50,070	50,070
C)	Weighted average number of shares	50,070	50,070
D)	Basic and Diluted earnings per shares (in ₹)	40,203	36,108

NOTE 22 : CONTINGENT LIABILITIES

₹ in lakh

Sr No	Particulars	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
A	Contingent Liabilities:		
	Adjudication Order from SEBI (Refer Note 35)	40.00	40.00
	Income Tax Matters	6.32	-
	Total	46.32	40.00
B	Capital Commitments	Nil	Nil



Notes

to the Financial Statements as at 31st March, 2026

NOTE 23 : CORPORATE SOCIAL RESPONSIBILITY

The Company's CSR project aims to positively contribute towards economic, environmental and social well-being of communities through its Corporate Social Responsibility agenda. CSR projects undertaken in FY2025-26 are in the area of education and livelihood.

As per provisions of Section 135 of the Companies Act, 2013, prescribed 2% CSR Expenditure requirement for FY2025-26 is ₹291.05 lakh (Previous year: ₹243.15 lakh).

DETAILS OF CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

₹ in lakh

Sr No	Particulars	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
	Contribution to :		
	Kotak Education Foundation	50.00	67.05
	Yash Charitable Trust	28.00	23.00
	Ratna Nidhi Charitable Trust	54.00	32.00
	ARMAAN-Mother & Child Healthcare	72.00	55.00
	Aseema Charitable Trust	65.00	60.00
	Mission Smiles	22.00	-
	Admin Costs	5.07	3.38
	Accrual towards unspent obligations in relation to:		
	Ongoing project	-	4.45
	Other than ongoing project	-	-
	Total	296.07	244.88
	Amount required to be spent as per sec. 135 of the Act	291.05	243.15
	Amount of cumulative shortfall at the end of the year	-	4.45
	Amount spent during the period :		
(i)	Construction/acquisition of any asset	1.43	1.32
(ii)	On purposes other than (i) above	294.65	239.11

DETAILS OF ONGOING AND OTHER THAN ONGOING CSR PROJECTS UNDER SECTION 135(6) OF THE ACT

₹ in lakh

Balance as at 1 st April, 2025		Amount approved by the Board to be spent during the year	Amount spent during the year		Balance as at 31 st March, 2026		
With the Company	In Separate CSR Unspent account *		From the Company's Bank account	From Separate CSR Unspent account	With Company	In Separate CSR Unspent account	
FY 2025-26							
Ongoing project							
Nil	-	-	-	-	-		
Other than Ongoing Project							
Nil	-	291.00	291.00	-	-	-	
FY 2024-25**							
Ongoing project							
4.45	-	4.45	4.45	-	-	-	
Other than Ongoing Project							
Nil	-	-	-	-	-		

Notes

to the Financial Statements as at 31st March, 2026

₹ in lakh

Balance as at 1 st April, 2024		Amount approved by the Board to be spent during the year	Amount spent during the year		Balance as at 31 st March, 2025	
With the Company	In Separate CSR Unspent account *		From the Company's Bank account	From Separate CSR Unspent account	With Company	In Separate CSR Unspent account
Ongoing project						
Nil	41.63	71.50	67.05	41.63	4.45	-
Other than Ongoing Project						
Nil	-	173.38	173.38	-	-	-

**Balance lying with the Company at the end of the previous year was transferred to unspent CSR account with in the next 30 days.

Details of Excess Amount Spent:

₹ in lakh

Excess amount spent			
Balance as at 1 April 2025	Amount required to be spent during the year	Amount spent during the year	Balance as at 31 st Mar, 2026
-	291.05	296.07	5.02

₹ in lakh

Excess amount spent			
Balance as at 1 April 2024	Amount required to be spent during the year	Amount spent during the year	Balance as at 31 st Mar, 2025
-	243.15	244.88	1.73

₹ in lakh

Particulars	31 st March, 2026	31 st March, 2025
Amount required to be spent by the Company during the year	296.07	244.88
Amount of expenditure incurred	296.07	240.43
Shortfall at the end of the year	-	4.45
Total of previous years shortfall	-	4.45
Reason for shortfall	No shortfall	pertains to ongoing projects
Nature of CSR Activities		
Education & Livelihood	143.00	154.50
Healthcare	148.00	87.00
Admin Charges	5.07	3.38
Total	296.07	244.88



Notes

to the Financial Statements as at 31st March, 2026

NOTE 24 RELATED PARTY DISCLOSURES

NAMES OF RELATED PARTIES UNDER IND AS 24 AND NATURE OF RELATIONSHIP

₹ in lakh

Particulars	Country of Incorporation	Proportion of ownership interest
I) Parties where control exists		
Holding Company		
Kotak Mahindra Bank Limited	India	100%
Mr. Uday S. Kotak, Promoter along with the persons/entities forming part of the Promoter Group, holds 25.87% of the paid-up share capital of Kotak Mahindra Bank Limited as on 31 st March, 2026.		
Fellow subsidiary		
Kotak Mahindra Asset Management Company Limited	India	
II) Directors with whom transactions are carried out		
Mr. Amit Desai-Non Independent-Non Executive Director		
Mr. Uday Phadke (upto 14 th June, 2025)-Independent Director		
Mr. Chandrashekhar Sathe-Non Independent-Non Executive Director		
Mr. Noshir Dastur (from 27 th June, 2025)-Independent Director		
Mr. Sharadkumar Bhatia-Independent Director		
Mr. Jayesh Merchant (upto 18 th March, 2026)-Independent Director		

RELATED PARTY TRANSACTIONS AND BALANCES

₹ in lakh

Nature of Transaction	Year ended 31 st March	Holding Company	Fellow Subsidiaries
Balances Outstanding			
Balance in Current Account	2026	4.88	
	2025	6.99	
Other Long term Liabilities-Initial Corpus	2026	2.60	
	2025	2.60	
Current-Trade payables	2026	0.31	
	2025	0.39	
Transactions during the year			
Reimbursement of Expenses	2026	9.73	36.62
	2025	5.76	29.87
Royalty Expenses	2026	46.32	
	2025	33.34	
Bank & Demat Charges	2026	0.04	
	2025	0.04	

Notes

to the Financial Statements as at 31st March, 2026

TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

Key management personnel compensation

₹ in lakh

Particulars	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
Directors		
Director Sitting Fees	49.25	48.50
Director Commission	91.25	50.00

NOTE 25 EMPLOYEE BENEFITS

THE COMPANY CONTRIBUTES TO THE FOLLOWING POST-EMPLOYMENT DEFINED BENEFIT PLANS IN INDIA.

(i) Defined Contribution Plans (Provident Fund):

The Company makes Provident Fund contributions to Recognized Provident Fund for employees. The Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognized ₹0.98 lakh (31st March, 2025 : ₹0.79 lakh) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to the Fund are at rates specified in the Rules of the Scheme.

(ii) Defined Benefit Plan:

Gratuity :

The Company accounts for the liability for future gratuity benefits based on an independent actuarial valuation. The gratuity obligation is unfunded. The net present value of the Company's obligation towards the same is determined based on the Projected Unit Credit method as at the Balance Sheet date.

- A. Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognized in the Company's financial statements as at balance sheet date:

₹ in lakh

Particulars	Gratuity	
	31 st March, 2026	31 st March, 2025
Present value of Unfunded defined benefit obligation (A)	1.81	0.88
Fair value of plan assets (B)	-	-
Net (asset)/liability recognized in the Balance Sheet (A-B)	1.81	0.88

B. Movement in Net Defined Benefit (Asset) Liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

₹ in lakh

Particulars	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) liability	
	31 st March, 2026	31 st March, 2025	31 st March, 2026	31 st March, 2025	31 st March, 2026	31 st March, 2025
Opening balance	0.88	0.36	-	-	0.88	0.36
Included in profit or loss						
Current service cost	0.38	0.19	-	-	0.38	0.19
Past service cost	0.33	-	-	-	0.33	-
Interest on Net Defined Benefit Liability/(Assets)	0.06	0.03	-	-	0.06	0.03
	1.65	0.58	-	-	1.63	0.58



Notes

to the Financial Statements as at 31st March, 2026

₹ in lakh

Particulars	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) liability	
	31 st March, 2026	31 st March, 2025	31 st March, 2026	31 st March, 2025	31 st March, 2026	31 st March, 2025
Included in OCI						
Remeasurement loss (gain)						
Actuarial loss (gain) arising from						
Demographic assumptions	-	-	-	-	-	-
Financial assumptions	(0.00)	0.02	-	-	(0.00)	0.02
Experience adjustment	0.16	0.28	-	-	0.16	0.28
Actual return on plan assets less interest on plan assets	-	-	-	-	-	-
	0.16	0.30	-	-	0.16	0.30
Other						
Contributions paid by the employer	-	-	-	-	-	-
Benefits paid	-	-	-	-	-	-
Liabilities assumed/(settled)*	-	-	-	-	-	-
Closing balance	1.81	0.88	-	-	1.79	0.88

Represented by

₹ in lakh

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Net defined benefit liability :		
- Current	0.58	0.28
- Non-current	1.23	0.60
	1.81	0.88

C. Expenses Recognized in Statement of Profit and Loss

₹ in lakh

Particulars	31 st March, 2026	31 st March, 2025
Current service cost	0.38	0.19
Past service cost	0.33	-
Interest on net defined benefit liability/(asset)	0.06	0.02
	0.77	0.21

₹ in lakh

Particulars	31 st March, 2026	31 st March, 2025
Actuarial loss/(gain) arising from:		
Financial assumptions	(0.00)	0.02
Demographic assumptions	-	-
Experience adjustments	0.16	0.28
Actual return on plan assets less interest on plan assets	-	-
Adjustment to recognize the effect of asset ceiling	-	-
	0.16	0.30

Notes

to the Financial Statements as at 31st March, 2026

E. Defined Benefit Obligations

i. Actuarial Assumptions

The key actuarial assumptions adopted for the purposes of this valuation are given below:-

₹ in lakh

Particulars	31 st March, 2026	31 st March, 2025
Discount rate	6.60%	6.55%
Salary escalation rate (p.a.)	7.00%	7.00%

ii. Sensitivity Analysis

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarizes the change in defined benefit obligation compared with the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

in ₹

Particulars	Gratuity			
	31 st March, 2026		31 st March, 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (50 bps movement)	2,965.00	(3,085.00)	1,419.00	(1,474.00)
Salary escalation rate (50 bps movement)	(3,058.00)	2,968.00	(1,461.00)	1,420.00

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.

F. Experience Adjustments

The expected future cash flows in respect of gratuity as at 31st March, 2019 were as follows

₹ in lakh

Particulars	Year ended 31 st March				
	2026	2025	2024	2023	2022
Present value of defined benefit obligation	1.81	0.88	0.36	0.18	-
Fair value of plan assets					
Surplus/(Deficit)	(1.81)	(0.88)	(0.36)	(0.18)	-
Experience adjustments on plan liabilities	0.16	0.28	(0.02)	(0.05)	-
Experience adjustments on plan assets	-	-	-	-	-

G. Accumulated Compensated Absences

The Company provides for accumulated compensated absences as at the balance sheet date on the basis of an actuarial valuation. The Company recognized ₹(0.01) lakh. (Previous year : ₹0.10 lakh) for Compensated Absences in the Statement of Profit and Loss.



Notes

to the Financial Statements as at 31st March, 2026

NOTE 26 FINANCIAL INSTRUMENTS–FAIR VALUES AND RISK MANAGEMENT

A. CLASSIFICATION OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES:

The following table shows the carrying amounts of Financial Assets and Financial Liabilities which are classified as Fair value through Profit and Loss (FVTPL), Fair value through other comprehensive Income (FVTOCI) and Amortized Cost.

₹ in lakh

Particulars	As at 31 st March, 2026			As at 31 st March, 2025		
	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial assets						
Cash and cash equivalents	-	-	5.16	-	-	7.27
Receivables:						
Trade receivables	-	-	2,069.09	-	-	1,734.14
Current Investments	97,783.13			77,303.98		
Total financial assets	97,783.13	-	2,074.25	77,303.98	-	1,741.40
Financial liabilities						
Payables						
Trade Payables	-	-	84.06	-	-	55.24
Total financial liabilities	-	-	84.06	-	-	55.24

B. FAIR VALUE HIERARCHY:

Fair values of financial assets and financial liabilities measured as fair value, including their levels in the fair value hierarchy, are presented below.

₹ in lakh

Particulars	As at 31 st March, 2026				As at 31 st March, 2025			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investments at FVTPL								
- Mutual funds	97,783.13	-	-	97,783.13	77,303.98	-	-	77,303.98
Total financial assets	97,783.13	-	-	97,783.13	77,303.98	-	-	77,303.98

C. MEASUREMENT OF FAIR VALUES

The fair value of financial instruments have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities

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

Level 3 : Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

Notes

to the Financial Statements as at 31st March, 2026

Fair value of financial assets and liabilities measured at amortized cost

₹ in lakh

Particulars	As at 31 st March, 2026		As at 31 st March, 2025	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Cash and cash equivalents	5.16	5.16	7.27	7.27
Receivables:				
Trade receivables	2,069.09	2,069.09	1,734.14	1,734.14
	2,074.25	2,074.25	1,741.41	1,741.41
Financial liabilities				
Payables				
Trade Payables	84.06	84.06	55.24	55.24
Total Financial liabilities	84.06	84.06	55.24	55.24

The carrying amounts of Cash and cash equivalents, trade receivables, other financial assets, trade payables, other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

D. FINANCIAL RISK MANAGEMENT

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

- Credit risk ;
- Liquidity risk; and
- Market risk.

i. Credit Risk

Credit risk is the risk of financial loss to the Company, if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and Cash and cash equivalents. The carrying amounts of following financial assets represent the maximum credit risk exposure:-

₹ in lakh

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Trade receivables	2,069.09	1,734.14
Cash and cash equivalents	5.16	7.27
Total	2,074.25	1,741.41

a. Credit Quality Analysis

The following table sets out the information about the credit quality of financial assets measured at amortized cost:

₹ in lakh

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Trade receivables		
Current	2,069.09	1,734.14
Past due 0–30 days	-	-
Past due 31–60 days	-	-
Past due 61–90 days	-	-
Past due 90 days	-	-
	2,069.09	1,734.14



Notes

to the Financial Statements as at 31st March, 2026

₹ in lakh

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Other financial assets		
Current	5.16	7.27
Past due 0–30 days	-	-
Past due 31–90 days	-	-
Past due 90 days	-	-
	5.16	7.27

Concentration of Credit Risk

Amounts Arising From ECL

i. Inputs, Assumptions and Techniques Used for Estimating Impairment

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The probability of default rates are based on the credit worthiness of counter parties and their credit ratings. The PD rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. Based on the consideration of a variety of external actual and forecast information, the Company forms a 'base case' view of the future direction of relevant economic variables such as Gross domestic product, change in gross fixed investments. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. The base case represents a most likely outcome while the other scenarios represent more optimistic and more pessimistic outcomes.

Inputs Considered in the ECL Model:

The company categorises Financial assets into stages based on the days past due status.

S1–0 to 30 days past due

S2–31 to 90 days past due

S3–More than 90 days past due

The Company has used simplified approach to provide expected credit loss on trade receivables as prescribed by Ind AS 109 which permits use of lifetime expected credit loss provision for all trade receivables.

Definition of Default

A default on a financial asset is when the counterparty fails to make the contractual payments within 90 days of when they fall due. This definition of default is determined by considering the business environment in which the Company operates and other micro-economic factors.

Trade and Other Receivables

Exposures to customers' outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of collection from counterparties on timely basis reflects low level of credit risk. As the Company has a contractual right to such receivables as well as control over preponderant amount of such funds due from customers, the Company does not estimate any credit risk in relation to such receivables.

Cash and Cash Equivalents and Other Bank Balances

The Company holds cash and cash equivalents and other bank balances as per note 6. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be high.

Notes

to the Financial Statements as at 31st March, 2026

ii. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Maturity Profile of Financial Liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

Particulars	As at 31 st March, 2026								
	Carrying amount	Total	On demand	1-3 months	3-6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities									
Trade and other Payables	84.06	84.06		5.03	79.03	-	-	-	-
Carrying Amount	84.06	84.06	-	5.03	79.03	-	-	-	-

Particulars	As at 31 st March, 2025								
	Carrying amount	Total	On demand	1-3 months	3-6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Financial Liabilities									
Trade and other Payables	55.24	55.24		4.98	50.26	-	-	-	-
Carrying Amount	55.24	55.24	-	4.98	50.26	-	-	-	-

iii. Market Risk

Market risk is the risk that changes in market prices—such as foreign exchange rates, interest rates and equity prices—will affect the Company's income or the value of its holdings of financial instruments. Since, the Company has only invested short duration/debt schemes of mutual funds, it has no material exposure to market risk.

NOTE 27 REVENUE FROM CONTRACTS WITH CUSTOMERS

The Company has recognized following amounts relating revenue in the Statement of Profit and Loss:

₹ in lakh

Particulars	For the year ended	
	31 st March, 2026	31 st March, 2025
Revenue from contracts with customers	22,135.29	18,526.12
Revenue from other sources	4,691.15	5,454.68
Total Revenue as per Statement of Profit and Loss	26,826.44	23,980.80

Notes

to the Financial Statements as at 31st March, 2026

DISAGGREGATION OF REVENUE FROM CONTRACTS WITH CUSTOMERS

In the following table, revenue is disaggregated by primary geographical market, major service lines and timing of revenue recognition:

₹ in lakh

Particulars	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
Type of services		
Trustee Fees	22,135.29	18,526.12
Total	22,135.29	18,526.12
Geographical markets		
India	22,135.29	18,526.12
Outside India	-	-
Total	22,135.29	18,526.12
Timing of revenue recognition		
At a point in time	-	-
Over a period of time	22,135.29	18,526.12
Total	22,135.29	18,526.12

INFORMATION ABOUT REVENUE FROM MAJOR CUSTOMERS:

There is only one customer contributing in excess of 10% of the total revenue of the Company. The amounts for the same as follows:

₹ in lakh

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Revenue from Kotak Mahindra Mutual Fund	22,129.32	18,523.29
Total	22,129.32	18,523.29

CONTRACT BALANCES

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

₹ in lakh

Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Trade Receivables-Unsecured, considered good	2,069.09	1,734.14
Total	2,069.09	1,734.14

NOTE 28 : SEGMENT INFORMATION:

The Company acts as a Trustee for the schemes of Kotak Mahindra Mutual Fund and Alternate Investment Fund. As the Company is engaged only in one business segment and no geographical segments, the Balance Sheet as at 31st March, 2026 and the Statement of Profit and Loss for the year ended 31st March, 2026 pertains to one business segment and hence, there are no reportable geographical segments.

Notes

to the Financial Statements as at 31st March, 2026

NOTE 29 TAX EXPENSE :

(a) AMOUNTS RECOGNISED IN PROFIT AND LOSS

₹ in lakh

Particulars	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
Current tax expense		
Current period	5,532.22	4,697.25
Changes in estimate related to prior years	-	0.98
Total current tax expense (A)	5,532.23	4,698.23
Deferred income tax liability/(asset), net		
Change in recognised deductible temporary differences	590.76	751.01
Deferred tax expense (B)	590.76	751.01
Tax expense for the year (A)+(B)	6,122.98	5,449.24

(b) RECONCILIATION OF EFFECTIVE TAX RATE

₹ in lakh

Particulars	For the year ended 31 st March, 2026		For the year ended 31 st March, 2025	
	Amount	%	Amount	%
Profit before tax	26,252.46		23,528.56	
Tax using the Company's domestic tax rate	6,607.22	25.17%	5,921.67	25.17%
Reduction in tax rate				
Tax effect of:				
Tax effects of amounts which are not deductible from taxable income	76.02	0.29%	61.72	0.26%
Unrealised Capital gains on investments taxed at different rate	(560.26)	-2.13%	(535.13)	-2.27%
Others	-	0.00%	0.98	0.00%
Total income tax expenses	6,122.98	23.32%	5,449.24	23.16%

Movement in Deferred Tax Balances

Particulars	For the year ended 31 st March, 2026				
	Net balance 31 st March, 2025	Recognised in profit or loss	Net	Deferred tax asset	Deferred tax liability
Deferred tax asset/(liabilities)					
Profit on sale of Mutual Fund	15.03	(5.91)	9.12	9.12	-
Employee benefits	0.26	0.23	0.49	0.49	-
Investments	(1,775.93)	(585.04)	(2,360.97)	-	(2,360.97)
Total	(1,760.64)	(590.72)	(2,351.36)	9.61	(2,360.97)



Notes

to the Financial Statements as at 31st March, 2026

Particulars	For the year ended 31 st March, 2025				
	Net balance 31 st March, 2024	Recognised in profit or loss	Net	Deferred tax asset	Deferred tax liability
Deferred tax asset/(liabilities)					
Profit on sale of Mutual Fund	50.98	(35.95)	15.03	15.03	-
Employee benefits	0.10	0.16	0.26	0.26	-
Impairment on financial instruments	-	-	-	-	-
Investments	(1,060.79)	(715.14)	(1,775.93)	-	(1,775.93)
Total	(1,009.71)	(750.93)	(1,760.64)	15.29	(1,775.93)

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

NOTE 30: TRADE RECEIVABLE AGEING SCHEDULE

As on 31st March, 2026

Particulars	For the year ended 31 st March, 2026					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	2,069.09	-	-	-	-	2,069.09
(ii) Undisputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables-credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables-credit impaired	-	-	-	-	-	-

No unbilled dues

As on 31st March, 2025

Particulars	For the year ended 31 st March, 2025					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	1,734.14	-	-	-	-	1,734.14
(ii) Undisputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables-credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables-credit impaired	-	-	-	-	-	-

No unbilled dues

Notes

to the Financial Statements as at 31st March, 2026

NOTE 31: TRADE PAYABLES AGEING SCHEDULE

As on 31st March, 2026

Particulars	Unbilled dues	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	79.03	5.03	-	-	-	84.06
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-

As on March 31st, 2025

Particulars	Unbilled dues	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	50.26	4.98	-	-	-	55.24
(iii) Disputed dues-MSME	-	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-	-

NOTE 32: DISCLOSURE U/S. 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

₹ in lakh

Particulars	31 st March, 2026	31 st March, 2025
The amounts remaining unpaid to micro and small suppliers as at the end of the year	-	-
Principal	-	-
Interest	-	-
The amounts of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

The above information is based on information available with the Company, there are no amounts payable to Small Scale Industrial Undertakings and Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMEDA) as on the Balance Sheet date.



Notes

to the Financial Statements as at 31st March, 2026

NOTE 33: RATIOS

₹ in lakh

Sr No	Ratios	Numerator	Denominator	As at 31 st March, 2026	As at 31 st March, 2025	Change %
1	Current Ratio	Current Asset	Current Liability	129.67	126.66	2.38%
2	Return on Equity Ratio	Net Income	Equity	23.21%	26.73%	-13.19%
3	Trade Receivables turnover ratio	Net Annual Sales	Average Trade Receivables	11.64	11.91	-2.27%
4	Net capital turnover ratio	Total Sales	Net Working Capital	0.22	0.24	-5.44%
5	Net profit ratio	Profit after Tax	Net Annual Sales	90.94%	97.59%	-6.81%
6	Return on Capital employed	Earning before Interest and Tax	Capital Employed	30.27%	34.79%	-13.00%
7	Return on investment *	Net Return on Investment	Cost of Investment	5.36%	8.01%	-33.12%

* Decrease in Return on investment is mainly on account of decrease in net asset value of investments as at year end.

EXPLANATIONS:

- i Current Asset is total of (a) Investments (b) Trade Receivables (c) Cash and Cash Equivalents and (d) Other Current Assets
- ii Current Liability is total of (a) Trade Payables (b) Provisions (c) Other current liabilities and (d) Current Tax Liabilities (Net)
- iii Net Income is Profit for the year after tax
- iv Equity includes (a) Equity Share Capital and (b) Other Equity
- v Average Trade Receivables is Average of Opening + Closing Trade receivables
- vi Net Annual Sales/Total Sales is Total Revenue from Operations
- vii Net Working Capital is Current Asset (-) Current Liabilities as at the end of the year
- viii Capital Employed includes (a) Share Capital and (b) Reserves and Surplus
- ix Cost of Investment is Average of Current Investments as at year end
- x Financial ratios such as Debt-equity ratio, Debt service coverage ratio, Inventory turnover ratio and Trade payables turnover ratio are not applicable.

NOTE 34 : ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III

i) DETAILS OF BENAMI PROPERTY HELD

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) BORROWING SECURED AGAINST CURRENT ASSETS

The Company has not borrowed from banks and financial institutions on the basis of security of current assets.

(iii) WILFUL DEFAULTER

The Company have not been declared wilful defaulter by any bank or financial institution or government or any government authority.

Notes

to the Financial Statements as at 31st March, 2026

(iv) RELATIONSHIP WITH STRUCK OFF COMPANIES

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vii) UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM

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

- a. 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
- b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

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

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(viii) UNDISCLOSED INCOME

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) VALUATION OF PP&E, INTANGIBLE ASSET AND INVESTMENT PROPERTY

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

Other Regulatory Information

(i) Title deeds of immovable properties not held in name of the Company

The Company does not have immovable property, hence this clause is not applicable.

(ii) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are to be registered with the Registrar of Companies.

(iii) Utilisation of borrowings availed from banks and financial institutions

The Company has not borrowed from banks and financial institutions, hence this clause is not applicable.



Notes

to the Financial Statements as at 31st March, 2026

NOTE 35 : DETAILS ON PENDING LITIGATIONS

The Company had received a show cause notice dated 10th May, 2019, 31st May, 2019 and 12th October, 2020 w.r.t. delayed payments of part proceeds in six FMP's on account of delay in realization from underlying investments in Essel Group of Companies by these FMP's. SEBI vide its order dated 30th June, 2022 had imposed penalty of ₹40 lakh on the Company. The Company had obtained a stay order from the Securities Appellate Tribunal (SAT) against the SEBI order on 16th August, 2022 vide the SAT order dated 24th August, 2022. On 6th March, 2026 the Company received the SAT order upholding the penalties. The Company has filed an appeal with Supreme Court of India on April 20, 2026 against the same.

NOTE 36 : AUDIT TRAIL

As per the requirements of rule 3(1) of the Companies (Accounts) Rules 2014 the Company has used accounting software for maintaining its books of account that have a feature of recording audit trail (edit log) facility and the audit trail feature has operated throughout the year for all relevant transactions recorded in the software. Further the audit trail has been preserved by the Company for all the accounting softwares used for maintaining its books of accounts as per the statutory requirements for record retention.

NOTE 37 : CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment.

NOTE 38 : NEW LABOUR CODES

The Government of India has consolidated multiple existing labour legislations into a unified framework comprising four Labour Codes collectively referred to as the 'New Labour Codes' on 21st November, 2025. Accordingly, the Company has assessed the impact of these changes and based on certain estimates and actuarial valuation, has recognised an incremental provision of ₹0.33 lakh under Employee benefit expenses in the financial statements for the year ended 31st March, 2026, considering information available. The above impact estimates will be re-assessed and finalised based on the final rules and industry practices.

NOTE 39 : PREVIOUS YEAR FIGURES

Previous year's figures have been reclassified, wherever necessary, to confirm with current year's classification.

For **V C Shah & Co**

Firm Registration Number: 109818W

Chartered Accountants

Viral J. Shah

Partner

Membership Number: 110120

Place: Mumbai

Date: 28th April, 2026

For and on behalf of the Board of Directors

Chandrashekhar Sathe

Director

DIN : 00017605

Sharadkumar Bhatia

Director

DIN : 07327383

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Kotak Mahindra Trustee Company Limited

27BKC, C 27, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051

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CIN: U65990MH1995PLC090279