ANNUAL REPORT
2020-21

MONEY & HEALTH SOLUTIONS FOR THE LIFE YOU DESIRE ARE NOW JUST A CLICK AWAY.

Aditya Birla Capital Limited

Subsidiary Companies Financials

ADITYA BIRLA CAPITAL

PROTECTING INVESTING FINANCING ADVISING

Contents

Aditya Birla Sun Life
Insurance Company Limited

ADITYA BIRLA
CAPITAL

Independent Auditor's Report

To the Members of

Aditya Birla Sun Life Insurance Company Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

1. We have audited the accompanying standalone financial statements of Aditya Birla Sun Life Insurance Company Limited (the "Company"), which comprise the Balance Sheet as at 31st March 2021, the related Revenue Account (also called the "Policyholders' Account" or the "Technical Account"), the Profit and Loss Account (also called the "shareholders' Account" or "Non-Technical Account") and Receipts and Payments Account for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by provisions of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDA Financial Statements Regulations"), circulars/ orders/directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI") in this regard and the Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under Section 133 of the Act read with the Companies ("Accounting Standards") Rules, 2006, as amended (the "Accounting Standards") and other accounting principles generally accepted in India, as applicable to insurance companies:

    i. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2021;

    ii. in the case of the Revenue Account, of the net surplus for the year ended 31st March 2021;

    iii. in the case of the Profit and Loss Account, of the profit for the year ended 31st March 2021; and

    iv. in the case of the Receipts and Payments Account, of the receipts and payments for the year ended 31st March 2021.

Basis for Opinion

3. We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the standalone 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 standalone 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 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 standalone financial statements.

Emphasis of Matter

4. We draw attention to Note 49 of the Standalone Financial Statements in which the Company describes the uncertainties arising from the COVID-19 pandemic.

    Our opinion is not modified in respect of this matter.

Key Audit Matter

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current year. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Description of Key Audit Matter:

Key Audit Matter	How the matter was addressed in our audit
Information Technology Systems: The Company is highly dependent on its information technology ("IT") systems for carrying out its operations and owing to the significant number of transactions that are processed on daily basis as part of its operations, which impacts key financial accounting and reporting items such as premium income, claims, commission expense and Investments among others. The controls implemented by the entity in its IT environment determine the integrity, accuracy, completeness and validity of the data that is processed by the applications and is ultimately used for financial reporting. These controls contribute to mitigating risk of potential misstatements caused by fraud or error. Accordingly, our audit was focused on key IT systems and controls due to the pervasive impact on the financial statements.	We involved our IT specialists to obtain an understanding of the entity's IT related control environment. Furthermore, we conducted a risk assessment and identified IT applications, databases and operating systems that are relevant to our audit. For the key IT systems relevant to financial reporting financial information, our areas of audit focus included Access Security (including controls over privileged access), Program Change controls and Network Operations. In particular, we obtained an understanding of the entity's IT environment and key changes if any during the audit period that may be relevant to the audit; We tested the design, implementation and operating effectiveness of the General IT controls over the key IT systems that are critical to financial reporting. This included evaluation of entity's controls to ensure segregation of duties and access rights being provisioned / modified based on duly approved requests, access for exit cases being revoked in a timely manner and access of all users being re-certified during the period of audit. Further, controls related to program change were evaluated to verify whether the changes were approved, tested in an environment that was segregated from production and moved to production by appropriate users; We also tested automated business cycle controls relevant to the audit; We tested the controls over network segmentation, restriction of remote access to the entity's network, controls over firewall configurations and mechanisms implemented by the entity to prevent, detect and respond to network security incidents; and We tested compensating controls or performed alternate procedures to assess whether there were any unaddressed IT risks that would impact the controls or completeness and accuracy of data.

Information Other than the Financial Statements and Auditor's Report Thereon

6. The Company's Board of Directors is responsible for the preparation of the other information, comprising of the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and such other disclosures related Information, excluding the standalone financial statements and auditor's report thereon ('Other Information'). Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone 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 therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to other Information'. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

7. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the Balance Sheet, the related Revenue Account, the Profit and Loss Account and Receipts and Payments Account of the Company in accordance with the provisions of the Insurance Act, the IRDA Act, the IRDA Financial Statements Regulations and circulars/orders/directions issued by the IRDAI in this regard and Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended ("Accounting Standards") and other accounting principles generally accepted in India, as applicable to the insurance companies.

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

In preparing the standalone 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 Responsibility for the Audit of the Standalone Financial Statements

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

9. As part of our audit in accordance with SAs we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

   Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, to design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

   Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

   Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made in the standalone financial statements by management.

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

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

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

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

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

    From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

11. The actuarial valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at 31st March 2021 is the responsibility of the Appointed Actuary. The actuarial valuation of these liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at 31st March 2021 has been duly certified by the Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI. We have relied upon Appointed Actuary's certificate in this regard for forming our opinion on the valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists in standalone financial statements of the Company.

Report on Other Legal and Regulatory Requirements

1. As required by the IRDA Financial Statements Regulations, we have issued a separate certificate dated 27th April 2021 certifying the matters specified in paragraphs 3 and 4 of Schedule C to the IRDA Financial Statements Regulations.

2. As required by IRDA Financial Statements Regulations, read with 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 and have found them to be satisfactory.

    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 Revenue Account, the Profit and Loss Account and the Receipts and Payments Account dealt with by this report are in agreement with the books of account.

    d) As the Company's financial accounting system is centralized, no returns for the purposes of our audit are prepared at the branches of the Company.

    e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, to the extent not inconsistent with the accounting principles prescribed in the IRDA Financial Statements Regulations, the Insurance Act, the IRDA Act and orders/directions issued by the IRDAI in this regard.

    f) In our opinion and to the best of our information and according to the explanations given to us, investments have been valued in accordance with the provisions of the Insurance Act, the IRDA Financial Statements Regulations and/or orders/directions/circulars issued by IRDAI in this regard.

    g) In our opinion, the accounting policies selected by the Company are appropriate and are in compliance with the applicable Accounting Standards specified under section 133 of the Act and with the accounting principles prescribed in IRDA Financial Statements Regulations and orders/directions/circulars issued by the IRDAI in this regard.

    h) On the basis of the written representations received from the directors of the Company as on 31st March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

    i) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

    j) 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 to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act read with section 34A of the Insurance Act.

    k) 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:

Independent Auditor's Report

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.

ii. The liability for insurance contracts, is determined by the Company's Appointed Actuary as per Schedule 16 Note 11, and is covered by the Appointed Actuary's certificate, referred to in Other Matters paragraph above, on which we have placed reliance; and the Company did not have any other long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S. B. Billimoria & Co.**
Chartered Accountants
Firm's Registration No. 101496W

Sanjiv V. Pilgaonkar
Partner
Membership No: 039826
UDIN: 21039826AAAADF5420
ROIN: SVP-2021-27563

Mumbai 27th April 2021

For **Haribhakti & Co. LLP**
Chartered Accountants
Firm's Registration No. 103523W / W100048

Purushottam Nyati
Partner
Membership No: 118970
UDIN: 21118970AAAADI9831

Mumbai 27th April 2021

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(REFERRED TO IN PARAGRAPH 2 (I) UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT OF EVEN DATE)

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

We have audited the internal financial controls with reference to financial statements of ADITYA BIRLA SUN LIFE INSURANCE COMPANY LIMITED (the "Company") as of 31st March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

The actuarial valuation of liabilities for life policies in force and policies where premium is discontinued is required to be certified by the Appointed Actuary as per the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDA Financial Statements Regulations") and has been relied upon by us, as mentioned in "Other Matters" para of our audit report on the standalone financial statements of the Company as at and for the year ended 31st March 2021. Accordingly, we have not audited the internal financial controls with reference to financial statements in respect of the valuation and accuracy of the aforesaid actuarial valuation.

Our opinion is not modified in respect of this matter.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to financial statements 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 (the "Guidance Note") 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 by provisions of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDA Financial Statements Regulations"), circulars/ orders/directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI") in this regard and the Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, as applicable to insurance companies.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal financial controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March 2021, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S. B. Billimoria & Co.**
Chartered Accountants
Firm's Registration No. 101496W

Sanjiv V. Pilgaonkar
Partner
Membership No: 039826
UDIN: 21039826AAAADF5420
ROIN: SVP-2021-27563

Mumbai April 27, 2021

For **Haribhakti & Co. LLP**
Chartered Accountants
Firm's Registration No. 103523W / W100048

Purushottam Nyati
Partner
Membership No: 118970
UDIN: 21118970AAAADI9831

Mumbai April 27, 2021

Revenue Account for the year ended 31st March 2021

Policyholders' Account (Technical Account)
(Amount in thousands of Indian Rupees)

Particulars	Schedule	Audited Year ended 31 Mar 21	Audited Year ended 31 Mar 20
Premiums earned-net			
(a) Premium	1	9,77,52,242	8,00,99,740
(b) Reinsurance ceded		(29,29,443)	(25,21,715)
(c) Reinsurance accepted		-	-
Sub-Total		**9,48,22,799**	**7,75,78,025**
Income from Investments			
(a) Interest, Dividends & Rent-Gross (Refer Schedule 16 Note 2(f))		2,59,12,560	2,36,70,458
(b) Profit on sale/redemption of investments		2,29,02,652	1,30,80,511
(c) (Loss on sale/redemption of investments)		(70,29,967)	(69,50,631)
(d) Transfer/Gain (Loss) on revaluation/change in fair value*		3,57,16,858	(2,58,17,688)
Sub-Total		**7,75,02,103**	**39,82,650**
Other Income			
(a) Contribution from the Shareholders' Account		14,71,331	18,32,020
(b) Contribution from Shareholders' Account towards Excess EoM (Refer Schedule 16 Note 43)		400	4,24,800
(c) Others (profit on sale of liquid funds, interest etc.) (Refer Schedule 16 Note 53)		5,51,736	4,50,810
Sub-Total		**20,23,467**	**27,07,630**
Total (A)		**17,43,48,369**	**8,42,68,305**
Commission	2	54,28,235	48,24,376
Operating Expenses related to Insurance Business	3	1,32,11,776	1,24,61,175
Provision for doubtful debts		443	(43)
Bad debts written off		-	-
Provision for Tax (Refer Schedule 16 Note 48)		3,90,463	3,35,674
Provision (other than taxation)			
(a) For diminution in the value of investments (Net) (Refer Schedule 16 Note 45)		45,818	2,50,358
(b) Others–Provision for standard and 11th December 2013 assets (Refer Schedule 16 Note 47)		(163)	(163)
Goods and Services Tax on Charges		11,37,414	11,16,928
Total (B)		**2,02,13,986**	**1,89,88,305**
Benefits Paid (Net)	4	4,78,45,304	5,54,60,877
Interim & Terminal Bonuses Paid		67,716	37,828
Change in valuation of liability in respect of life policies			
(a) Gross**		5,49,01,607	3,25,76,366
(b) (Amount ceded in Re-insurance)		(12,83,221)	(14,22,965)
(c) Amount accepted in Re-insurance		-	-
(d) Fund Reserve		4,86,64,957	(2,42,57,361)
(e) Premium Discontinuance Fund–Linked		27,59,016	8,66,822
Total (C)		**15,29,55,379**	**6,32,61,567**
Surplus (D) = (A) - (B) - (C)		**11,79,004**	**20,18,433**
Appropriations			
Transfer to Shareholders' Account (Refer Schedule 16 Note 5)		12,94,061	19,83,040
Transfer to Other Reserves		-	-
Balance being Funds for Future Appropriations		(1,15,057)	35,393
Total (D)		**11,79,004**	**20,18,433**
The total surplus as mentioned below:			
(a) Interim Bonuses Paid		66,330	36,450
(b) Terminal Bonus Paid		1,386	1,378
(c) Allocation of Bonus to policyholders		26,24,434	25,53,162
(d) Surplus shown in the Revenue Account		11,79,004	20,18,433
Total Surplus [(A)+(B)+(C)+(D)]		**38,71,154**	**46,09,423**
Significant Accounting Policies and Disclosures	16		
The Schedules and accompanying notes are an integral part of this Revenue account.			

*Represents the deemed realised gain as per norms specified by the Authority.

**Represents Mathematical Reserves after allocation of bonus.

In terms of our report attached

For **S.B. Billimoria & Co.**
Chartered Accountants
ICAI Firm Registration No. 101496W

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

For and on behalf of the Board of Directors

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

Purushottam Nyati
Partner
Membership No. 118970

Ajay Srinivasan
Chairman
(DIN: 00121181)

Sandeep Asthana
Director
(DIN: 00401858)

Pinky Mehta
Director
(DIN: 00020429)

Kamlesh Rao
Managing Director & CEO
(DIN: 07665616)

Amit Jain
Chief Financial Officer

Anil Kumar Singh
Chief Actuarial Officer & Appointed Actuary

Ajay Kanth
Company Secretary

Mumbai, 27th April 2021

Statement of Profit and Loss Account for the year ended 31st March 2021

Shareholders' Account (Non-technical Account)
(Amount in thousands of Indian Rupees)

Particulars	Schedule	Audited Year ended 31 Mar 21	Audited Year ended 31 Mar 20
Amounts transferred from Policyholders' Account (Technical Account) (Refer Schedule 16 Note 5)		12,94,061	19,83,040
Income from Investments			
(a) Interest, Dividends & Rent–Gross (Refer Schedule 16 Note 2(f))		18,37,793	17,68,600
(b) Profit on sale/redemption of investments		29,946	65,438
(c) (Loss on sale/redemption of investments)		(6,880)	-
Other Income		-	-
Total (A)		**31,54,920**	**38,17,078**
Expense other than those directly related to the insurance business	3A	4,53,565	3,78,860
Bad debts written off		-	-
Provision (other than taxation)			
(a) For diminution in the value of investments (net) (Refer Schedule 16 Note 45)		-	48,276
(b) Provision for doubtful debts		-	-
(c) Others		-	-
Contribution to Policyholders Account towards Excess EoM (Refer Schedule 16 Note 43)		400	4,24,800
Contribution towards the Remuneration of MD / CEOs (Refer Schedule 16 Note 8)		50,144	88,826
Contribution to the Policyholders' Account (Refer Schedule 16 Note 5)		14,71,331	18,32,020
Total (B)		**19,75,440**	**27,72,782**
Profit before tax		11,79,480	10,44,296
Less: Provision for Taxation (Refer Schedule 16 Note 48)		1,14,876	-
Profit after tax		**10,64,604**	**10,44,296**
Appropriations			
(a) Balance at the beginning of the year		(85,338)	(11,29,634)
(b) Interim dividends paid during the year		-	-
(c) Proposed final dividend		-	-
(d) Dividend distribution on tax		-	-
(e) Debenture redemption reserve (Refer Schedule 16 Note 50)		1,50,000	-
(f) Transfer to reserves / other accounts		-	-
Profit/(Loss) carried forward to the Balance Sheet		**8,29,266**	**(85,338)**
Earning Per Share (Basic and Diluted), Face Value of ₹ 10 (in ₹) (Refer Schedule 16 Note 10)		0.56	0.55
Significant Accounting Policies and Disclosures	16		
The Schedules and accompanying notes are an integral part of this Profit and Loss Account.			

In terms of our report attached

For **S.B. Billimoria & Co.**
Chartered Accountants
ICAI Firm Registration No. 101496W

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

For and on behalf of the Board of Directors

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

Purushottam Nyati
Partner
Membership No. 118970

Ajay Srinivasan
Chairman
(DIN: 00121181)

Sandeep Asthana
Director
(DIN: 00401858)

Pinky Mehta
Director
(DIN: 00020429)

Kamlesh Rao
Managing Director & CEO
(DIN: 07665616)

Amit Jain
Chief Financial Officer

Anil Kumar Singh
Chief Actuarial Officer & Appointed Actuary

Ajay Kanth
Company Secretary

Mumbai, 27th April 2021

Balance Sheet as at 31st March 2021

(Amount in thousands of Indian Rupees)

Particulars	Schedule	Audited As at 31 Mar 21	Audited As at 31 Mar 20
Sources of Funds			
Shareholders' Funds:			
Share Capital	5	1,90,12,080	1,90,12,080
Reserves and Surplus	6	44,15,053	30,03,737
Credit/(Debit)/ Fair Value Change Account		5,55,181	(18,009)
Sub-Total		**2,39,82,314**	**2,19,97,808**
Borrowings	7	15,00,000	-
Policyholders' Funds:			
Credit/(Debit) Fair Value Change Account		25,75,946	(7,46,127)
Policy Liabilities		22,48,63,412	17,12,45,026
Insurance Reserves			
Provision for Linked Liabilities		24,16,73,378	22,89,60,771
Funds for discontinued policies			
(i) Discontinued on account of non-payment of premium		89,43,254	61,84,239
(ii) Others		-	-
Credit/(Debit) Fair Value Change Account (Linked)		2,90,56,749	(68,95,601)
Total Linked Liabilities		**27,96,73,381**	**22,82,49,409**
Sub-Total		**50,86,12,739**	**39,87,48,308**
Funds for Future Appropriations			
- Linked Liabilities		-	1,15,057
Total		**53,25,95,053**	**42,08,61,173**
Application of Funds			
Investments			
Shareholders'	8	2,44,45,514	2,30,54,405
Policyholders'	8A	22,20,31,995	15,99,57,458
Assets Held to Cover Linked Liabilities	8B	27,96,73,381	22,82,49,409
Loans	9	21,49,461	16,62,941
Fixed Assets	10	9,70,545	9,59,821
Current Assets			
Cash and Bank Balances	11	25,54,156	44,09,316
Advances and Other Assets	12	1,34,47,485	1,30,83,357
Sub-Total (A)		**1,60,01,641**	**1,74,92,673**
Current Liabilities	13	1,14,90,681	98,07,033
Provisions	14	11,86,803	7,08,501
Sub-Total (B)		**1,26,77,484**	**1,05,15,534**
Net Current Assets (C) = (A-B)		**33,24,157**	**69,77,139**
Miscellaneous Expenditure (to the extent not written off or adjusted)	15	-	-
Debit Balance In Profit and Loss Account (Shareholders' Account)		-	-
Total		**53,25,95,053**	**42,08,61,173**
Contingent Liabilities (Refer Schedule 16 Note 3)			
Significant Accounting Policies and Disclosures	16		
The Schedules and accompanying notes are an integral part of this Balance Sheet.			

In terms of our report attached

For **S.B. Billimoria & Co.**
Chartered Accountants
ICAI Firm Registration No. 101496W

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

For and on behalf of the Board of Directors

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

Purushottam Nyati
Partner
Membership No. 118970

Ajay Srinivasan
Chairman
(DIN: 00121181)

Sandeep Asthana
Director
(DIN: 00401858)

Pinky Mehta
Director
(DIN: 00020429)

Kamlesh Rao
Managing Director & CEO
(DIN: 07665616)

Amit Jain
Chief Financial Officer

Anil Kumar Singh
Chief Actuarial Officer & Appointed Actuary

Ajay Kanth
Company Secretary

Mumbai, 27th April 2021

Receipts and Payments account (Cash Flow Statement)

for the year ended 31st March 2021

(Amount in thousands of Indian Rupees)

Particulars	Audited Year ended 31 Mar 21	Audited Year ended 31 Mar 20
CASH FLOWS FROM OPERATING ACTIVITIES (A)		
Premium received from policyholders, including advance receipts	9,90,95,617	7,85,46,861
Payments to the re-insurers, net of commissions and claims	34,900	(1,15,915)
Application money deposit & due to Policy holders	5,53,004	7,55,455
Payments of commission and brokerage	(46,62,185)	(48,25,409)
Payments of other operating expenses	(1,30,29,020)	(1,29,60,742)
Payments of claims	(5,11,41,608)	(5,78,02,249)
Deposits & others	1,61,565	83,152
Other receipts	4,92,611	4,59,622
Income taxes paid (Net)	(2,47,380)	(3,54,877)
Goods and Service taxes paid	(12,01,134)	(11,23,697)
Cash flows before extraordinary items	3,00,56,370	26,62,201
Cash flow from extraordinary operations	-	-
Net cash Inflow / (outflow) from operating activities (A)	**3,00,56,370**	**26,62,201**
CASH FLOWS FROM INVESTING ACTIVITIES (B)		
Purchase of fixed assets	(3,96,109)	(3,99,339)
Proceeds from sale of fixed assets	3,605	9,967
Loan against Policies	(3,27,641)	(3,88,244)
Purchase of investment	(6,69,51,60,914)	(5,43,57,73,213)
Proceeds from sale of investment	6,63,77,32,672	5,40,77,64,089
Expenses related to investments	(17,563)	(22,724)
Interest received (net of tax deducted at source)	2,32,87,723	2,25,37,952
Dividend received	14,87,997	15,78,031
Net cash Inflow / (Outflow) from investing activities (B)	**(3,33,90,230)**	**(46,93,481)**
CASH FLOWS FROM FINANCING ACTIVITIES (C)	-	-
Proceeds from borrowing	15,00,000	-
Interest paid on borrowing	(21,300)	-
Net cash used in financing activities (C)	**14,78,700**	**-**
Net (Decrease)/ Increase in cash and cash equivalents (D=A+B+C)	**(18,55,160)**	**(20,31,280)**
Cash and cash equivalents at beginning of the year	44,06,816	64,38,096
Cash and cash equivalents as at end of the year	25,51,656	44,06,816
Notes:		
1. Cash and cash equivalents at end of the year includes:		
Cash and Bank Balances as per Balance Sheet	25,54,156	44,09,316
Less: Bank deposits having maturity period of more than 3 months considered in operating activities	2,500	2,500
Cash and cash equivalents as at the end of the year	**25,51,656**	**44,06,816**

For Cash and cash equivalents–refer schedule 16 note 2 (q)

Cash Flow Statement for the year ended 31st March 2021

(Amount in thousands of Indian Rupees)

The above Receipts and Payments account has been prepared as prescribed by Insurance Regulatory and Development Authority (Preparation of financial statements and auditor's report of insurance companies) Regulations, 2002 under the "Direct method" in accordance with Accounting Standard 3 Cash Flow Statements.

Amount spent during the year by Company for Corporate Social Responsibility expenses on:	Audited Year ended 31 Mar 21	Audited Year ended 31 Mar 20
(i) Construction/acquisition of any asset		
In Cash	-	-
Yet to be paid in cash	-	-
Total	**-**	**-**
(ii) On purposes other than (i) above		
In Cash	28,967	27,685
Yet to be paid in cash	-	-
Total	**28,967**	**27,685**

In terms of our report attached

For **S.B. Billimoria & Co.**
Chartered Accountants
ICAI Firm Registration No.
101496W

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.
103523W / W100048

For and on behalf of the Board of Directors

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

Purushottam Nyati
Partner
Membership No. 118970

Ajay Srinivasan
Chairman
(DIN: 00121181)

Sandeep Asthana
Director
(DIN: 00401858)

Pinky Mehta
Director
(DIN: 00020429)

Mumbai, 27th April 2021

Kamlesh Rao
Managing Director & CEO
(DIN: 07665616)

Amit Jain
Chief Financial Officer

Anil Kumar Singh
Chief Actuarial Officer & Appointed Actuary

Ajay Kanth
Company Secretary

Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

SCHEDULE 1 PREMIUM*

Particulars		Audited Year ended 31 Mar 21	Audited Year ended 31 Mar 20
1	First year premiums	2,05,47,732	1,79,05,307
2	Renewal Premiums	5,21,15,403	4,35,27,582
3	Single Premiums	2,50,89,107	1,86,66,851
	Total Premiums	**9,77,52,242**	**8,00,99,740**
Premium Income from Business written :			
	In India	9,77,52,242	8,00,99,740
	Outside India		-
	Total Premiums	**9,77,52,242**	**8,00,99,740**

Note:

1 Refer Schedule 16 Note 2(c)(i)

* Net of Goods and Services Tax

SCHEDULE 2 COMMISSION EXPENSES

Particulars	Audited Year ended 31 Mar 21	Audited Year ended 31 Mar 20
Commission paid		
Direct– First year premiums	32,90,589	31,19,034
Renewal premiums	16,40,523	13,37,307
Single premiums	87,858	85,587
Sub-Total	**50,18,970**	**45,41,928**
Add: Commission on Re-insurance Accepted	-	-
Less: Commission on Re-insurance Ceded	-	-
Net Commission	**50,18,970**	**45,41,928**
Rewards and Remuneration to Agents/Brokers/Other intermediaries	4,09,265	2,82,448
Total Commission and rewards & remuneration	**54,28,235**	**48,24,376**

Breakup of Net Commission

Particulars	Audited Year ended 31 Mar 21	Audited Year ended 31 Mar 20
Individual Agents	21,75,435	20,79,289
Brokers	1,74,335	2,21,653
Corporate Agents	26,69,200	22,40,986
Referral	-	-
Total	**50,18,970**	**45,41,928**

Note: Refer Schedule 16 Note 2 (e)

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

SCHEDULE 3 OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

Particulars		Audited Year ended 31 Mar 21	Audited Year ended 31 Mar 20
1	Employees' remuneration and welfare benefits (Refer Schedule 16 Note 27 and 44)	70,09,204	70,63,289
2	Travel, conveyance and vehicle running expenses	76,967	2,31,716
3	Training expenses	83,016	1,84,062
4	Rents, rates and taxes	5,37,680	5,48,408
5	Repairs	2,38,085	2,56,754
6	Printing and stationery	31,323	46,008
7	Communication expenses	93,885	1,10,417
8	Legal and professional charges	1,05,886	1,14,744
9	Medical fees	1,08,999	1,12,655
10	Auditor's fees, expenses etc.		
	(a) as auditor	9,201	9,139
	(b) as adviser or in any other capacity, in respect of		
	i) Taxation matters	-	-
	ii) Insurance matters		-
	iii) Management services	1,200	395
	(c) in any other capacity		-
11	Advertisement and publicity	28,38,604	18,53,302
12	Interest and Bank Charges	1,17,706	1,00,094
13	Others: a) Distribution expenses	8,649	(7,879)
	b) Agents recruitment, seminar and other expenses	1,148	8,953
	c) Recruitment and seminar expenses	89,654	86,773
	d) IT expenses (including maintenance)	7,15,063	6,88,868
	e) Policy stamps	2,70,849	2,44,692
	f) (Profit)/Loss on sale of assets	-	7,093
	g) Electricity expenses	97,913	1,25,277
	h) Miscellaneous expenses	80,222	77,331
	i) Outsourcing expenses	3,53,890	3,07,059
14	Depreciation	3,42,632	2,92,025
	Total	**1,32,11,776**	**1,24,61,175**

Note: Refer Schedule 16 Note 9 and 53

SCHEDULE 3A OPERATING EXPENSES OTHER THAN THOSE DIRECTLY RELATED TO INSURANCE BUSINESS

Particulars		Audited Year ended 31 Mar 21	Audited Year ended 31 Mar 20
1	Employees' remuneration and welfare benefits (Refer Schedule 16 Note 27 and 44)	2,05,138	1,86,960
2	Legal and professional charges	6,290	32,360
3	Auditors Fees (Reporting Pack)	2,250	2,250
4	Interest and bank charges	33,710	11,150
5	Interest on on-convertible debenture (NCD) (Refer Schedule 16 Note 2(v) & 50)	21,300	-
6	Corporate social responsibility expenses (Refer Schedule 16 Note 40)	28,967	27,685
7	Others: Miscellaneous expenses	1,55,910	1,18,455
	Total	**4,53,565**	**3,78,860**

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

SCHEDULE 4 BENEFITS PAID (NET)

	Particulars	Audited Year ended 31 Mar 21	Audited Year ended 31 Mar 20
1	**Insurance Claims**		
	(a) Claims by Death	78,58,052	55,56,659
	(b) Claims by Maturity	1,11,50,933	1,35,02,621
	(c) Annuities / Pension payment	1,62,115	1,17,118
	(d) Other benefits		
	(i) Surrender	3,04,16,113	3,78,02,776
	(ii) Riders	75,565	85,487
	(iii) Health	325	3,850
	(iv) Survival and Others	13,95,345	7,12,674
2	**(Amount ceded in reinsurance):**		
	(a) Claims by Death	(31,94,123)	(22,91,393)
	(b) Claims by Maturity	-	-
	(c) Annuities / Pension payment	-	-
	(d) Other benefits (Health)	(19,021)	(28,915)
3	**Amount accepted in reinsurance:**		
	(a) Claims by Death	-	-
	(b) Claims by Maturity	-	-
	(c) Annuities / Pension Payment	-	-
	(d) Other benefits	-	-
	Total	**4,78,45,304**	**5,54,60,877**
	Benefits paid to Claimants		
	1. In India	4,78,45,304	5,54,60,877
	2. Outside India	-	-
	Total	**4,78,45,304**	**5,54,60,877**

Notes:

1 Claims include specific claims settlement costs, wherever applicable.

2 Legal, other fees and expenses also form part of the claims cost, wherever applicable.

3 Refer Schedule 16 Note 2 (d)

SCHEDULE 5 SHARE CAPITAL

	Particulars	Audited Year ended 31 Mar 21	Audited Year ended 31 Mar 20
1	**Authorised Capital**		
	3,75,00,00,000 Equity Shares of ₹10/- each	3,75,00,000	3,75,00,000
2	**Issued Capital**		
	1,90,12,08,000 Equity Shares	1,90,12,080	1,90,12,080
	(Previous year: 1,90,12,08,000 Equity Shares) of ₹ 10/- each fully paid-up		
3	**Subscribed Capital**		
	1,90,12,08,000 Equity Shares	1,90,12,080	1,90,12,080
	(Previous year: 1,90,12,08,000 Equity Shares) of ₹ 10/- each fully paid-up		
4	**Called-up Capital**		
	Equity Shares of ₹ 10/- each	1,90,12,080	1,90,12,080
	Less: Calls unpaid	-	-
	Add: Shares forfeited (Amount originally paid up)	-	-
	Less: Par value of Equity Shares bought back	-	-
	Less: Preliminary Expenses (Expenses including commission or brokerage on underwriting or subscription on shares)	-	-
	Total	**1,90,12,080**	**1,90,12,080**

Out of the total equity share capital, 96,96,16,080 equity shares (31st March 2020–96,96,16,080 equity shares) of ₹10 each are held by the holding company, Aditya Birla Capital Limited.

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

SCHEDULE 5A PATTERN OF SHAREHOLDING (AS CERTIFIED BY THE MANAGEMENT)

Shareholder	Audited As at 31 Mar 21		Audited As at 31 Mar 20	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Promoters:				
Indian	96,96,16,080	51%	96,96,16,080	51%
Foreign	93,15,91,920	49%	93,15,91,920	49%
Others	-	-	-	-
Total	**1,90,12,08,000**	**100%**	**1,90,12,08,000**	**100%**

SCHEDULE 6 RESERVES AND SURPLUS

	Particulars	Audited		Audited	
		As at 31 Mar 21	As at 31 Mar 21	As at 31 Mar 20	As at 31 Mar 20
1	Capital Reserve		-		-
2	Capital Redemption Reserve		6,82,920		6,82,920
3	Share Premium		20,00,028		20,00,028
4	Revaluation Reserve		-		-
5	General reserves		-		
	Opening balance	4,06,127		4,06,127	-
	Add: Additions during the year	-		-	
	Less: Debit balance in Profit and Loss Account	-		-	
	Less: Amount utilized for Buy-back	-	4,06,127	-	4,06,127
6	Catastrophe Reserve		-		-
7	Other Reserves :				
	a) Debenture Redemption Reserve (Refer Schedule 16 Note 50) :				
	Opening balance	-		-	
	Add: Additions during the year	1,50,000		-	
	Less: Deductions during the year	-	1,50,000	-	-
	b) Realised Hedge Reserves non-linked policyholder		3,46,712		-
8	Balance of profit in Profit and Loss Account				
	Opening balance	(85,338)		-	
	Add: Additions during the year	9,14,604		-	
	Less: Deductions during the year (Refer Schedule 16 Note 35)	-	8,29,266	85,338	(85,338)
	Total		**44,15,053**		**30,03,737**

SCHEDULE 7 BORROWINGS

	Particulars	Audited As at 31 Mar 21	Audited As at 31 Mar 20
1	Debentures/Bonds (Refer Schedule 16 Note 2(v) & 50)	15,00,000	-
2	Banks	-	-
3	Financial Institutions	-	-
4	Others	-	-
	Total	**15,00,000**	**-**

Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

SCHEDULE 8 INVESTMENTS - SHAREHOLDERS

	Particulars	Audited As at 31 Mar 21	Audited As at 31 Mar 20
LONG-TERM INVESTMENTS			
1	Government securities and Government		
	guaranteed bonds including Treasury Bills (Refer Note 4 below)	69,11,711	66,53,152
2	Other Approved Securities	2,63,513	2,64,959
3	Other Investments		
	(a) Shares		
	(aa) Equity (Refer Note 8 below)	5,18,833	9,93,967
	(bb) Preference	-	-
	(b) Mutual Funds	-	-
	(c) Derivative Instruments	-	-
	(d) Debentures / Bonds	44,41,641	49,36,008
	(e) Other Securities (Fixed Deposits)	-	-
	(f) Subsidiaries (Refer Note 3 below)	3,90,000	3,50,000
	Investment Properties - Real Estate	-	-
4	Investments in Infrastructure and Social Sector	65,77,613	60,31,195
5	Other than Approved Investments	23,69,875	27,34,461
	Total (A)	**2,14,73,186**	**2,19,63,742**
SHORT-TERM INVESTMENTS			
1	Government securities and Government guaranteed bonds including Treasury Bills (Refer Note 4 below)	10,030	1,906
2	Other Approved Securities	-	-
3	Other Investments		
	(a) Shares		
	(aa) Equity	2,09,078	-
	(bb) Preference	-	-
	(b) Mutual Funds (Refer Note 8 below)	-	5,01,845
	(c) Derivative Instruments	-	-
	(d) Debentures / Bonds	3,99,570	49,983
	(e) Other Securities		
	- Fixed Deposits (Refer Note 5 below)	-	3,44,000
	- Others	18,50,468	96,496
	(f) Subsidiaries	-	-
	Investment Properties–Real Estate	-	-
4	Investments in Infrastructure and Social Sector	1,48,180	96,433
5	Other than Approved Investments	3,55,002	-
	Total (B)	**29,72,328**	**10,90,663**
	TOTAL (A) + (B)	**2,44,45,514**	**2,30,54,405**

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

Particulars			Audited As at 31 Mar 21	Audited As at 31 Mar 20
Notes:				
1	Aggregate amount of Company's investments and the market value:			
	a)	Aggregate amount of Company's investment other than listed Equity Securities & Mutual Funds	2,24,10,314	2,02,42,041
	b)	Market Value of above investment	2,41,58,532	2,17,66,030
2	Investment in holding company at cost			-
3	Investment in subsidiaries company at cost		3,90,000	3,50,000
4	Government Securities deposited with the Clearing Corporation of India Ltd. (CCIL) for collateralised borrowing and lending obligation segment			
	a)	Amortised cost	4,63,307	4,61,825
	b)	Market Value of above investment	4,90,499	4,84,052
5	Fixed Deposits towards margin requirement for equity trade settlement and Bank Guarantee			
	a)	Deposited with National Securities Clearing Corporation Limited (NSCCL)	-	2,45,000
	b)	Deposited with Indian Clearing Corporation Limited (ICCL)	-	-
6	Investment made out of catastrophe reserve		-	-
7	Debt Securities are held to maturity and reduction in market values represent market conditions and not a permanent dimunition in the value of investments,if any.			
8	Historical cost of equity and equity related securities included above:			
	a)	Mutual Funds	-	5,00,000
	b)	Equity Stocks	5,34,233	5,34,233
	c)	Additional Tier 1 Bonds	9,45,996	17,96,139
9	The value of equity shares lent by the Company under securities lending and borrowing scheme (SLB) and outstanding		59,551	-
10	Refer Schedule 16 Note 2(f) & 45			

SCHEDULE 8A INVESTMENTS–POLICYHOLDERS

Particulars			Audited As at 31 Mar 21	Audited As at 31 Mar 20
LONG-TERM INVESTMENTS				
1	Government securities and Government guaranteed bonds including Treasury Bills		11,31,11,740	8,36,87,423
2	Other Approved Securities		10,39,479	7,41,167
3	(a)	Shares		
		(aa) Equity (Refer Note 7 below)	62,14,073	63,03,448
		(bb) Preference	-	-
	(b)	Mutual Funds	-	-
	(c)	Derivative Instruments	-	-
	(d)	Debentures / Bonds	3,42,14,337	2,70,92,887
	(e)	Other Securities (Fixed Deposits)	50,000	5,000
	(f)	Subsidiaries	-	-
	(g)	Investment Properties-Real Estate	5,55,583	-
4	Investment in Infrastructure and Social Sector		4,82,59,721	3,19,86,129
5	Other than Approved Investments		28,52,223	31,25,888
	Total (A)		**20,62,97,156**	**15,29,41,942**
SHORT-TERM INVESTMENTS				
1	Government securities and Government guaranteed bonds including Treasury Bills		8,51,747	42,646
2	Other Approved Securities			-
	-	Fixed Deposits	-	-
	-	Others	2,01,092	-
	Other Investments			

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

Particulars			Audited As at 31 Mar 21	Audited As at 31 Mar 20
3	(a)	Shares		
		(aa) Equity	6,27,258	-
		(bb) Preference	-	-
	(b)	Mutual funds (Refer Note 7 below)	-	17,56,643
	(c)	Derivative Instruments	-	-
	(d)	Debentures / Bonds	9,85,339	11,37,939
	(e)	Other Securities	-	-
		- Fixed Deposits	5,000	1,000
		- Others	1,14,69,038	36,84,809
	(f)	Subsidiaries	-	-
	(g)	Investment Properties-Real Estate	-	-
4	Investment in Infrastructure and Social Sector		11,86,424	3,92,479
5	Other than Approved Investments		4,08,941	-
	Total (B)		**1,57,34,839**	**70,15,516**
	TOTAL (A) + (B)		**22,20,31,995**	**15,99,57,458**
Notes:				
1	Aggregate amount of Company's investments and the market value:			
	a)	Aggregate amount of Company's investment other than listed Equity Securities & Mutual Funds	21,11,77,736	14,90,22,519
	b)	Market Value of above investment	22,47,22,269	16,19,83,219
2	Investment in holding company at cost		3,982	4,265
3	Investment in subsidiaries company at cost		-	-
4	Government Securities deposited with the Clearing Corporation of India Ltd (CCIL) for collaterised borrowing and lending obligation segment			
	a)	Amortised cost	-	-
	b)	Market Value of above investment	-	-
5	Investment made out of catastrophe reserve		-	-
6	Debt Securities are held to maturity and reduction in market values represent market conditions and not a permanent dimunition in the value of investments,if any.			
7	Historical cost of equity and equity related securities included above:			
	a)	Mutual Funds	7,153	17,57,153
	b)	Equity Stocks	52,87,459	64,45,723
	c)	Additional Tier 1 Bonds	13,93,381	18,41,677
	d)	Infrastructure Investment Trusts	6,98,956	9,21,258
	e)	Alternate Investment Funds	11,23,818	11,54,954
	f)	Real Estate Investment Properties	5,77,645	-
8	The value of equity shares lent by the Company under securities lending and borrowing scheme (SLB) and outstanding		20,137	-
9	Refer Schedule 16 Note 2(f) ,45 & 47			

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

SCHEDULE 8B ASSETS HELD TO COVER LINKED LIABILITIES

Particulars			Audited As at 31 Mar 21	Audited As at 31 Mar 20
LONG TERM INVESTMENTS				
1	Government securities and Government guaranteed bonds including Treasury Bills		5,59,82,438	4,46,26,053
2	Other Approved Securities		5,99,081	7,72,955
3	(a)	Shares		
		(aa) Equity (Refer Note 6 below)	8,63,94,558	5,79,44,702
		(bb) Preference	-	9,883
	(b)	Mutual Funds	-	-
	(c)	Derivative Instruments	-	-
	(d)	Debentures / Bonds	2,51,28,227	2,34,08,705
	(e)	Other Securities (Fixed Deposits)	1,50,000	-
	(f)	Subsidiaries	-	-
	(g)	Investment Properties-Real Estate	-	-
4	Investments in Infrastructure and Social Sector		4,66,25,138	3,62,42,268
5	Other than Approved Investments		1,46,04,130	1,05,76,807
	Total (A)		**22,94,83,572**	**17,35,81,373**
SHORT TERM INVESTMENTS				
1	Government securities and Government guaranteed bonds including Treasury Bills)		1,44,00,544	86,64,631
2	Other Approved Securities		1,76,856	-
	-	Fixed Deposits	-	-
	-	Others	-	-
3	(a)	Shares	-	-
		(aa) Equity	-	-
		(bb) Preference	6,366	-
	(b)	Mutual Funds (Refer Note 6 below)	5,07,308	45,56,797
	(c)	Derivative Instruments	-	-
	(d)	Debentures / Bonds	48,80,846	70,46,405
	(e)	Other Securities	-	-
		- Fixed Deposits	50,000	10,78,000
		- Others	1,61,24,694	1,97,13,153
	(f)	Subsidiaries	-	-
	(g)	Investment Properties-Real Estate	-	-
4	Investments in Infrastructure and Social Sector		87,14,188	83,42,055
5	Other than Approved Investments		4,96,804	5,64,804
	Total (B)		**4,53,57,605**	**4,99,65,845**
OTHER ASSETS				
1	Bank Balances		40,522	81,262
2	Interest Accrued and Dividend Receivable		36,41,346	34,85,895
3	Fund Charges		-	171
4	Outstanding Contracts : (Refer Schedule 16 Note 16)			
	(a)	Investment sold - pending for settlement	6,42,811	4,11,191
	(b)	Investment purchased - pending for settlement	(14,00,744)	(6,75,613)
	(c)	Net receivable to unit linked funds	15,94,848	13,99,283
	(d)	Other receivable/(payable)	3,13,421	1
	Total (C)		**48,32,204**	**47,02,191**
	TOTAL (A) + (B) + (C)		**27,96,73,381**	**22,82,49,409**

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

Particulars			Audited As at 31 Mar 21	Audited As at 31 Mar 20
Notes:				
1	Aggregate amount of Company's investments and the market value:			
	a)	Aggregate amount of Company's investment other than listed Equity Securities & Mutual Funds	15,76,09,549	13,91,61,798
	b)	Market Value of above investment	16,26,97,349	14,54,67,041
2	Investment in holding company at cost		1,83,803	1,83,590
3	Investment in subsidiaries company at cost		-	-
4	Investment made out of catastrophe reserve		-	-
5	Debt Securities are held to maturity and reduction in market values represent market conditions and not a permanent dimunition in the value of investments,if any.			
6	Historical cost of equity and equity related securities included above:			
	a)	Mutual Funds	46,13,067	93,42,084
	b)	Equity Stocks	8,32,66,437	8,12,53,480
	c)	Redeemable Preference Shares	1,937	3,874
7	The value of equity shares lent by the Company under securities lending and borrowing scheme (SLB) and outstanding		1,18,828	-
8	Refer Schedule 16 Note 2(f)			

SCHEDULE 9 LOANS

Particulars		Audited As at 31 Mar 21	Audited As at 31 Mar 20
1	**SECURITY-WISE CLASSIFICATION**		
	Secured		
	(a) On mortgage of property		
	(aa) In India	-	-
	(bb) Outside India	-	-
	(b) On Shares, Bonds, Govt. Securities,etc	-	-
	(c) Loans against policies	21,49,461	16,62,941
	(d) Others	-	-
	Unsecured	-	-
	Total	**21,49,461**	**16,62,941**
2	**BORROWER-WISE CLASSIFICATION**		
	(a) Central and State Governments	-	-
	(b) Banks and Financial Institutions	-	-
	(c) Subsidiaries	-	-
	(d) Companies	-	-
	(e) Loans against policies	21,49,461	16,62,941
	(f) Others	-	-
	Total	**21,49,461**	**16,62,941**
3	**PERFORMANCE-WISE CLASSIFICATION**		
	(a) Loans classified as standard		
	(aa) In India	21,49,461	16,62,941
	(bb) Outside India	-	-
	(b) Non-standard loans less provisions		
	(aa) In India	-	-
	(bb) Outside India	-	-
	Total	**21,49,461**	**16,62,941**
4	**MATURITY-WISE CLASSIFICATION**		
	(a) Short-Term	41,673	50,196
	(b) Long-Term	21,07,788	16,12,745
	Total	**21,49,461**	**16,62,941**

Notes:

1 Short-term loans include those which are repayable within 12 months from the date of Balance Sheet. Long-term loans are the loans other than short-term loans.

2 Loans considered doubtful and the amount of provision created against such loans is ₹Nil (Previous year: ₹Nil).

3 Refer Schedule 16 Note 2 (g).

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

SCHEDULE 10 FIXED ASSETS

Particulars	Cost/Gross Block				Depreciation/Amortisation				Net Block	
	As on 1 Apr 20	Additions	Deductions	As on 31 Mar 21	As on 1 Apr 20	For the year	On Sales/ Adjustments	As on 31 Mar 21	As on 31 Mar 21	As on 31 Mar 20
Goodwill	-	-	-	-	-	-	-	-	-	-
Intangibles (Software)	23,11,754	2,68,630	27	25,80,357	17,47,241	2,35,035	3	19,82,273	5,98,084	5,64,513
Land–Freehold	-	-	-	-	-	-	-	-	-	-
Leasehold property	-	-		-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-
Furniture & Fittings	1,82,820	11,045	5,352	1,88,513	1,35,401	6,907	4,399	1,37,909	50,604	47,419
Information Technology Equipment	7,71,852	17,088	21,514	7,67,426	6,34,238	47,391	21,320	6,60,309	1,07,117	1,37,614
Vehicles	89,182	1,754	11,449	79,487	39,173	18,950	10,506	47,617	31,870	50,009
Office Equipment	2,20,857	11,462	6,758	2,25,561	1,82,959	15,855	6,529	1,92,285	33,276	37,898
Others (Leasehold improvements)	3,71,855	9,766	13,232	3,68,389	3,23,422	18,494	11,971	3,29,945	38,444	48,433
Total	**39,48,320**	**3,19,745**	**58,332**	**42,09,733**	**30,62,434**	**3,42,632**	**54,728**	**33,50,338**	**8,59,395**	**8,85,886**
Work-in-Progress including capital advances	-	-	-	-	-	-	-	-	1,11,150	73,935
Grand Total	**39,48,320**	**3,19,745**	**58,332**	**42,09,733**	**30,62,434**	**3,42,632**	**54,728**	**33,50,338**	**9,70,545**	**9,59,821**
Previous Year/Period	37,45,124	3,69,882	1,66,686	39,48,320	29,20,035	2,92,026	1,49,627	30,62,434	9,59,821	

Note:

1. Refer Schedule 16 Note 2 (h).

2. Sale / Adjustments as appearing in gross block includes closure of branches and assets written off thereon.

3. All software are other than those generated internally.

Particulars	Cost/Gross Block				Depreciation/Amortisation				Net Block	
	As on 1 Apr 19	Additions	Deductions	As on 31 Mar 20	As on 1 Apr 19	For the year	On Sales/ Adjustments	As on 31 Mar 20	As on 31 Mar 20	As on 31 Mar 19
Goodwill	-	-	-	-	-	-	-	-	-	-
Intangibles (Software)	20,60,511	2,59,993	8,750	23,11,754	15,79,118	1,75,045	6,922	17,47,241	5,64,513	4,81,393
Land–Freehold	-	-	-	-	-	-	-	-	-	-
Leasehold property	-	-		-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-
Furniture & Fittings	1,77,868	13,149	8,197	1,82,820	1,29,449	12,282	6,330	1,35,401	47,419	48,419
Information Technology Equipment	8,37,900	39,747	1,05,795	7,71,852	6,92,474	47,321	1,05,557	6,34,238	1,37,614	1,45,426
Vehicles	78,674	26,397	15,889	89,182	26,128	18,900	5,855	39,173	50,009	52,546
Office Equipment	2,15,539	16,006	10,688	2,20,857	1,76,481	16,893	10,415	1,82,959	37,898	39,058
Others (Leasehold Improvements)	3,74,632	14,590	17,367	3,71,855	3,16,385	21,585	14,548	3,23,422	48,433	58,247
Total	**37,45,124**	**3,69,882**	**1,66,686**	**39,48,320**	**29,20,035**	**2,92,026**	**1,49,627**	**30,62,434**	**8,85,886**	**8,25,089**
Work-in-Progress including capital advances	-	-	-	-	-	-	-	-	73,935	82,278
Grand Total	**37,45,124**	**3,69,882**	**1,66,686**	**39,48,320**	**29,20,035**	**2,92,026**	**1,49,627**	**30,62,434**	**9,59,821**	**9,07,367**
Previous Year	35,22,321	3,71,647	1,48,844	37,45,124	28,26,233	2,31,858	1,38,056	29,20,035	9,07,367	

Notes:

1. Refer Schedule 16 Note 2 (h).

2. Sale / Adjustments as appearing in gross block includes closure of branches and assets written off thereon.

3. All software are other than those generated internally.

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

SCHEDULE 11 CASH AND BANK BALANCES

	Particulars	Audited As at 31 Mar 21	Audited As at 31 Mar 20
1	Cash (including cheques,drafts and stamps) (Refer Note 2 below)	6,16,437	1,26,021
2	Bank Balances		
	(a) Deposit Accounts		
	(aa) Short-term (due within 12 months of the date of Balance Sheet)	18,50,442	11,54,200
	(ab) Others (Refer Note 1 below)	2,500	2,500
	(b) Current Accounts	84,777	31,26,595
	(c) Others	-	-
3	Money at Call and Short Notice		
	(a) With Banks	-	-
	(b) With other Institutions	-	-
4	Others	-	-
	Total	**25,54,156**	**44,09,316**
	Balances with non-scheduled banks included in 2 above	-	-
	Cash and Bank Balances		
	1. In India	25,54,156	44,09,316
	2. Outside India	-	-
	Total	**25,54,156**	**44,09,316**
Note :			
1	Deposited with ICICI Bank in the form of fixed deposits, which is earmarked and in lien against the Bank guarantee given by ICICI Bank on behalf of the Company to Unique Identification Authority of India (UIDAI).		
2	Breakup of Cash (including cheques, drafts and stamps) :		
	Cash in Hand	53,714	18,735
	Postal Franking and revenue stamps	24,871	36,617
	Cheques in Hand	5,37,852	70,669
	Total	**6,16,437**	**1,26,021**

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

SCHEDULE 12 ADVANCES AND OTHER ASSETS

Particulars		Audited		Audited	
		As at 31 Mar 21	As at 31 Mar 21	As at 31 Mar 20	As at 31 Mar 20
ADVANCES					
1	Reserve deposits with ceding companies		-		-
2	Application money for investments		-		-
3	Prepayments		2,51,010		2,05,533
4	Advances to Directors / Officers		-		-
5	Advance tax paid and taxes deducted at source (Net of provision for Tax of ₹3,37,563 (Previous year ₹5,76,038)).		17,538		60,469
6	Others:				
	a) Advance to Suppliers/Contractors		1,64,362		66,513
	b) Gratuity and Advances to Employees		5,00,474		3,99,249
	c) Other Advances		32,347		26,790
	Total (A)		**9,65,731**		**7,58,554**
OTHER ASSETS					
1	Income accrued on investments		54,41,743		44,09,866
2	Outstanding Premiums		22,47,271		35,87,595
3	Agents' Balances (gross)	16,378		90,348	
	Less: Provision for doubtful debts (Refer Schedule 16 Note 2 (t))	(6,385)	9,993	(63,421)	26,927
4	Foreign Agencies Balances		-		-
5	Due from other entities carrying on insurance business (including reinsures)	4,49,328		2,32,196	
	Less: Provision for doubtful debts	(23,469)	4,25,859	(23,469)	2,08,727
6	Due from Subsidiaries/ holding company		4,118		9,574
7	Deposit with Reserve Bank of India [pursuant to Section 7 of Insurance Act,1938]		-		-
8	Others:				
	a) Deposits		5,46,459		6,01,959
	b) Outstanding Trades		2,16,400		1,03,297
	c) Insurance Policies (Leave Encashment)		3,79,312		3,30,984
	d) Unclaimed Fund	28,25,043		27,52,045	
	Income accrued on unclaimed fund	1,18,328	29,43,371	1,80,455	29,32,500
	e) Derivative Asset		2,37,711		74,004
	f) Goods and Services tax unutilised credits		29,517		39,370
	Total (B)		**1,24,81,754**		**1,23,24,803**
	Total (A+B)		**1,34,47,485**		**1,30,83,357**

Notes: Refer Schedule 16 Note 53.

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

SCHEDULE 13 CURRENT LIABILITIES

	Particulars		Audited As at 31 Mar 21		Audited As at 31 Mar 20
1	Agents' Balance		10,62,578		7,53,145
2	Balances due to other insurance companies		7,435		39,104
3	Deposits held on re-insurance ceded		-		-
4	Premiums received in advance		1,10,201		81,679
5	Unallocated premiums		4,80,722		5,96,553
6	Sundry creditors (Refer Schedule 16 Note 46)		30,57,617		18,96,316
7	Due to Subsidiaries/holding company		-		-
8	Claims outstanding		1,42,117		2,06,075
9	Annuities Due		-		-
10	Due to Officers/Directors		-		-
11	Others:				
	(a) Policy Application and other Deposits		8,63,686		9,64,211
	(b) Due to Policyholders		23,02,192		19,86,592
	(c) Statutory Dues Payable		2,23,444		2,40,539
	(d) GST Payable		1,21,426		42,889
	(e) Unclaimed amounts of policyholders	28,25,043		27,52,045	
	Income accrued on unclaimed fund	1,18,328	29,43,371	1,80,455	29,32,500
	(f) MTM Margin payable-FRA		1,75,892		67,430
	Total		**1,14,90,681**		**98,07,033**

Notes: Refer Schedule 16 Note 53.

SCHEDULE 14 PROVISIONS

	Particulars	Audited As at 31 Mar 21	Audited As at 31 Mar 20
1	For taxation (Net of Advance Tax of ₹5,31,440 (Previous year ₹5,66,500)).	2,12,376	-
2	For proposed dividends	-	-
3	For dividend distribution tax	-	-
4	Others		
	a) Provision for long-term Incentive plan [Refer Schedule 16, Note 26]	2,09,728	1,32,888
	b) Provision for gratuity [Refer Schedule 16, Note 27(a)(i)]	5,81,721	4,24,673
	c) Provision for Compensated absences [Refer Schedule 16, Note 27(a)(ii)]	1,82,978	1,50,940
	Total	**11,86,803**	**7,08,501**

SCHEDULE 15 MISCELLANEOUS EXPENDITURE

(To the extent not written off or adjusted)

	Particulars	Audited As at 31 Mar 21	Audited As at 31 Mar 20
1	Discount Allowed in issue of shares / debentures	-	-
2	Others	-	-
	Total	**-**	**-**

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

SCHEDULE 16

1 Corporate Information

Aditya Birla Sun Life Insurance Company Limited ('the Company' or 'ABSLI'), headquartered at Mumbai, had commenced operations on 19th March 2001, after receiving the licence to transact life insurance business in India from the Insurance Regulatory and Development Authority ('IRDA') on 31st January 2001. It was incorporated on 4th August 2000 as a Company under the Companies Act, 1956 ('the Act'). The Company is a subsidiary of Aditya Birla Capital Limited (formerly known as Aditya Birla Financial Services Limited) which holds 51 percent of paid up share capital. Further, Sun Life Financials (India) Insurance Investments Inc., subsidiary of Sun Life Assurance Company of Canada holds 49 percent of paid up share capital. The Insurance Regulatory and Development Authority of India (IRDAI) vide its circular dated 7th April 2015 bearing reference number IRDA/F&A/CIR/GLD/062/04/2015 has pursuant to amendment in Insurance Laws (Amendment) Act, 2015 to Section 3A of the Insurance Act, 1938, discontinued the requirement to apply for Renewal Certificate of Registration (IRDA/R6) on an annual basis. Accordingly, upon payment of the annual fees for the financial year 2020-21, the certificate of registration which was valid for financial year ended 31st March 2017 shall continue to be valid for financial year ended 31st March 2021 and the same is in force as on the date of this report.

The business of the Company span across individual and group products and covers participating, non-participating and unit linked lines of businesses. Riders covering additional benefits are offered under these products. These products are distributed through individual agents, corporate agents, banks, brokers, Company's online portal and other intermediaries across the country.

2 Significant Accounting Policies

a) Basis of Preparation

The accompanying financial statements have been prepared and presented under the historical cost convention, unless otherwise stated, and on accrual basis of accounting, in accordance with accounting principles generally accepted in India, including the provisions of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015 (the "Insurance Act"), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDA Financial Statements Regulations"), the Master Circular on Preparation of Financial Statements and Filing of Returns of Life Insurance Business Ref No. IRDA/F&A/Cir/232/12/2013 dated 11th December 2013 (''the Master Circular'') and various other orders/circulars/ directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI") in this regard, the Accounting Standards specified under Section 133 of the Companies Act, 2013 to the extent applicable and various circulars issued by IRDAI and practices prevailing in the insurance industry in India. The accounting policies have been consistently applied by the Company except where differential treatment is required as per new pronouncements made by the regulatory authorities.

The management evaluates all recently issued or revised accounting pronouncements on an on-going basis.

b) Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles ('GAAP') requires that the Company's management make estimates and assumptions that affect the reported amounts of income and expenses for the year, reported balances of assets and liabilities and disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and assumptions used in the financial statements are based upon management's evaluation of the relevant facts and circumstances as on date of the financial statement. Any revision to accounting estimates is recognised prospectively. Examples of such estimates include valuation of policy liabilities, provision for linked liabilities, funds for future appropriations, provision for doubtful debts, valuation of unlisted securities, if any, valuation of debt securities, future obligations under employee retirement benefits plans and the useful lives of fixed assets, etc. Actual results could differ from those estimates.

c) Revenue Recognition

i) Premium Income

Premium for non linked policies is recognized as income when due from policyholders.

For unit linked business, premium income is recognized when the associated units are created.

Premium on lapsed policies is recognized as income when such policies are reinstated.

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

In case of linked business, top up premium paid by policyholders are considered as single premium and are unitised as prescribed by IRDA Financial Statements Regulations. This premium is recognized when the associated units are created.

ii) **Income from Investments**
Interest income on investments is recognized on accrual basis. Amortization of discount/ premium relating to the debt securities (in case of non-link policy holders) and money market securities is recognized using effective interest rate method (EIR) over the remaining period to maturity of these securities.

Dividend income is recognized on ex-dividend date.

The realised profit/loss on debt/money market securities for other than linked business is the difference between the net sale consideration and the amortised cost.

The realised profit/loss on debt securities held for linked business is difference between net sale consideration and weighted average cost and for money market securities it is the difference between the net sale consideration and the amortised cost.

The realised profit/loss on sale of equity shares and equity related instruments/mutual fund units is the difference between the net sale consideration and weighted average cost.

Income earned on investments in Venture fund is recognised on receipt basis.

iii) **Reinsurance premium ceded**
Reinsurance premium ceded is accounted for at the time of recognition of the premium income in accordance with the terms and conditions of the relevant treaties with the reinsurers. Impact on account of subsequent revisions to or cancellations of premium is recognized in the year in which they occur. Profit commission on reinsurance ceded is netted off against premium ceded on reinsurance.

iv) **Income from linked policies**
Income from linked policies, which include asset management fees, policy administration charges, mortality charges and other charges, if any, are recovered from the linked funds in accordance with the terms and conditions of the policies and recognized when due.

v) **Fees and Charges**
Interest income on loans is recognized on an accrual basis.

d) Benefits Paid (Including Claims)
Benefits paid comprise of policy benefits and claim settlement costs, if any. Death and other claims are accounted for, when intimated. Survival and maturity benefits are accounted when due.

Surrenders / Withdrawals under linked policies are accounted in the respective schemes when the associated units are cancelled and under non linked policies are accounted on the receipt of intimation. Reinsurance recoverable thereon, if any, is accounted for in the same period as the related claim. Repudiated claims disputed before judicial authorities are provided for based on management prudence considering the facts and evidences available in respect of such claims.

e) Acquisition Costs
Acquisition costs are costs that vary with and are primarily related to acquisition of new and renewal insurance contracts. Acquisition costs mainly consists of commission, medical costs, policy printing expenses, stamp duty and other related expenses. These costs are expensed in the year in which they are incurred. Claw back of the first year commission paid, if any, in future is accounted in the year in which it is recovered.

f) Investments
Investments are made in accordance with the Insurance Act, the IRDAI (Investment) Regulations, 2016, and various other circulars/notifications and amendments issued by the IRDAI in this context from time to time.

Investments are recorded at cost on the date of purchase, which includes brokerage and stamp duty, taxes, setup cost, transaction charges or any other charges included in broker note , but excludes accrued interest paid if any of the date of purchase.Bonus entitlements are recognised as investments on Ex-bonus date.Rights entitlement are recognised as investments on the ex-rights date.

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

i. **Classification**

Investments maturing within twelve months from the balance sheet date are classified as short-term investments.

Investments other than short-term investments are classified as long-term investments.

ii. **Valuation**

a) **Debt securities**

- Policyholders' non-linked funds and shareholders' investments:

  All debt and money market securities, including Central and State government securities (Government securities), are considered as 'held to maturity' and measured at historical cost subject to amortisation. The discount or premium which is the difference between the purchase price and the redemption amount of fixed income securities is amortized and recognized in the revenue account, using Effective interest rate method (EIR) over the remaining period to maturity of these securities. Additional Tier 1 (BASEL III) bonds are valued through CRISIL Bond Valuer.

- Policyholders' linked funds:

  G-sec and SDL are valued at the CRISIL Gilt prices and SDL prices. All other debt securities are valued through CRISIL Bond Valuer. Money market instruments (including T Bills) are valued at historical cost, subject to amortisation of premium or discount which is the difference between the purchase price and the redemption amount using effective interest rate method over the remaining period to maturity of these securities.

b) i) Equity shares/ Non-redeemable Preference shares .Exchange traded funds and Infrastructure Investment Trusts:

Listed equity/preference shares, Exchange traded funds and Infrastructure Investment Trusts are valued and stated at fair value, using the last quoted closing prices on the National Stock Exchange (NSE), at the balance sheet date. If the equity shares are not traded on the NSE, then closing prices of the Bombay Stock Exchange (BSE) is considered.

Equity/preference, Exchange traded funds shares acquired through primary markets and awaiting listing are valued as per the valuation policy of the Company duly approved by the Valuation Committee.

Unlisted equity/preference shares are valued as per the valuation policy of the Company duly approved by the Valuation Committee.

ii) Redeemable Preference shares:

Policyholders' non-linked funds and shareholders' investments:

Redeemable Preference Shares are valued at historical cost, subject to amortization of premium or discount which is the difference between the purchase price and the redemption amount using effective interest rate method over the remaining period to maturity of these securities.

Policyholders' linked funds:

Listed redeemable preference shares are valued and stated at fair value, using the last quoted closing prices on the National Stock Exchange (NSE), at the balance sheet date. If the equity shares are not traded on the NSE, then closing prices of the Bombay Stock Exchange (BSE) is considered.

c) **Mutual Funds**

Mutual Funds are valued on previous day's net asset value published by the respective mutual funds.

d) **Gain / loss on equity, preference shares and mutual funds**

Unrealised gains / losses are recognized in the respective fund's revenue account as fair value change in case of linked funds.

Unrealized gain / loss due to changes in fair value of listed equity/preference shares/Infrastructure Investment Trust and mutual funds are taken to the Fair Value Change account for other than linked business and are carried to the Balance Sheet.

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

e) **Diminution in the value of Investments**

Diminution in the value of investments as at the balance sheet date, other than temporary, is recognized as an expense in the Revenue / Profit & Loss account.

f) **Social Venture Fund/ Venture Capital Funds**

Social Venture Fund/ Venture Capital Funds are valued at last available NAV per unit published by independent valuation agency. If such NAV is not available, Social Venture Fund / Venture Capital Fund will be valued at cost.

g) **Valuation of Derivative Instrument:-**

i. ABSLI has Guaranteed products where the returns to the policy holders are fixed and the Company is exposed to interest rate risk on account of investment from receipt of subsequent premiums and sum of interest and maturity from investment made out of premiums received.

A Forward Rate Agreement ('FRA') transaction is that whereby Company agrees to buy underlying security at fixed yield at future date. Company has entered in FRA to hedge interest rate risk on forecasted premium receivable at future date. As on the date of entering into the FRA, the Company fixes the yield on the investment in a sovereign bond that would take place at a future date.

For Cash Flow Hedges, hedge effectiveness is ascertained at the time of inception of the hedge and periodically thereafter. The portion of fair value gain / loss on the Interest Rate Derivative that is determined to be an effective hedge is recognised directly in appropriate equity account i.e. 'Hedge Fluctuation Reserve'. The ineffective portion of the change in fair value of such instruments is recognised in the Revenue Account in the period in which they arise. If the hedging relationship ceases to be effective or it becomes probable that the expected forecast transaction will no longer occur, hedge accounting is discontinued and accumulated gains or losses that were recognised directly in the Hedge Fluctuation Reserve are reclassified into Revenue Account. All derivatives are initially recognised in the Balance sheet at their fair value, which usually represents their cost. They are subsequently re-measured at their fair value, with the method of recognising movements in this value depending on whether they are designated as hedging instruments and, if so, the nature of the item being hedged. All derivatives are carried as assets when the fair values are positive and as liabilities when the fair values are negative.

IRDAI master circular for Investment Regulations, 2016 allows insurers to deal in rupee denominated interest rate derivatives. The Company has well defined Board approved Derivative Policy and Process document covering various aspects related to functioning of the derivative transactions which are undertaken to mitigate interest rate risk as per the hedge strategy, thereby managing the volatility of returns from future fixed income investments, due to variations in market interest rates.

Mark to market valuation is done independently by both the parties. In case of variation in valuation, the counter party (bank) valuation prevails as the counter party (bank) is the valuation agent as per agreement. However same can be disputed by ABSLI if valuation difference is not agreeable.

ii. Derivatives are undertaken by Company solely for the purpose of hedging interest rate risks on account of following:

a) Reinvestment of maturity proceeds of existing fixed income investments;

b) Investment of interest income receivable; and

c) Expected policy premium income receivable on insurance contracts which are already underwritten.

iii. Investment transfer

Transfers of Investments from Shareholders' funds to the Policyholders' funds are affected at the lower of amortized cost or market value in respect of all debt securities including money market instruments and at the cost or market value whichever is lower in case of other securities.

Inter-fund transfer of debt securities relating to Linked Policyholders' Funds is effected at last available market value as per the methodology specified in the Inter Fund transfer policy approved by the Investment committee. Inter fund transfer of equity are done during market hours at the prevailing market price

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

iv. Impairment on Investment

The carrying amounts of investments are reviewed at each balance sheet date, if there is any indicator of impairment based on internal / external factors. An impairment loss is recognized as an expense in Revenue/ Profit or Loss account, to the extent of difference between the re-measured fair value and the acquisition cost as reduced by any previous impairment loss recognized as expense in Revenue/ Profit and Loss Account. Any reversal of impairment loss, earlier recognized in profit and loss account shall be recognized in Revenue/ Profit and Loss account.

g) Loans Against Policies
Loans against policies are valued at the aggregate of book values (net of repayments) plus capitalised interest and are subject to impairment, if any.

h) Fixed Assets, Capital work in progress and impairment.
i. Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. Cost includes the purchase price and any cost directly attributable to bringing the asset to its working condition for its intended use. Subsequent expenditure incurred on fixed assets is expensed out in the year of expense except where such expenditure increases the future economic benefits from the existing assets.

Advances paid towards the acquisition of fixed assets outstanding at each balance sheet date and the cost of fixed assets not ready for its intended use before such date are disclosed under capital work-in-progress.

Assets costing up to ₹5 being low value assets are fully depreciated in the year of acquisition. Depreciation on fixed assets is provided using the straight-line method based on the economic useful life of assets as estimated by the management is as below:

Sr. No.	Assets Type	Estimated Useful life (Years)
1	Leasehold Improvements and Furniture and fittings at leased premises	5 years or the maximum renewable period of the respective leases, whichever is lower
2	Furniture & fittings (other than (1) above)	10
3	Information Technology Equipment – Server	6
	Information Technology Equipment – Tablet *	2
	Information Technology Equipment – Others *	5
4	Vehicles	4/5
5	Office Equipment	5
6	Mobile Phones (included in office equipment under schedule 10)	2

* For these class of assets, based on internal and/or external assessment/technical evaluation carried out by the management, the management believes that the useful lives as mentioned above best represent the useful life of these respective assets, however these are higher than as prescribed under Part C of Schedule II of the Companies Act, 2013.

Any additions to the original fixed assets are depreciated over the remaining useful life of the original asset.

ii. Intangibles

Intangible assets comprise of software licenses which are stated at cost less amortization. Software expenses exceeding ₹1,000 incurred on customisation of software (other than for maintenance of existing software) are capitalised. Software licenses are amortised using Straight-Line Method over a period of 5 years from the date of being ready for use.

iii. Capital work-in-progress

Assets not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost and related incidental expenses.

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

iv. Impairment of Assets

At each balance sheet date, management assesses whether there is any indication, based on internal/ external factors, that an asset may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined above. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount, subject to maximum of depreciable historical cost.

i) Operating Leases
The Company classifies leases, where the lessor effectively retains substantially all the risks and benefits of ownership over the lease term, as Operating Leases. Operating lease rentals are recognized as an expense on a straight-line basis over the lease period.

j) Employee Benefits
i. Short-Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries and bonuses are recognized in the period in which the employee renders the related service.

ii. Long-Term Employment Benefits

The Company has both defined contribution and defined benefit plans. These plans are financed by the Company.

- Defined Contribution Plans:

  The Company defined contribution schemes for superannuation and provident fund to provide retirement benefits to its employees. Contributions to the superannuation schemes are made on a monthly basis and charged to revenue account when due.

- Defined Benefit Plans:

  Gratuity liability is defined benefit obligation and is funded. The Company accounts for liability for future gratuity benefits based on independent actuarial valuation under revised Accounting Standard 15 (AS 15) on 'Employee Benefits'.

  The Company also has deferred compensation plans with the objective of employee retention.

iii. Other Long Term Employee Benefits

Compensated absences are entitled to be carried forward for future encashment or availment, at the option of the employee during the tenure of the employment, subject to the rules framed by the Company in this regard. Accumulated compensated absences entitlements outstanding at the close of the year are accounted on the basis of an independent actuarial valuation. Accumulated entitlements at the time of separation are entitled to be encashed.

k) Foreign Currency Transactions
Transactions in foreign currency are recorded at the rate of exchange prevailing at the date of the transaction. Monetary assets and liabilities in foreign currency are translated at the rates existing as at the balance sheet date. The resulting exchange gain or loss for revenue transactions is reflected, in the revenue account or the profit and loss account, as the case may be.

l) Segment Reporting
As per Accounting Standard 17 (AS 17) on 'Segment Reporting' read with the "Preparation of Financial Statements, Auditor's Report of Insurance Companies, Regulations 2002" read with the Insurance Laws (Amendment) Act, 2015, the Company is required to report segment results separately for linked,

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

non-linked, health and pension businesses. The business is broadly classified as Participating non-linked, Non-Participating Unit Linked and Non Linked businesses, which are further segmented into Individual Life, Group Life, Group Life Variable, Individual Pension, Annuity Individual, Group Pension, Group Pension Variable and Individual Health businesses. Accordingly, the Company has prepared the revenue account and balance sheet for these primary business segments separately. Since the business operation of the Company is in India only, the same is considered as one geographical segment.

Allocation Methodology:

The following basis has been used for allocation of revenues, expenses, assets and liabilities to the business segments:

- Revenues, other Income, expenses, assets and liabilities directly attributable and identifiable to business segments, are allocated on actual basis; and
- Revenues, other income, other expenses, assets and liabilities which are not directly identifiable though attributable to a business segment, are allocated on the following basis, as considered appropriate by the management:

  > First Year Premium & 10% of Single Premium;

  > First year / gross commission;

  > Sum assured;

  > Policy liability;

  > Asset under management;

  > New Business Policy Count;

  > Enforce policy count

  > Employee Cost

The method of allocation and apportionment has been decided based on the nature of the expense and its logical co-relation with various business segments. The allocation and apportionment of expenses amongst various business segments is in accordance with Board Approved Policy.

m) Taxation

i. Direct Taxes

The Income-Tax Act, 1961 prescribes that profits and gains of life insurance Companies will be the surplus or deficit disclosed by the actuarial valuation made in accordance with the Insurance Act.

Deferred income tax is recognized for future tax consequences attributable to timing differences between income as determined by the financial statements and the recognition for income tax purposes. The effect on deferred tax assets and liabilities of a change in tax rates is recognized using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation law, deferred tax assets are recognized only if there is virtual certainty backed by convincing evidence that such deferred assets can be realized. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably or virtually certain, as the case may be, to be realized.

ii. Indirect Taxes

The Company claims credit of Goods and Services tax for input services, which is set off against tax on output services. The unutilised credits, if any are carried forward to the future period for set off where there is reasonable certainty of utilisation.

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

n) **Provisions and Contingencies**

A provision is recognized when the Company has a present legal obligation as a result of past event/s and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect current best estimates. A disclosure for contingent liability is made when there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources or it cannot be reliably estimated. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. A contingent asset is neither recognized nor disclosed.

o) **Funds for Future Appropriation**

The balance in the funds for future appropriations account represents funds, the allocation of which, either to participating Policyholders or to Shareholders, has not been determined at the Balance Sheet date. Transfers to and from the fund reflect the excess or deficit of income over expenses and appropriations in each accounting period arising in the Company's Policyholders' fund. In respect of Participating policies any allocation to the policyholder would also give rise to a shareholder transfer in the required proportion.

Amounts estimated by the Appointed Actuary as Funds for Future Appropriation (FFA) in respect of lapsed Unit Linked Policies are set-aside in the balance sheet and are not available for distribution to shareholders until expiry of the revival period.

p) **Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net 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.

q) **Cash and Cash Equivalents**

Cash and cash equivalents for the purposes of Receipts and Payments account include cash and cheques in hand; bank balances liquid mutual funds and other investments with original maturity of three months or less which are subject to insignificant risk of changes in value.

r) **Receipts and Payments Account**

Receipts and Payments Account is prepared and reported using the Direct Method, in conformity with Para 1.1 (i) of the Master Circular on Preparation of Financial Statements and Filing Returns of Life Insurance Business dated 11th December 2013 issued by the IRDAI.

s) **Actuarial Liability Valuation**

The actuarial Liabilities are calculated in accordance with accepted actuarial practice, requirements of Insurance Act, regulations notified by the Insurance Regulatory and Development Authority of India and Actuarial Practice Standards of the Institute of Actuaries of India.

t) **Provision for Doubtful Debts**

The Company regularly evaluates the probability of recovery and provides for doubtful advances and other receivables.

u) **Valuation of Loan to Body Corporate**

Corporate Loans are valued at cost less provision.

v) **Borrowings**

The company has valued the unsecured, subordinated, unlisted, redeemable and non-convertible debentures at cost.

Borrowing costs are charged to the Profit and Loss account in the period in which they are incurred.

Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

3 Contingent Liabilities

Sr. No.	Particulars	Current Year	Previous Year
1	Partly paid-up investments	44,76,107	66,86,653
2	Claims, other than against policies, not acknowledged as debts by the Company	22,167	21,967
3	Underwriting commitments outstanding	Nil	Nil
4	Guarantees given by or on behalf of the Company	2,500	2,500
5	Statutory demands / liabilities in dispute, not provided for	Refer Note Below	Refer Note Below
6	Reinsurance obligations to the extent not provided for in the accounts	Nil	Nil
7	Others *	4,52,125	4,40,721

* Represents potential liability to the Company (net of reinsurance) in respect of cases filed against the Company's decision of repudiation of death claims and customer complaints.

Note: -

The company has received Show Cause-Cum-Demand notices for earlier period relating to Service Tax demands of ₹398,203 as at 31st March 2021 (as at 31st March 2020 ₹ 398,203) plus applicable interest and penalty. Basis legal opinion obtained, management is of the opinion that these show-cause cum demand notices are not legally tenable and decided to contest at appellate authority.

4 Percentage of Business Sector-wise

(Disclosure in Line with Para no 2.7 of Master Circular on preparation of Financial Statements and Filing Returns of Life Insurance Business vide circular no. IRDA/F&A/Cir/232/12/2013 dated 11.12.2013

Sector	Particulars	Current Year	Previous Year
Rural	Number of New Policies (A)	63,677	64,286
	% of rural sector policies to total policies (A / D)	24.72%	24.55%
	Premium underwritten	29,05,306	22,96,911
Social	Number of New Policies (B)	80	3,983
	Number of New Lives (C)	4,02,793	7,45,552
	Premium underwritten	1,79,894	2,58,654
	Social Sector lives as a % of total business [C / (D+G)]	20.39%	23.34%
	Social Sector lives as a % of total business of preceeding financial year [C / (D+G) of previous year]	12.61%	22.38%
Total	Number of Individual life policies (D)	2,57,556	2,61,822
	Number of Individual lives covered (E)	2,67,542	2,78,482
	Number of Group Schemes issued (F)	513	673
	Number of Group lives covered (G)	17,17,906	29,33,029

Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

5 Contribution from Shareholders'/ Policyholders' Account

The net deficit of ₹177,270 (Previous year Surplus: ₹151,020) based on the actuarial valuation made in accordance with the Insurance Act, and as certified by the appointed actuary is being transferred from policyholders' account to shareholders' account. The details are tabulated below:

Surplus / (Deficit) of Business Segments	Current Year	Previous Year
Non-Par Linked		
Individual	2,26,903	12,88,957
Group	1,46,443	(43,935)
Individual Pensions	1,35,574	81,209
Group Pensions	74,584	86,618
Health	20,948	10,302
Non Par Non Linked		
Individual	(9,68,740)	(14,28,715)
Group	(2,00,845)	3,35,747
Group Life Variable	2,94,060	38,684
Individual Pensions	17,876	26,621
Annuity Individual	1,70,969	61,943
Group Pensions	1,09,886	(24,751)
Group Pension Variable	78,343	(11,703)
Health	18,475	52,959
Par Non Linked		
Individual	(3,01,746)	(3,22,916)
Contribution from Shareholders	14,71,331	18,32,020
Transfer to shareholders	12,94,061	19,83,040
Net Surplus for Policyholders	**(1,77,270)**	**1,51,020**

6 Operating Lease Commitments

In accordance with Accounting Standard 19 (AS 19) on 'Leases', the details of leasing arrangements entered into by the Company are as under:

The Company has entered into agreements in the nature of cancellable and non-cancellable lease/leave and license agreements with different lessor/licensors for the purpose of establishment of office premises, leasehold improvements, furniture and fixtures, information technology and office equipments. These are generally in the nature of operating leases/ leave and licenses.

The operating lease rentals charged during the year and maximum obligations on operating lease payable at the balance sheet date, as per the rentals stated in the agreements are as follows:

Particulars	Current Year	Previous Year
Total lease rentals charged to Revenue Account	4,53,743	4,82,843
Lease obligations for operating leases	-	-
- Within one year of the balance sheet date	4,50,468	4,06,425
- Due in a period between one year and five years	16,95,425	11,88,621
- Due after five years	2,66,358	2,43,367

7 Foreign Exchange Gain / (Loss)

The Company has recorded foreign exchange loss of ₹780 in the Revenue Account and the same is included under "Interest and Bank Charges" in Schedule 3 (Previous Year Gain ₹799).

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

8 Managerial Remuneration

The appointment of managerial personnel is in accordance with the requirements of Section 34A of the Insurance Act,1938 is approved by the IRDAI

Particulars	Current Year	Previous Year	
	Mr. Kamlesh Rao	Mr. Kamlesh Rao	Mr. Pankaj Razdan*
Salary	11,375	7,033	6,031
Other allowances	44,018	29,468	48,086
Contribution to :			
- Provident fund	1,365	844	724
- Superannuation fund	142	1,055	905
Perquisites	8,244	6,085	3,595
Total**	**65,144**	**44,485**	**59,341**

*Resigned with effect from 5th August 2019

**Of the above, amount of ₹50,144 (previous year ₹88,826) has been borne by shareholders. The remuneration stated above excludes gratuity and leave encashment, accrued based on actuarial valuation for the Company's overall liability.

9 As required by circular no. 067/IRDA/F&A/CIR/MAR-08 dated 28th March 2008 break up of Operating expenses incurred under the following heads have been detailed herein below:

Particulars	Current Year	Previous Year
Outsourcing Expenses	3,53,890	3,07,059
Business Development Expenses	99,451	87,847
Market Support and Advertisement Expenses	28,38,604	18,53,302

10 Earnings Per Share

Particulars	Current Year	Previous Year
Profit as per profit and loss account	10,64,604	10,44,296
Weighted average number of equity shares (Nos of shares in 000)	19,01,208	19,01,208
Earnings per share (Basic and Diluted) in ₹	0.56	0.55
Face Value per share *	10	10

* Amount in absolute Indian Rupees

11 Actuarial Assumptions

The actuarial liabilities are calculated in accordance with accepted actuarial practice, requirements of Insurance Act, Regulations notified by Insurance Regulatory and Development Authority of India and Practice Standards prescribed by the Institute of Actuaries of India.

Unit Reserves
Unit reserves are computed by multiplying the number of units with the unit price as on the valuation date.

Non-Unit Reserves
Prospective gross premium cash flow method is used to compute the non-unit liabilities in respect of the policies in force as at 31st March 2021. The cash flows are projected based on assumptions that reflect the expected future experience and have an appropriate allowance for margins for adverse deviations. The major assumptions relate to mortality, interest, expenses, policy persistency and premium persistency.

Additionally, for traditional par policies current year bonus rate, future bonus rates and terminal bonuses (wherever applicable) consistent with the valuation interest rate, transfer to shareholders and tax on the surplus are also taken into account while calculating the policy liability.

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

Additional provisions are made towards:

I. Investment guarantees for unit linked business

II. Substandard lives

III. Unearned premium (in accordance with IRDA Circular 50/IRDA/ACTL/CIR/GEN/050/03/2010)

IV. Reserves for free look option given to the policyholders

Analysis of recent experience has indicated that about 0.5 %(Previous Year - 0.5%) of the individual policyholders tend to exercise the option. Accordingly, with appropriate prudence, 0.625% (Previous Year - 0.625%) of the total charges collected (from the 11th to the end of that month) for new policies/coverages issued during a given month is being set aside as the reserve. For traditional products, 0.625% of the modal premiums received (from the 11th to the end of that month) for new policies / coverage issued during the month is being set aside as reserve.

V. Lapse policies eligible for revivals (in accordance with IRDA Circular 41/IRDA/ACTL/Mar-2006).

VI. New Business Closure Reserve

VII. Cash Surrender Value Deficiency Reserve

VIII. Premium Waiver Claim Provision

IX. Incurred But Not Reported Reserve

For yearly renewable group term business, unearned premium method is used to compute the reserves. In addition to the unearned premium reserve, provision is also made for incurred but not reported claims for group business as well.

For the valuation as on 31st March 2021, ABSLI has used following valuation assumptions. All these assumptions include margin for adverse deviations.

1 Interest

The interest rates used are in the range 5.40% (Previous Year - 5.50%) per annum to 7.6% (Previous Year - 7.85%) per annum.

2 Mortality Rates

The mortality rates used for the valuation of assurance benefits under each segment of business are based on the published IALM (2012-14) Ultimate Mortality Table modified to covert it from nearest birthday to last birth day mortality rates. Further to reflect the expected experience for own portfolio, ABSLI has taken multiple of the modified IALM (2012-14) mortality rates. Such mortality multiples are in the range of 22.58% to 309.38% (Previous Year - 22.58% to 294.94%) for non-rural products and 482.94% (Previous Year - 482.94%) for rural products.The mortality rates used for valuation of annuities are based on the 100% of the L.I.C (1996-98) Annuitant Mortality Rates.

3 Expenses

The per policy maintenance expenses assumed for the valuation of liabilities are set looking at our recent experience and expected per policy expenses in future as per our business plan. The per policy maintenance expense is upto ₹ 725 (Previous Year - upto ₹ 691) depending on the product.Commission scales have been allowed in accordance with the product filing with IRDA.

4 Policy Termination Rates

The policy termination rates used for the valuation of liabilities ranges from 0.8% per annum to 48% per annum (Previous Year - from 1.6% per annum to 48% per annum) for the first three policy years thereafter in the range of 0.6% per annum to 16.8% per annum (Previous Year - 0.6% per annum to 21% per annum) .

5 Bonus Rates

Regular and Terminal bonus rates, where applicable, are consistent with the valuation discount rate. This takes in to account the policyholders reasonable expectations (PREs)

6 Policyholder's Reasonable Expectations

For unit linked products Policyholders know that the returns on such plans are market linked and hence ultimate benefit payout would depend upon the mark to market performance of the underlying funds. Each ULIP proposal form is accompanied by a signed sales illustration illustrating values using gross return of 4% and 8% pa (Previous Year - 4%

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

and 8% pa) . For par products the bonus rates are declared consistent with the performance of the par fund and the illustrated rate of bonuses in the sales illustration provided at the time of selling the policy.

7 **Taxation and Shareholder Transfers**
Future transfers to shareholders as 1/9th (Previous Year - 1/9th) of Cost of Bonus and tax on the future surpluses to be distributed between policyholders and shareholders are considered in calculation of policy liability for par products.

8 **Basis of provisions for incurred but not reported (IBNR)**
IBNR for individual life business, one-year renewable group term business and group credit life business is determined using chain ladder method taking into account the claim reporting pattern from past claim experience.

12 Disclosure of discontinued linked policies

As required by Para no 2.9.6 of Master circular no. IRDA/F&A/Cir/232/12/2013 dated 11th December 2013 relating to treatment of discontinued linked insurance policies, the disclosures are as under :-

	Particulars	Current Year		Previous Year	
		Sub-total	Total	Sub-total	Total
a)	**Fund for Discontinues Policies**				
	Opening Balance of Funds for Discontinued Policies		61,84,239		53,17,417
	Add: Fund of policies discontinued during the year	48,29,455		27,52,644	
	Less: Fund of policies revived during the year	2,33,713		2,52,350	
	Add: Net Income/ Gains on investment of the Fund	3,34,634		3,60,400	
	Less: Fund Management Charges levied	30,225		30,650	
	Less: Amount refunded to policyholders during the year	21,41,137		19,63,222	
	Closing Balance of Fund for Discontinued Policies		89,43,254		61,84,239
	Other disclosures				
b)	No. of policies discontinued during the year		23,287		17,799
c)	Percentage of discontinued policies to total policies (product-wise) during the year				
	BSLI Fortune Elite		0.00%		0.09%
	BSLI Wealth Secure Plan		100.00%		0.37%
	ABSLI Wealth Assure		0.00%		0.25%
	BSLI Wealth Assure		0.00%		0.25%
	BSLI Empower Pension Product		0.00%		2.12%
	BSLI Wealth Aspire Plan II		0.00%		2.06%
	ABSLI Wealth Aspire V05		2.13%		0.19%
	ABSLI Wealth Secure V06		1.60%		0.06%
	ABSLI Wealth Assure Plus V02		0.19%		0.00%
	ABSLI Empower Pension Product 2020		3.12%		0.00%
	No. of policies revived during the year		1,394		1,203
	Percentage of policies revived (to discontinued policies) during the year		6%		7%
d)	Charges imposed on account of discontinued policies		95,016		64,013
e)	Charges readjusted on account of revival of policies		35,178		21,059

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

13 Percentage of Risk-Retained and Risk-Reinsured

Particulars	Current Year		Previous Year	
	Sum Assured	%	Sum Assured	%
Individual Business				
Risk-retained	92,55,85,664	39.34%	83,53,63,562	38.91%
Risk-reinsured	1,42,70,17,371	60.66%	1,31,13,77,878	61.09%
Total Individual Risk	**2,35,26,03,035**	**100.00%**	**2,14,67,41,440**	**100.00%**
Group Business				
Risk-retained	1,60,44,17,603	49.36%	1,60,37,89,477	48.57%
Risk-reinsured	1,64,57,05,802	50.64%	1,69,80,94,028	51.43%
Total Group Risk	**3,25,01,23,405**	**100.00%**	**3,30,18,83,505**	**100.00%**

14 Encumbrances

The assets of the Company are free from all encumbrances except to the extent assets or monies are required to be deposited as margin contributions for investment trade obligations of the Company or as mandated by the court, as detailed below:

i. Assets deposited with National Securities Clearing Corporation Limited (NSCCL) and Indian Clearing Corporation Limited (ICCL) towards margin requirement for equity trade settlement:-

Particulars	Current Year	Previous Year
Fixed deposit with NSCCL	-	2,45,000
Fixed deposit with ICCL	-	-

Nature of pledge: Physical custody of the fixed deposits are with respective clearing houses, however, the income accrued on these deposits shall be passed on to the Company on the maturity of the deposits. These deposits can be invoked by the clearing houses in case of settlement default of equity transactions at the exchange.

ii. Assets encumbered with Clearing Corporation of India Limited (CCIL) towards margin requirement for settlement of trades in TREPS:

Particulars	Current Year	Previous Year
Government Security of face value	2,08,400	2,08,400
Cash	100	100

iii. Assets encumbered with Clearing Corporation of India Limited (CCIL) towards margin requirement for settlement of trades in Securities:

Particulars	Current Year	Previous Year
Government Security of face value	2,40,000	2,40,000
Cash	25,100	25,100

iv. Assets encumbered with Clearing Corporation of India Limited (CCIL) towards margin requirement for settlement of trades in TREPS for default fund:

Particulars	Current Year	Previous Year
Government Security of face value	17,300	17,300
Cash	2,300	2,300

v. Assets encumbered with Clearing Corporation of India Limited (CCIL) towards margin requirement for settlement of trades in Securities for default fund:

Particulars	Current Year	Previous Year
Government Security of face value	8,400	8,400
Cash	200	200

Nature of pledge: Physical custody of the securities is maintained with the CCIL, however interest accrued on these securities is received by the Company. These deposits, both securities and cash, can be invoked by CCIL in case of any default by the Company in settlement of trades in Securities and CBLO segment.

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

vi. **Assets encumbered with ICICI Bank towards the Bank Guarantee given on behalf of the company given by it.**

Particulars	Current Year	Previous Year
Fixed Deposits	2,500	2,500

15 Commitments Made and Outstanding on Fixed Assets

The commitments made and outstanding for fixed assets by the Company are bifurcated as below:

		Current Year	Previous Year
i.	Tangible	22,291	42,832
ii.	Intangible	1,76,386	2,20,330
	Total	**1,98,677**	**2,63,162**

16 Investments

The commitments made and outstanding for fixed assets by the Company are bifurcated as below:

i Value of Contract Outstanding

Particulars	Current Year	Previous Year
Purchase where payment is not made and deliveries are pending	17,18,012	6,75,613
Purchase where payments are made and deliveries are pending	NIL	NIL
Sales where receivables are pending	6,42,811	4,11,183

ii. Historical costs

Particulars	Current Year	Previous Year
Aggregate historical cost of Linked investments	24,54,90,990	22,97,61,236
Aggregate market value of Linked investments	27,48,41,178	22,35,47,218

iii. All investments are performing assets.

17 Allocation of Investments and Income

The funds of the shareholders and the policyholders are kept separate and records are maintained accordingly. Investments made out of the shareholders' and policyholders' funds are tracked from their inception and the income thereon is also tracked separately. Since the actual funds, investments and income thereon are tracked and reported separately, the allocation of investments and income is not required.

18 Policyholders' Liabilities Adequately Backed by Assets

Particulars	Current Year	Previous Year
Policyholders' liabilities	(22,48,63,412)	(17,13,60,083)
Investments (As per schedule 8A)	22,20,31,995	15,99,57,458
Loans to policyholders (As per schedule 9)	17,45,714	16,62,941
Fixed Asset	5,64,252	29,04,068
Net Current Assets	29,85,817	71,83,050

19 Assets in the Internal Funds

The Company has presented the financial statements of each internal fund to which the policyholders can link their policy in Annexure 3. Also additional disclosures as required by IRDAI (Presentation of Financial Statements and Auditor's report of Insurance Companies) Regulation, 2002 read with master circular on "Preparation of Financial Statements and filing returns of Life Insurance business" are given in Annexure 3A.

The classification for industry wise disclosures given in Appendix 3 of Annexure 3A has been made in accordance with IRDA (Investment) Regulations, 2016.

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

20 Assets Restructured During the Year

Particulars	Current Year	Previous Year
Assets restructured during the year	NIL	NIL
NPA	NIL	NIL

21 Disclosure for ULIP business

Investment Management

a) Activities Outsourced: ₹ Nil (Previous Year: Nil)

b) Fees Paid for various activities charged to policyholders account for the period ended 31st March 2021: ₹ Nil (Previous Year: ₹ Nil).

22 Nature and Term of Outstanding Derivative Contract

a) Forward rate Agreement

Sr. No.	Particulars	Current Year	Previous Year
i)	Total notional principal amount of forward rate agreement undertaken during the year (instrument-wise)		
	7.40% GOI 2035 (MD 09/09/2035)	7,38,100	8,52,716
	7.62% GOI 2039 (MD 15/09/2039)	32,70,212	12,39,910
	7.73% GOI 2034 (MD 19/12/2034)	17,02,420	-
	7.95% GOI 2032 (28.08.2032)	39,02,481	-
	8.13% GOI 2045 (MD 22/06/2045)	4,93,500	-
	8.24% GOI 2033 (MD 10/11/2033)	8,21,490	11,91,917
	8.28% GOI (MD 15/02/2032)	5,02,095	-
	8.30% GOI 2040 (MD 02/07/2040)	2,69,680	-
	8.30% GOI 2042 (MD 31/12/2042)	7,87,330	7,67,360
	8.32% GOI (MD 02/08/2032)	13,58,510	-
	8.33% GOI 2036 (07/06/2036)	19,96,073	12,25,730
	8.83% GOI 2041 (MD 12/12/2041)	2,44,690	6,50,200
	8.97% GOI 2030 (MD 05/12/2030)	-	12,45,043
	9.20% GOI 2030 (MD 30/09/2030)	3,00,000	47,35,580
	9.23% GOI 2043 (MD 23/12/2043)	3,40,842	-
	8.17% GOI 2044 (MD 01/12/2044)	3,00,530	-
	7.06% GOI 2046 (MD 10/10/2046)	3,72,194	-
ii)	Total notional principal amount of forward rate agreement outstanding as on end of the year (instrument-wise)		
	7.40% GOI 2035 (MD 09/09/2035)	16,20,742	14,83,334
	7.62% GOI 2039 (MD 15/09/2039)	43,74,430	12,39,910
	7.73% GOI 2034 (MD 19/12/2034)	24,41,800	11,05,800
	7.95% GOI 2032 (28.08.2032)	32,12,320	-
	8.13% GOI 2045 (MD 22/06/2045)	4,93,500	-
	8.24% GOI 2033 (MD 10/11/2033)	17,06,906	11,91,917
	8.28% GOI (MD 15/02/2032)	5,02,095	-
	8.30% GOI 2040 (MD 02/07/2040)	2,69,680	-
	8.30% GOI 2042 (MD 31/12/2042)	19,54,330	13,06,690
	8.32% GOI (MD 02/08/2032)	14,15,520	3,28,670
	8.33% GOI 2036 (07/06/2036)	26,54,680	12,25,730
	8.83% GOI 2041 (MD 12/12/2041)	7,33,930	6,50,200
	8.97% GOI 2030 (MD 05/12/2030)	7,54,445	12,45,043
	9.20% GOI 2030 (MD 30/09/2030)	45,08,070	47,35,580
	9.23% GOI 2043 (MD 23/12/2043)	2,82,763	-
	8.17% GOI 2044 (MD 01/12/2044)	3,00,530	-
	7.06% GOI 2046 (MD 10/10/2046)	3,72,194	-
iii)	Notional principal amount of forward rate agreement outstanding and not 'highly effective' as at Balance Sheet date	-	-
iv)	Mark-to-market value of forward rate agreement outstanding and not 'highly effective' as at Balance Sheet date	-	-
v)	Loss which would be incurred if counter party failed to fulfil their obligation under agreements	-	-

Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

b) **The fair value mark to market (MTM) gains or losses in respect of Forward Rate Agreement outstanding as at the Balance Sheet date is stated below:**

Sr. No.	Hedging Instrument	Current Year	Previous Year
i)	7.40% GOI 2035 (MD 09/09/2035)	44,000	27,889
ii)	7.62% GOI 2039 (MD 15/09/2039)	(68,016)	(25,602)
iii)	7.73% GOI 2034 (MD 19/12/2034)	33,522	53,010
iv)	7.95% GOI 2032 (28.08.2032)	20,403	-
v)	8.13% GOI 2045 (MD 22/06/2045)	(7,811)	-
vi)	8.24% GOI 2033 (MD 10/11/2033)	40,812	(5,023)
vii)	8.28% GOI (MD 15/02/2032)	22,452	-
viii)	8.30% GOI 2040 (MD 02/07/2040)	389	-
ix)	8.30% GOI 2042 (MD 31/12/2042)	(1,618)	(7,501)
x)	8.32% GOI (MD 02/08/2032)	36,932	16,678
xi)	8.33% GOI 2036 (07/06/2036)	(6,998)	(150)
xii)	8.83% GOI 2041 (MD 12/12/2041)	13,108	16,305
xiii)	8.97% GOI 2030 (MD 05/12/2030)	27,351	8,743
xiv)	9.20% GOI 2030 (MD 30/09/2030)	77,819	(10,344)
xv)	9.23% GOI 2043 (MD 23/12/2043)	16,462	-
xvi)	8.17% GOI 2044 (MD 01/12/2044)	(6,756)	-
xvii)	7.06% GOI 2046 (MD 10/10/2046)	(4,341)	-

c) **Movement in Hedge Reserve**

Sr. No.	Hedging Instrument	Current Year*			Previous Year		
		Realised	Unrealised	Total	Realised	Unrealised	Total
i)	Balance at the beginning of the year	3,157	(4,42,855)	(4,39,698)	(283)	(45,649)	(45,932)
ii)	Add: Changes in the fair value during the Year	(3,46,712)	(3,33,000)	(6,79,712)	-	(3,97,206)	(3,97,206)
iii)	Less: Amounts reclassified to Revenue/ Profit & Loss Account	(20,022)	-	(20,022)	3,440	-	3,440
iv)	Balance at the end of the year	(3,63,578)	(7,75,855)	(11,39,433)	3,157	(4,42,855)	(4,39,698)

* The Guidance note on Hedge accounting dated 1st June 20215 issued by Institute of Chartered Accountants of India specifically provides that any cumulative gain or loss on the hedging instrument that remains recognized directly in the appropriate equity account from the period when the hedge was effective should remain recognized in the equity account until the forecast transaction occurs. In addition, IRDAI regulation on Preparation of Financial Statements and Auditors report of Insurance Companies, 2002 clearly defines the Far value change to reflect only unrealised gains / losses arising due to changes in the fair value of listed equity shares and derivative instruments.

Considering the above guidance and in the absence of any other line item to classify the released gains on Policyholders' Account in the Balance Sheet, the Company has reclassed the cumulative realized gains on forward rate agreements as "Realised Hedge Reserve" under schedule 6 (Reserves and Surplus) of the Financial Statements. The amount under this account shall be recycled to Revenue Account basis the forecasted transaction impacts the Revenue Account. Till such time, the amount reflected as part of Realised Hedge Reserve will not be available for payment of dividends to shareholders.

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

d) Counter Party wise Details

Sr. No.	Hedging Instrument	Current Year	Previous Year
i)	Name of the Counter Party	HSBC Bank/ J.P.Morgan/ Citi Bank/ Credit Suisse/ HDFC Bank	J.P.Morgan / CITI Bank/HSBC Bank
ii)	Hedge Designation	Cash flow hedge	Cash flow hedge
iii)	Likely impact of one percentage change in interest rate (100*PV01)		
	a) Underlying being hedged	Sovereign Bonds	Sovereign Bonds
	b) Derivative	Forward Rate Agreement	Forward Rate Agreement
iv)	Credit Exposure	-	-

23 Claims

The claims settled and remaining unpaid for a period of more than six months as at the balance sheet date amount are 5 cases to ₹ 7,968 (Previous Year 26 cases amounting to ₹ 7,659). Reinsurance recoverable is netted off against claim expenses incurred.

24 Foreign Currency Exposure

The foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:-

	As at 31 Mar 21				As at 31 Mar 20		
	Foreign Currency	Exchange Rate	Amount in Foreign Currency	Amount in rupees	Exchange Rate	Amount in Foreign Currency	Amount in rupees
Advances and other Assets:							
Due from entities carrying on insurance business	USD	73	192	14,058	75	217	16,370
Due from entities carrying on insurance business	EURO	86	392	33,648	83	1,540	1,27,937
Current Liabilities:							
Balance due to other Insurance Companies	USD	73	57	4,183	75	129	9,735

Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

25 Disclosure for Unclaimed Amount of Policyholders

i)

Particulars	Total Amount	AGE-WISE ANALYSIS#						
		0-6 months	7-12 months	13-18 months	19– 24 months	25 – 30 months	31 – 36 months	Beyond 36 Months
Claims settled but not paid to the policyholders/insured's due to any reasons except under litigation from the insured/policyholders	1,76,129	39,374	34,289	49,856	3,273	8,197	4,278	36,862
	(1,29,676)	(70,607)	(3,161)	(7,957)	(4,051)	(7,013)	(3,639)	(33,248)
Sum due to the insured/ policyholders on maturity or otherwise	4,25,964	20,137	1,23,927	1,03,027	42,351	61,413	27,210	47,899
	(4,02,426)	(22,215)	(1,07,610)	(1,39,514)	(51,050)	(30,663)	(7,127)	(44,247)
Any excess collection of the premium/tax or any other charges which is refundable to the policyholders either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Cheques issued but not encashed by the policyholder/ insured	23,41,278	-	2,09,370	1,35,660	1,52,121	1,09,402	90,324	16,44,402
	(24,00,398)	(1,34,510)	(2,26,101)	(1,56,123)	(1,15,430)	(1,00,222)	(1,23,613)	(15,44,399)
Total	**29,43,371**	**59,511**	**3,67,586**	**2,88,543**	**1,97,745**	**1,79,012**	**1,21,812**	**17,29,162**
	(29,32,500)	**(5,23,607)**	**(3,36,872)**	**(3,03,594)**	**(1,70,531)**	**(1,37,898)**	**(1,34,379)**	**(16,21,894)**

Previous year amounts are in brackets.

The cheques issued but not encashed by policyholder/insured category includes ₹ 650,678 pertaining to cheques which are within the validity period but not yet encashed by policyholders as on 31st March 2021 (Previous Year ₹ 296,275). This amount forms a part of bank reconciliation statement and consequently not considered in unclaimed amount of policyholders under Schedule 13 – Current Liabilities.

ii) In accordance with the master circular on unclaimed amount of Policyholers , the company maintains a single segregated fund to manage all unclaimed amounts. The amount is invested in money market instruments, liquid mutual funds and fixed deposits of scheduled banks. The amount in the unclaimed fund has been disclosed in Sch 12 as 'Unclaimed Fund' along with 'Income accrued on unclaimed fund'.

Details given below of Unclaimed amounts and investment income thereon as required by Para no 7 of master circular no. IRDA/F&I/CIR/CLD/114/05/2015 on unclaimed amount of policyholders dated 28th May 2015 further amended by IRDA/F&A/CIR/Misc/173/07/2017.

Particulars	Current Year		Previous Year	
	Current Year	Interest accrued	Policy Dues	Interest accrued
Opening Balance (A)*	25,16,545	4,15,955	24,51,846	3,25,846
Add: Amount Transferred to Unclaimed Amount (B)	15,90,614	-	12,56,453	-
Add: Cheques issued out of the unclaimed amount but not encashed by the policy holders (To be included only when the cheques are stale) (C)	5,899	-	8,302	-
Add: Investment Income (D)	-	1,18,328	-	1,80,455
Less: Amount paid during the year (E)	15,98,083	72,522	11,34,640	72,948
Less: Amount transferred to Senior Citizens Welfare Fund ("SCWF")-(F)	25,140	8,224	65,415	17,399
Closing balance (G=A+B+C+D-E-F)	**24,89,834**	**4,53,537**	**25,16,545**	**4,15,955**

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

26 Provisions

Long Term Incentive Plan

The cost estimate is determined by Actuary after the factoring in assumptions in respect of criteria identified in the Plan which include the following:

1. Employee Attrition Rate
2. Performance Condition
3. Discount Rate

Particulars	Long Term Incentive Plan	
	Current Year	Interest accrued
Opening balance	1,32,888	1,56,652
Additional provision made	1,28,309	1,32,925
Incurred and charged	(44,029)	(1,44,841)
Unused amount reversed *	(7,440)	(11,848)
Closing balance	2,09,728	1,32,888
Nature of obligation	Long Term Incentive	Long Term Incentive
Expected timing	Up to 3 Years	Up to 3 Years

*The unused amount of Long Term Bonus Plan has been credited to “Employees" remuneration, welfare benefit and other manpower costs Schedule 3.

27 Employee benefits

a) Defined Benefit Plans

(i) Gratuity

The Company provides for gratuity, a defined benefit retirement plan covering all employees as at balance sheet date using projected unit credit method. The plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee’s salary and the years of employment with the Company. The gratuity benefit payable is greater of the provisions of the Payment of Gratuity Act, 1972 and the Company’s Gratuity Scheme as mentioned below:

Change in Defined benefit obligations	Current Year	Previous Year
Present value of Defined benefit obligations as at beginning of the year	4,24,673	3,69,248
Service cost	45,164	40,338
Interest cost	21,083	20,512
Liability assumed on acquisition / Settled on divestiture	-	-
Benefits paid	(40,009)	(60,401)
Past service cost	-	-
Actuarial loss due to curtailment	-	-
Actuarial loss on obligations	1,30,811	54,976
Present value of Defined benefit obligations as at end of the year	5,81,721	4,24,673
Reconciliation of present value of the obligation and the fair value of the plan assets		
Opening Fair Value of Plan assets	3,97,072	3,58,746
Contributions by the employer for the year	89,709	79,095
Benefits paid	(40,009)	(60,401)
Expected Return on Plan Assets	21,982	28,159
Liability assumed on acquisition / Settled on divestiture	-	-
Actuarial Gain / (Loss)	33,925	(8,527)
Closing Fair Value of Plan assets	5,02,679	3,97,072
Net asset/ (liability) as at end of the year	(79,044)	(27,601)

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

Change in Defined benefit obligations	Current Year	Previous Year
Cost recognised for the year		
Current service cost	45,164	40,338
Interest cost	21,083	20,512
Expected return on plan assets	(21,982)	(28,159)
Past service cost	-	-
Actuarial (gain) / loss due to curtailment	-	-
Cost of Gratuity for FFS not part of Valuation	-	-
Actuarial (gain) / loss	96,886	63,501
Net gratuity cost	1,41,150	96,192
Transitional Liability expended in Revenue Account	-	-
Investment in Category of Assets (% Allocation)	-	-
Insurer Managed Funds*	100.00%	100.00%
Group Stable Fund	0.00%	0.00%
Group Short Term Debt Fund	0.00%	0.00%
Actuarial assumptions used		
Discount rate	5.75%	5.55%
Rate of return on plan	5.75%	7.65%
Salary escalation rate	7.00%	6.00%

*The amount is invested in Group Secure Fund Plan 1 of Aditya Birla Sun Life Insurance Limited, Gratuity and Group Unit Linked Product (GULP) scheme. Below is the asset allocation of fund.

Asset allocation	Current Year	Previous Year
Debt securities	100.00%	100.00%
Equity and money market	0.00%	0.00%
Total	**100.00%**	**100.00%**

Particulars	2020-21	2019-20	2018-19	2017-18	2016-17
Defined Benefit Obligation	5,81,721	4,24,673	3,69,248	3,33,931	2,95,999
Plan Assets	5,02,679	3,97,072	3,58,746	3,36,566	2,85,738
(Surplus) /Deficit	(79,044)	(27,601)	(10,502)	(2,635)	10,261
Experience adjustment on Plan Liabilities	20,952	31,949	(9,629)	28,544	10,384
Experience adjustment on Plan Assets	33,925	(8,526)	1,501	(2,913)	12,169

The contributions expected to be paid to the plan during the annual period beginning after the balance sheet date is ₹ 47,211 (Previous Year: ₹ 72,447).

(ii) **Accumulated Compensated Absences**

The liability for accumulated compensated absences as at balance sheet date has been calculated by using projected unit credit method. This method takes into account the pattern of availment of leave while in service and qualifying salary on the date of availment of leave.

Present value of obligation for accumulated compensated absences as determined by the Actuary is given below:

Particulars	Current Year	Previous Year
Present value of obligations as at end of the year	1,82,978	1,50,940
Fair value of plan assets	3,79,312	3,30,984
Actuarial assumptions used		
Discount rate	5.75%	5.55%
Salary escalation rate	7.00%	6.00%
Cost recognised during the year	55,256	38,581

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

(iii) **Defined contribution plans**

The Company has recognized the following amounts as expense in the Revenue account;

Particulars	Current Year	Previous Year
Contribution to superannuation fund	2,999	5,530
Contribution to Employee State Insurance Corporation	23,830	30,676
Contribution to National Pension Scheme	8,565	8,900
Contribution to Employees Provident Fund	1,41,650	1,49,102

28 Segment reporting

As per Accounting Standard 17 on 'Segment Reporting' read with the "Preparation of Financial Statements and Auditor's Report of Insurance Companies, Regulations 2002",the Company is required to report segment results separately as Participating non-linked, Non Participating Unit Linked and Non Linked businesses, which are further segmented into Individual Life, Group Life, Group Life Variable, Annuity Individual, Individual Pension, Group Pension, Group Pension Variable and Individual Health businesses. The same is disclosed in Annexure 1.

29 Related Party Disclosure

During the year ended 31st March 2020, the Company has had transactions with related parties as defined in Accounting Standard 18 on "Related Party Disclosures". Related Parties have been identified by the management on the basis of the information available with the Company. Details of related parties with whom, the Company had transactions, nature of the relationship, transactions with them and balances at year-end, are detailed in Annexure 2.

30 Summary of financial statements

A summary of the financial statements as per the formats prescribed by the IRDA in its circular number IRDA/F&A/Cir/232/12/2013 dated 11.12.2013 is provided in Annexure 4.

31 Accounting Ratios

Accounting ratios prescribed by the IRDA in line with Para No 1.3 of Master Circular on Preparation of Financial Statements and Filing Returns of Life Insurance Business vide circular no IRDA/F&A/Cir/232/12/2013 dated 11.12.2013 are provided in Annexure 5.

32 Statement containing names, descriptions, occupations of and directorships held by the persons in charge of management of the business under Section 11 (3) of Insurance Act and the Insurance Laws (Amendment) Act, 2015:

Name	: Mr.Kamlesh Rao
Designation	: Managing Director & CEO
Occupation	: Service
Directorships Held during the year	
Director in	: Aditya Birla Sun Life Insurance Company Limited – Appointed w.e.f. 19/08/2019
	: Aditya Birla Sun Life Pension Management Limited - Appointed w.e.f. 18/10/2019
Name	: Mr. Pankaj Razdan
Designation	: Managing Director & CEO upto 05/08/2019
Occupation	: Service
Directorships Held during the year	
Director in	: Aditya Birla Sun Life AMC Limited – ceased w.e.f 08/07/2019
	: Aditya Birla Sun Life Insurance Company Limited – ceased w.e.f 05/08/2019
	: Aditya Birla Sun Life Pension Management Limited – ceased w.e.f 08/07/2019
Name of the Firm	: Razdan Holding LLP - Designated Partner
	: I-Student Accommodations LLP - Body Corporate DP Nominee

Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

33 Penalty

As required by Para 2.9.5 'Information on Penal Action taken on an Insurer under IRDAI Circular reference: IRDA/F&A/CIR/232/12/2013 dated 11th December 2013 Master Circular on Preparation of Financial Statements and Filing Returns of Life Insurance Business, the details of various penal actions taken by various Government Authorities for the financial year 2020-21 are mentioned below:-

Sr. No.	Authority	Amount in ₹ Non-Compliance/ Violation	Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority				
2	GST/Service Tax Authorities				
3	Income Tax Authorities				
4	Any other Tax Authorities				
5	Enforcement Directorate/Adjudicating Authority/ Tribunal or any Authority under FEMA				
6	Registrar of Companies/ NCLT/ CLB / Department of Corporate Affairs or any Authority under Companies Act, 2013		₹ Nil (₹ Nil)#		
7	Penalty awarded by any Court/ tribunal for any matter including claim settlement but excluding compensation				
8	Securities and Exchange Board of India				
9	Competition Commission of India				
10	Any other Central/ State/ Local Government/ Statutory Authority				

Previous year amounts if applicable for any category have been mentioned in brackets.

34 Disclosures relating to controlled Fund

As required by circular no. IRDA/F&I/CIR/F&A/045/03/2010 dated 17th March 2010, the details of controlled fund for the financial year 2020-2021 and 2019-2020 are mentioned below:-

a) Statement Showing Controlled Fund

Particulars	Current Year	Previous Year
Computation of Controlled fund as per the Balance Sheet		
Policyholders' Fund (Life Fund)		
Participating		
Individual Assurance	4,81,32,436	3,52,64,387
Individual Pension	-	-
Any other (Pl. Specify)	-	-
Non-participating		
Individual Assurance	11,01,22,406	8,50,79,446
Group Assurance	2,35,07,788	1,76,08,438
Group Life Variable	83,70,557	69,52,020
Individual Pension	3,53,952	4,35,017
Individual Annuity	30,19,647	21,25,157
Group Pension	1,61,49,978	1,34,40,404
Group Pension Variable	1,50,05,283	1,01,59,949
Health	2,01,365	1,80,208
Others	-	-
Linked		
Individual Assurance	19,37,80,472	15,67,42,388
Group Assurance	6,65,17,033	5,49,78,661
Individual Pension	77,86,137	68,67,500

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

Particulars	Current Year	Previous Year
Group Superannuation	1,09,57,533	91,89,754
Group Gratuity	-	-
Health	6,32,206	4,71,106
Funds for Future Appropriations	-	1,15,057
Credit/(Debit) Fair Value Change Account		(7,46,127)
Total (A)	**50,71,12,739**	**39,88,63,365**
Shareholders' Fund		
Paid-up Capital	1,90,12,080	1,90,12,080
Reserves & Surpluses	44,15,053	30,03,737
Fair Value Change	5,55,181	(18,009)
Total (B)	**2,39,82,314**	**2,19,97,808**
Borrowings	15,00,000	
Misc. expenses not written off	-	-
(Debit) from P&L A/c.	-	-
Total (C)	**15,00,000**	**-**
Total shareholders' funds (B+C)	**2,54,82,314**	**2,19,97,808**
Controlled Fund (Total (A+B-C))	**53,25,95,053**	**42,08,61,173**

b) Reconciliation of the Controlled Fund from Revenue and Profit & Loss Account

Particulars	Current Year	Previous Year
Opening Balance of Controlled Fund	42,08,61,173	41,34,24,711
Add: Inflow	-	
Income		
Premium Income	9,77,52,242	8,00,99,740
Less: Reinsurance ceded	(29,29,443)	(25,21,715)
Net Premium	9,48,22,799	7,75,78,025
Investment Income	7,75,02,103	39,82,650
Other Income	5,51,736	4,31,177
Funds transferred from Shareholders' Accounts	14,71,731	22,56,820
Total Income	**17,43,48,369**	**8,42,48,672**
Less: Outgo		
(i) Benefits paid (Net)	4,78,45,304	5,54,60,877
(ii) Interim Bonus Paid	67,716	37,828
(iii) Change in Valuation of Liability	10,50,42,359	77,62,862
(iv) Commission	54,28,235	48,24,376
(v) Operating Expenses	1,43,49,633	1,35,58,427
(vi) Provision for Taxation		
(a) FBT	-	-
(b) I.T.	3,90,463	3,35,674
Other Provisions	45,655	2,50,195
Total Outgo	**17,31,69,365**	**8,22,30,239**
Surplus of the Policyholders' Fund	11,79,004	20,18,433
Less: transferred to Shareholders' Account	12,94,061	19,83,040
Net Flow in Policyholders' account	(1,15,057)	35,393
Add: Net income in Shareholders' Fund	10,64,604	10,44,296
Less : Interim Dividend & Dividend distribution tax thereon	-	-
Net In Flow / Outflow	9,49,547	10,79,689
Add: change in valuation Liabilities	10,50,42,359	77,62,862
Add: Increase in Paid up Capital	-	-
Add: Increase in Securities Premium	-	-
Add: Increase in Borrowings	15,00,000	-
Add: Increase in Realised Hedge Reserves non inked policyholder	3,46,712	-
Add: Credit/(Debit) / Fair Value Change Account	38,95,262	(14,06,089)
Closing Balance of Controlled Fund	53,25,95,053	42,08,61,173
As Per Balance Sheet	53,25,95,053	42,08,61,173
Difference, if any	-	-

Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

c) Reconciliation with Shareholders' and Policyholders' Fund

Particulars	Current Year	Previous Year
Policyholders' Funds		
Policyholders' Funds–Traditional-PAR and NON-PAR		
Opening Balance of the Policyholders' Fund	17,12,45,026	14,00,91,625
Add: Surplus of the Revenue Account	-	-
Add: change in valuation Liabilities	5,36,18,386	3,11,53,401
Total	**22,48,63,412**	**17,12,45,026**
As per Balance Sheet	22,48,63,412	17,12,45,026
Difference, if any	-	-
Policyholders' Funds–Linked		
Opening Balance of the Policyholders' Fund	22,83,64,466	25,17,19,612
Add: Surplus of the Revenue Account	(1,15,057)	35,393
Add: change in valuation Liabilities	5,14,23,972	(2,33,90,539)
Total	**27,96,73,381**	**22,83,64,466**
As per Balance Sheet	27,96,73,381	22,83,64,466
Difference, if any	-	-
Shareholders' Funds		
Opening Balance of Shareholders' Fund	2,19,97,808	2,09,97,855
Add: net income of Shareholders' account (P&L)	10,64,604	10,44,296
Add: Infusion of Capital	-	-
Add: Credit/ (Debit)/ Fair Value Change Account	5,73,190	(44,343)
Add: Realised Hedge Reserves non inked policyholder	3,46,712	
Less: Interim Dividend/Proposed and final & Dividend distribution tax thereon	-	-
Closing Balance of the Shareholders' fund	2,39,82,314	2,19,97,808
As per Balance Sheet	2,39,82,314	2,19,97,808
Difference, if any	-	-
Includes Funds for Future Appropriations		

35 Debit balance in Profit & Loss account

In accordance with IRDA (preparation of Financial Statements and Auditors' Reports of Insurance Companies) Regulation 2002 and the Insurance Laws (Amendment) Act, 2015, debit balance in Profit and Loss account carried to the Balance Sheet has been shown as deduction from General reserve to the extent of ₹NIL as at 31st March 2021 (as at 31st March 2020 ₹ 85,338) and the balance of ₹NIL at 31st March 2021 (as at 31st March 2020 NIL) is shown in Balance Sheet under application of funds.

36 Bonus paid to participating Policyholders

The Bonus to participating policyholders, for current year as recommended by Appointed Actuary has been included in change in valuation of liabilities against policies in force.

37 Transfer to and from Revenue account (Policyholder's account)

Disclosure in line with Para No 2.6 of Master Circular on preparation of Financial Statements and filing Returns of Life Insurance Business vide Circular No IRDA /F&A/Cir/232/12/2013 dated 11.12.2013

The Board of Director of the Company has noted that contribution from shareholder account to policyholder is ₹14,71,331 (Previous year ₹18,32,020) and the same has been charged to shareholders’ account. The board has recommended that the same would be subjected to approval of the shareholders of the Company at the ensuing annual general meeting. The transfer amount is irreversible in nature and will not be recouped to the shareholder at any point of time in future.

Shareholders’ contribution of ₹18,32,020/- to the Policyholders’ account for the previous year has been approved by shareholders at the Annual General Meeting held on 25th August 2020

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

38 Long term Contracts

The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law / accounting standards for material foreseeable losses on such long term contracts has been made in the books of account.

For insurance contracts reliance has been placed on the Appointed Actuary for actuarial valuation of liabilities for policies in force. The Appointed Actuary has confirmed that the assumptions used in valuation of liabilities for policies in force are in accordance with the guidelines and norms issued by the Insurance Regulatory and Development Authority of India ("IRDA") and the Institute of Actuaries of India in concurrence with the IRDA.

39 Pending Litigations

The Company's pending litigations comprise of claims against the Company primarily by the customers and proceedings pending with Income Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results. Refer Note 3 for details on contingent liabilities. In respect of litigations, where the management assessment of a financial outflow is probable, the Company has made a provision of ₹ 108,456 as at 31st March 2021. (Previous year ₹ 109,494).

40 Amount spent on Corporate Social Responsibility

Expenditure related to Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof :

Particulars	In Cash		Yet to be paid in Cash		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
a) Gross Amount Required to be spent	28,450	27,685	-	-	28,450	27,685
b) Amount Spent During the year on:						
i. Construction/acquisition of any assets	-	-	-	-	-	-
ii. Purpose other than i above	28,967	27,685	-	-	28,967	27,685

41 Remuneration paid to statutory auditors/internal auditor or its associates for services other than statutory/internal audit are disclosed below:

Name of Auditor	Nature of work	Current Year	Previous Year
S.B.Billimoria & Co.	Towards Group reporting pack (Sch 3A)	1,125	1,125
Haribhakti & Co. LLP	Towards Group reporting pack (Sch 3A)	1,125	1,125
S.B.Billimoria & Co.	Certification fees (Sch 3)	620	360
Haribhakti & Co. LLP	Certification fees (Sch 3)	275	360
Aneja Associates*	Professional Fees	-	1,460

* Internal auditor till FY 20

42 Payment of sitting fees to independent directors

Sitting Fees paid to independent directors in the current year is ₹ 1,085 (Previous Year: ₹ 1,005).

43 Limits on Expense of Management (Section. 40B of the Insurance Law (Amendment) Act, 2015

In accordance with IRDAI notification dated 9th May, 2016 bearing reference no IRDAI/Reg/14/126/2016, the Company has worked out Expense of Management by considering allowance at 100% (Previous year 100%) on segment basis to ascertain the excess thereof which has been borne by the shareholders. Accordingly, amount aggregating ₹ 400 (Previous year ₹ 4,24,800) has been shown as "Contribution from Shareholders Account towards Excess EoM", as Income under Revenue Account under and "Contribution to Policyholders Account towards Excess EoM" , as expense under Profit & Loss Account.

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

44 Employee Stock Option Plan

Pursuant to ESOP Plan being established by the holding company (i.e. Aditya Birla Capital Limited), stock options were granted to the employees of the Company during the financial year. Total cost incurred by the holding company till date is being recovered from the Company over the period of vesting. Accordingly, a sum of ₹ 21,750 (Previous year ₹19,953) has been recovered by the Company during the year on account of exit employees, which has been recorded in the Statement of Profit and Loss. The balance sum of ₹ 36,226 (Previous year Rs 67,577) will be recovered from the company in future periods.

45 Diminution in the value of Investments.

In accordance with impairment policy of the company, diminution in value of investments has been recognised under the head "provision for diminution in the value of investments (Net)" in the revenue account and profit and loss account. The total impairment loss recognised for year ended 31st March 2021 is ₹ 45,818 (Previous Year ₹ 2,50,358) in revenue account and Rs NIL (Previous Year Rs 48,276) in profit and loss account.

46 The Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

According to the information available with the management, on the basis of the intimation received from the suppliers, regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the company has no amounts due to Micro and Small Enterprises under the said Act as at 31st March 2021 (Previous Year : ₹ Nil).This based on the information available with the Company which has been relied upon by the auditors.

47 Provision for Standard and Non-Standard Assets

Provision for standard assets is made In line with the 'Guidelines on Prudential norms for income recognition, Asset classification, Provisioning and other related matters in respect of Standard Assets as specified by IRDAI vide the Master Circular dated 3rd May 2017. During the year, there is a provision reversal on standard assets recognised in Revenue Account amounting to ₹ 163 (Previous year reversal of provision of ₹163) and oustanding balance of provision as on 31st March 2021 is of ₹ 790(Previous year ₹ 953) as required under IRDAI (Investment) Regulations 2016.

48 Provision for tax

During the year, the Company has made provision for tax (net) amounting to ₹390,463 (Previous year ₹335,674) charged to the Revenue Account and ₹1,14,876 (Previous Year ₹NIL) charged to Profit and Loss Account in accordance with the Income Tax Act, 1961 and Rules and Regulations there under as applicable to the Company.

49 COVID-19 Disclosure

The Company has assessed the impact of second wave of COVID-19 on its operations as well its financial statements for valuation of policy liabilities and solvency, for the year ended 31st March 2021. In the last quarter of 2020-21, the COVID claims were on the fall but, there is resurgence COVID's second wave and it may lead to rise in COVID claims in 2021-22. However, with strong vaccinations drive as well as gradual development of herd immunity, we believe COVID infection will be contained. In view of this we feel the COVID claims will not be more detrimental than for FY'21 and hence, we have kept the provision of ₹ 57.5 Cr exclusively towards COVID claims. Further, there have been no material changes in the controls or processes followed in the financial statement closing process of the Company. The impact of COVID-19 in the future may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

50 Terms of Borrowings

(A) Gist of the terms of issue are as follows:

Type, Nature and Seniority of Instrument	Unsecured, subordinated, unlisted, redeemable and non-convertible debentures
Issue Size	₹15,00,000
Issue Date / Date of Allotment	20.01.2021
Redemption Date	20.01.2031
Call option Date	20.01.2026
Coupon Rate	7.30% per annum
Frequency of the Interest Payment	Annual

(B) Maturity Pattern from the date of issue:

Maturity Buckets	Borrowings
1 to 5 years	-
Above 5 years	₹15,00,000

(C) Debenture Redemption Reserve:

As per the Companies (Share Capital & Debentures) Amendment Rules, 2019, Rule 18, sub rule 7(b)(iv)(B) issued on 16th August 2019, unlisted companies are required to create DRR at 10% of the value outstanding of the debentures. To comply with the same the company has created debenture redemption reserve (DRR) of ₹1,50,000 (10% of ₹ 15,00,000) in FY 21.

51 The Code on Social Security, 2020

The Indian Parliament has approved the Code on Social security, 2020 (the 'Code') relating to employee benefits during employment and post-employment. The Code has been published in the Gazette of India. The Ministry of Labour and Employment has released draft rules on the Code. The effective date of the Code is yet to be notified. In view of this, impact if any, of the change will be assessed and recognized post notification of relevant provisions."

52 Securities lending and Borrowing Scheme (SLB)

Equity Shares transferred under SLB continues to be recognised on the Balance Sheet as the Company retains all the associated risks and rewards of theses securities. The value of equity shares lent by the Company under SLB and outstanding at 31st March 2021 is ₹ 198,515 (31st March 2020 is ₹Nil).

Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

53 Previous year comparatives:

Previous year amounts have been reclassified, wherever necessary and to the extent possible, to conform to current year's classification.

Sr. No.	Regrouped from	Amount	Regrouped to	Reason
1	Sch 3 - Others - c) Recruitment and seminar expenses	15,038	Sch 3 - Employees' remuneration and welfare benefits	Joining Expenses regrouped for better presentation
2	Sch 3 - Employees' remuneration and welfare benefits	19,633	Revenue Account - Other Income - (c) Others (profit on sale of liquid funds, interest etc.)	In line with other accounting presentation followed for employee benefit schemes, gratuity is also grossed up
3	Sch 13 - Others - (b) - Due to Policyholders	30,429	Sch 13 - Unallocated premiums	Amount relating to unallocated premium pertaining to any changes in a policy reclassified for correct presentation
4	Sch 12 - Advances - Others - b) Gratuity and Advances to Employees	2,149	Sch 12 - Advances - Others - c) Other Advances	Advance for NSE-IT Ltd. Exam fees regrouped for better presentation
5	Sch 13 - Others - (c) Taxes Payable	2,40,539	Sch 13 - Others - (c) Statutory Dues Payable	Taxes Payable bifurcated into Statutory dues and GST payable for better presentation
6	Sch 13 - Others - (c) Taxes Payable	42,889	Sch 13 - Others - (d) GST Payable	Taxes Payable bifurcated into Statutory dues and GST payable for better presentation
7	Sch 12 - Advances - Advance tax paid and taxes deducted at source	5,898	Sch 12 - Other Assets - Others - f) Goods and Services tax unutilised credits	Debit balances of GST Payable reclassed from Advance tax to GST for better presentation
8	Sch 12 - Advances - Advance tax paid and taxes deducted at source	23,975	Sch 12 - Advances - Others - c) Other Advances	Debit balances of Statutory dues and TDS payable reclassed from Advance tax to other advances for better presentation
9	Sch 13 - Sundry creditors	23,469	Sch 12 - Other Assets - Due from other entities carrying on insurance business (including reinsures) - Provision	Provision for reinsurer receivables reclassed to Sch 12 for better presentation

For and on behalf of the Board of Directors

Ajay Srinivasan
Chairman
(DIN: 00121181)

Sandeep Asthana
Director
(DIN: 00401858)

Pinky Mehta
Director
(DIN: 00020429)

Kamlesh Rao
Managing Director & CEO
(DIN: 07665616)

Amit Jain
Chief Financial Officer

Ajay Kanth
Company Secretary

Anil Kumar Singh
Chief Actuarial Officer & Appointed Actuary

Mumbai, 27th April 2021

Annexure - 1
(Amount in thousands of Indian Rupees)

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2021

Particulars	Linked Business					Non-Linked									
	Individual Life	Group Life	Pension Individual	Group Pension	Health Individual	Individual Life	Group Life	Group Life Variable	Pension Individual	Annuity Individual	Group Pension	Group Pension Variable	Health Individual	Par Non Linked Individual Life	Total
Premium earned-net															
(a) Premium	2,17,08,752	86,20,981	9,10,367	6,74,724	37,752	3,24,18,410	91,45,314	27,77,529	12,438	10,91,039	17,66,018	44,57,420	70,367	1,40,61,131	9,77,52,242
(b) Reinsurance ceded	(6,74,467)	(607)	(179)	-	(3,022)	(9,05,343)	(12,81,381)	-	-	-	-	-	(21,599)	(42,845)	(29,29,443)
(c) Reinsurance accepted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-Total	**2,10,34,285**	**86,20,374**	**9,10,188**	**6,74,724**	**34,730**	**3,15,13,067**	**78,63,933**	**27,77,529**	**12,438**	**10,91,039**	**17,66,018**	**44,57,420**	**48,768**	**1,40,18,286**	**9,48,22,799**
Income from Investments															
(a) Interest, Dividend & Rent–Gross	74,82,628	36,52,478	3,50,041	5,45,027	30,325	66,99,158	15,46,132	5,94,430	21,872	1,79,560	11,49,437	9,28,443	628	27,32,401	2,59,12,560
(b) Profit on sale / redemption of investments	1,82,61,272	20,75,880	6,53,781	5,48,909	65,604	6,16,945	59,150	67,393	264	-	47,383	46,948	4	4,59,119	2,29,02,652
(c) (Loss) on sale / redemption of investments	(58,24,105)	(4,43,024)	(1,41,890)	(1,09,966)	(15,349)	(1,82,115)	(62,778)	(30,045)	(33)	-	(23,335)	(27,728)	(7)	(1,69,592)	(70,29,967)
(d) Transfer /Gain (Loss) on revaluation / change in Fair value*	3,04,85,411	34,13,689	9,98,504	9,16,349	1,38,397	(2,35,492)	-	-	-	-	-	-	-	-	3,57,16,858
Sub-Total	**5,04,05,206**	**86,99,023**	**18,60,436**	**19,00,319**	**2,18,977**	**68,98,496**	**15,42,504**	**6,31,778**	**22,103**	**1,79,560**	**11,73,485**	**9,47,663**	**625**	**30,21,928**	**7,75,02,103**
Other Income															
(a) Contribution from the Shareholders' Account	-	-	-	-	-	9,68,740	2,00,845	-	-	-	-	-	-	3,01,746	14,71,331
(b) Contribution from Shareholders Account towards Excess EoM	-	-	-	-	-	-	-	-	-	-	-	-	400	-	400
(c) Others (Interest etc)	80,173	9,760	1,115	817	65	2,87,307	11,428	2,966	41	1,162	1,876	4,871	360	1,49,795	5,51,736
Sub-Total	**80,173**	**9,760**	**1,115**	**817**	**65**	**12,56,047**	**2,12,273**	**2,966**	**41**	**1,162**	**1,876**	**4,871**	**760**	**4,51,541**	**20,23,467**
TOTAL (A)	**7,15,19,664**	**1,73,29,157**	**27,71,739**	**25,75,860**	**2,53,772**	**3,96,67,610**	**96,18,710**	**34,12,273**	**34,582**	**12,71,761**	**29,41,379**	**54,09,954**	**50,153**	**1,74,91,755**	**17,43,48,369**
Commission	9,30,087	3,327	34,136	40	1,202	30,73,606	1,42,030	-	196	20,897	-	889	5,427	12,16,398	54,28,235
Operating Expenses related to Insurance Business	31,09,616	1,23,110	35,850	15,914	3,758	76,52,183	4,08,756	15,663	337	5,921	5,574	42,386	19,287	17,73,421	1,32,11,776
Provision for doubtful debts	76	-	3	-	-	251	12	-	-	2	-	-	-	99	443
Bad Debts written off	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision for Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	3,90,463	3,90,463
Provision (other than taxation)															
(a) For diminution in the value of investment (Net)	-	-	-	-	-	28,534	-	-	-	-	-	-	-	17,284	45,818
(b) Others–Provision for standard and non standard assets	-	-	-	-	-	(163)	-	-	-	-	-	-	-	-	(163)
Goods and Services Tax on Charges	9,51,973	1,11,671	49,867	17,040	6,863	-	-	-	-	-	-	-	-	-	11,37,414
TOTAL (B)	**49,91,752**	**2,38,108**	**1,19,856**	**32,994**	**11,823**	**1,07,54,411**	**5,50,798**	**15,663**	**533**	**26,820**	**5,574**	**43,275**	**24,714**	**33,97,665**	**2,02,13,986**
Benefits paid (Net)	2,94,55,347	54,37,090	15,84,115	7,08,219	39,716	37,87,366	31,37,706	16,84,013	1,16,301	1,79,482	1,08,629	4,43,002	5,993	11,58,325	4,78,45,304
Interim Bonuses Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	67,716	67,716
Change in valuation of liability against life policies in force															
(a) Gross **	(1,73,441)	(30,552)	19,043	(7,716)	19,996	2,63,36,776	60,49,022	14,18,537	(1,00,128)	8,94,490	27,17,290	48,45,334	(5,424)	1,29,18,380	5,49,01,607
(b) (Amount ceded in Re-insurance)	90,568	(304)	20	-	190	(12,10,943)	(1,18,816)	-	-	-	-	-	6,395	(50,331)	(12,83,221)
(c) Amount accepted in Re-insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d) Fund Reserve	3,41,84,312	1,15,38,372	10,13,395	17,67,779	1,61,099	-	-	-	-	-	-	-	-	-	4,86,64,957
(e) Fund Reserve - PDF	28,53,775	-	(94,759)	-	-	-	-	-	-	-	-	-	-	-	27,59,016
TOTAL (C)	**6,64,10,561**	**1,69,44,606**	**25,21,814**	**24,68,282**	**2,21,001**	**2,89,13,199**	**90,67,912**	**31,02,550**	**16,173**	**10,73,972**	**28,25,919**	**52,88,336**	**6,964**	**1,40,94,090**	**15,29,55,379**
Surplus/ (Deficit) (D) = (A) - (B) - (C)	**1,17,351**	**1,46,443**	**1,30,069**	**74,584**	**20,948**	**-**	**-**	**2,94,060**	**17,876**	**1,70,969**	**1,09,886**	**78,343**	**18,475**	**-**	**11,79,004**
Appropriations															
Transfer to Shareholders Account	2,26,903	1,46,443	1,35,574	74,584	20,948	-	-	2,94,060	17,876	1,70,969	1,09,886	78,343	18,475	-	12,94,061
Transfer to Other Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance being Funds for Future Appropriations	(1,09,552)	-	(5,505)	-	-	-	-	-	-	-	-	-	-	-	(1,15,057)
TOTAL (D)	**1,17,351**	**1,46,443**	**1,30,069**	**74,584**	**20,948**	**-**	**-**	**2,94,060**	**17,876**	**1,70,969**	**1,09,886**	**78,343**	**18,475**	**-**	**11,79,004**
The total surplus as mentioned below :															
(a) Interim Bonuses Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	66,330	66,330
(b) Terminal Bonus Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	1,386	1,386
(c) Allocation of Bonus to policyholders	-	-	-	-	-	-	-	-	-	-	-	-	-	26,24,434	26,24,434
(d) Surplus/(Deficit) shown in the Revenue Account	1,17,351	1,46,443	1,30,069	74,584	20,948	-	-	2,94,060	17,876	1,70,969	1,09,886	78,343	18,475	-	11,79,004
(e) Total Surplus : {a+b+c+d}	**1,17,351**	**1,46,443**	**1,30,069**	**74,584**	**20,948.00**	**-**	**-**	**2,94,060**	**17,876**	**1,70,969**	**1,09,886**	**78,343**	**18,475**	**26,92,150**	**38,71,154**

*Represents the deemed realised gain as per norms specified by the Authority.

**Represents Mathematical Reserves after allocation of bonus.

Annexure - 1

(Amount in thousands of Indian Rupees)

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2020

Particulars	Linked Business					Non-Linked									Total
	Individual Life	Group Life	Pension Individual	Group Pension	Health Individual	Individual Life	Group Life	Group Life Variable	Pension Individual	Annuity Individual	Group Pension	Group Pension Variable	Health Individual	Par Non Linked Individual Life	
Premium earned-net															
(a) Premium	1,98,24,746	93,98,524	6,72,212	11,91,015	48,057	2,42,06,932	55,42,565	12,00,280	12,568	7,64,275	1,01,036	33,75,207	79,958	1,36,82,365	8,00,99,740
(b) Reinsurance ceded	(5,33,951)	(184)	(197)	-	(3,055)	(7,71,657)	(11,60,887)	-	-	-	-	-	(23,019)	(28,765)	(25,21,715)
(c) Reinsurance accepted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-Total	**1,92,90,795**	**93,98,340**	**6,72,015**	**11,91,015**	**45,002**	**2,34,35,275**	**43,81,678**	**12,00,280**	**12,568**	**7,64,275**	**1,01,036**	**33,75,207**	**56,939**	**1,36,53,600**	**7,75,78,025**
Income from Investments															
(a) Interest, Dividend & Rent - Gross	84,99,640	30,54,019	3,94,814	6,08,091	28,764	51,96,353	13,91,178	5,90,488	23,146	1,35,738	10,41,732	6,59,489	416	20,46,590	2,36,70,458
(b) Profit on sale / redemption of investments	1,04,42,260	11,61,971	3,98,848	4,36,072	50,425	3,56,723	47,988	53,752	892	2,364	34,521	15,093	24	79,578	1,30,80,511
(c) (Loss) on sale / redemption of investments	(62,59,290)	(2,82,580)	(1,43,743)	(1,08,077)	(13,521)	(31,575)	(24,850)	(40,848)	-	-	(21,507)	(577)	(1)	(24,062)	(69,50,631)
(d) Transfer /Gain (Loss) on revaluation / change in Fair value*	(2,28,46,291)	(12,22,255)	(7,31,233)	(7,18,976)	(1,09,738)	(1,89,195)	-	-	-	-	-	-	-	-	(2,58,17,688)
Sub-Total	**(1,01,63,681)**	**27,11,155**	**(81,314)**	**2,17,110**	**(44,070)**	**53,32,306**	**14,14,316**	**6,03,392**	**24,038**	**1,38,102**	**10,54,746**	**6,74,005**	**439**	**21,02,106**	**39,82,650**
Other Income															
(a) Contribution from the Shareholders' Account	-	43,935	-	-	-	14,28,715	-	-	-	-	24,751	11,703	-	3,22,916	18,32,020
(b) Contribution from Shareholders Account towards Excess EoM	-	-	-	-	-	2,78,888	14,812	-	-	-	-	-	-	1,31,100	4,24,800
(c) Others (Interest etc)	87,247	21,280	1,531	2,701	118	1,92,124	12,523	2,719	38	1,685	255	7,624	417	1,20,551	4,50,813
Sub-Total	**87,247**	**65,215**	**1,531**	**2,701**	**118**	**18,99,727**	**27,335**	**2,719**	**38**	**1,685**	**25,006**	**19,327**	**417**	**5,74,567**	**27,07,633**
TOTAL (A)	**92,14,361**	**1,21,74,710**	**5,92,232**	**14,10,826**	**1,050**	**3,06,67,308**	**58,23,329**	**18,06,391**	**36,644**	**9,04,062**	**11,80,788**	**40,68,539**	**57,795**	**1,63,30,273**	**8,42,68,308**
Commission	8,63,836	11,852	15,126	3,216	1,572	22,96,821	1,33,095	-	127	14,535	-	1,322	8,714	14,74,160	48,24,376
Operating Expenses related to Insurance Business	24,27,205	2,00,996	20,960	26,614	4,425	65,41,574	3,36,008	25,872	444	5,380	7,933	68,105	19,663	27,75,999	1,24,61,178
Provision for doubtful debts	(9)	-	-	-	-	(20)	(1)	-	-	-	-	-	-	(13)	(43)
Bad Debts written off	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision for Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	3,35,674	3,35,674
Provision (other than taxation)															
(a) For diminution in the value of investment (Net)	-	-	-	-	-	1,50,851	10,721	-	-	-	38,786	-	-	50,000	2,50,358
(b) Others - Provision for standard and non standard assets	-	-	-	-	-	(163)	-	-	-	-	-	-	-	-	(163)
Goods and Services Tax on Charges	9,73,835	88,969	28,794	18,507	6,823	-	-	-	-	-	-	-	-	-	11,16,928
TOTAL (B)	**42,64,867**	**3,01,817**	**64,880**	**48,337**	**12,820**	**89,89,063**	**4,79,823**	**25,872**	**571**	**19,915**	**46,719**	**69,427**	**28,377**	**46,35,820**	**1,89,88,308**
Benefits paid (Net)	3,34,56,845	48,92,419	17,84,523	4,16,512	37,901	18,43,881	65,69,786	22,92,246	41,205	2,20,625	12,13,770	18,44,445	(26,741)	8,73,460	5,54,60,877
Interim Bonuses Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	37,828	37,828
Change in valuation of liability against life policies in force															
(a) Gross **	(96,042)	7,073	(5,614)	411	25,340	2,11,95,227	(14,26,578)	(5,50,411)	(31,753)	6,01,579	(79,701)	21,54,667	1,794	1,07,80,374	3,25,76,366
(b) (Amount ceded in Re-insurance)	68,522	32	2	-	594	(13,60,863)	(1,35,449)	-	-	-	-	-	1,406	2,791	(14,22,965)
(c) Amount accepted in Re-insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d) Fund Reserve	(3,07,70,160)	69,73,369	(12,33,611)	8,58,948	(85,907)	-	-	-	-	-	-	-	-	-	(2,42,57,361)
(e) Fund Reserve–PDF	9,69,290	-	(1,02,468)	-	-	-	-	-	-	-	-	-	-	-	8,66,822
TOTAL (C)	**36,28,455**	**1,18,72,893**	**4,42,832**	**12,75,871**	**(22,072)**	**2,16,78,245**	**50,07,759**	**17,41,835**	**9,452**	**8,22,204**	**11,34,069**	**39,99,112**	**(23,541)**	**1,16,94,453**	**6,32,61,567**
Surplus/ (Deficit) (D) = (A) - (B) - (C)	**13,21,039**	**-**	**84,520**	**86,618**	**10,302**	**-**	**3,35,747**	**38,684**	**26,621**	**61,943**	**-**	**-**	**52,959**	**-**	**20,18,433**
Appropriations															
Transfer to Shareholders Account	12,88,957	-	81,209	86,618	10,302	-	3,35,747	38,684	26,621	61,943	-	-	52,959	-	19,83,040
Transfer to Other Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance being Funds for Future Appropriations	32,082	-	3,311	-	-	-	-	-	-	-	-	-	-	-	35,393
TOTAL (D)	**13,21,039**	**-**	**84,520**	**86,618**	**10,302**	**-**	**3,35,747**	**38,684**	**26,621**	**61,943**	**-**	**-**	**52,959**	**-**	**20,18,433**
The total surplus as mentioned below :															
(a) Interim Bonuses Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	36,450	36,450
(b) Terminal Bonus Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	1,378	1,378
(c) Allocation of Bonus to policyholders	-	-	-	-	-	-	-	-	-	-	-	-	-	25,53,162	25,53,162
(d) Surplus/(Deficit) shown in the Revenue Account	13,21,039	-	84,520	86,618	10,302	-	3,35,747	38,684	26,621	61,943	-	-	52,959	-	20,18,433
(e) Total Surplus : {a+b+c+d}	**13,21,039**	**-**	**84,520**	**86,618**	**10,302**	**-**	**3,35,747**	**38,684**	**26,621**	**61,943**	**-**	**-**	**52,959**	**25,90,990**	**46,09,423**

*Represents the deemed realised gain as per norms specified by the Authority.

**Represents Mathematical Reserves after allocation of bonus.

Annexure - 1

(Amount in thousands of Indian Rupees)

BALANCE SHEET AS AT 31ST MARCH 2021

Particulars	Linked Business					Non-Linked										
	Individual Life	Group Life	Pension Individual	Group Pension	Health Individual	Individual Life	Group Life	Group Life Variable	Pension Individual	Annuity Individual	Group Pension	Group Pension Variable	Health Individual	Par Non Linked Individual Life	Shareholders Fund	Total
Sources of Funds																
Shareholders' Funds:																
Share Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,90,12,080	1,90,12,080
Reserves and Surplus	-	-	-	-	-	3,46,712	-	-	-	-	-	-	-	-	40,68,341	44,15,053
Credit/(Debit) / Fair Value Change Account	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,55,181	5,55,181
Sub-Total	-	-	-	-	-	3,46,712	-	-	-	-	-	-	-	-	2,36,35,601	2,39,82,314
Borrowings	-	-	-	-	-	-	-	-	-	-	-		-	-	15,00,000	15,00,000
Policyholders' Funds:																
Credit/(Debit) Fair Value Change Account	-	-	-	-	-	18,59,940	1,27,076	9,042	6,138	-	20,558	(16,110)	18	5,69,285	-	25,75,946
Policy Liabilities	31,46,409	43,472	1,12,625	7,346	1,92,075	10,69,75,997	2,34,64,316	83,70,557	2,41,327	30,19,647	1,61,42,632	1,50,05,283	9,290	4,81,32,436	-	22,48,63,412
Insurance Reserves	-	-	-			-	-		-	-			-	-	-	-
Provision for Linked Liabilities	16,20,53,009	6,27,56,411	62,23,657	1,00,96,143	5,44,158	-	-	-	-	-	-	-	-	-	-	24,16,73,378
Funds for discontinued policies																
(i) Discontinued on account of non-payment of premium	82,22,812	-	7,20,442	-	-	-	-	-	-	-	-	-	-	-	-	89,43,254
(ii) Others																
Credit/(Debit) Fair Value Change Account (Linked)	2,35,04,651	37,60,622	8,42,038	8,61,390	88,048	-	-	-	-	-	-	-	-	-	-	2,90,56,749
Total Linked Liabilities	19,37,80,472	6,65,17,033	77,86,137	1,09,57,533	6,32,206	-	-	-	-	-	-	-	-	-	-	27,96,73,381
Sub-Total	19,69,26,881	6,65,60,505	78,98,762	1,09,64,879	8,24,281	10,88,35,937	2,35,91,392	83,79,599	2,47,465	30,19,647	1,61,63,190	1,49,89,173	9,308	4,87,01,721	15,00,000	50,86,12,739
Funds for Future Appropriation																
- Linked Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**19,69,26,881**	**6,65,60,505**	**78,98,762**	**1,09,64,879**	**8,24,281**	**10,91,82,649**	**2,35,91,392**	**83,79,599**	**2,47,465**	**30,19,647**	**1,61,63,190**	**1,49,89,173**	**9,308**	**4,87,01,721**	**2,51,35,601**	**53,25,95,053**
Application of Funds																
Investments																
Shareholders'	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,44,45,514	2,44,45,514
Policyholders'	28,12,103	56,922	92,024	5,992	1,65,639	10,54,18,632	2,40,77,108	82,71,957	2,56,899	27,91,605	1,61,47,953	1,48,06,563	10,899	4,71,17,697	-	22,20,31,995
Assets Held to Cover Linked Liabilities	19,37,80,472	6,65,17,033	77,86,137	1,09,57,533	6,32,206	-	-	-	-	-	-	-	-	-	-	27,96,73,381
Loans	4,03,747	-	-	-	-	12,88,551	-	-	-	-	-	-	-	4,57,163	-	21,49,461
Fixed Assets	2,15,538	85,594	9,039	6,699	375	3,21,870	90,800	27,577	123	10,833	17,534	44,256	699	1,39,608	-	9,70,545
Current Assets																
Cash and Bank Balances	12,05,647	1,55,890	62,402	17,127	1,706	15,90,696	(4,90,835)	24,820	(1,34,448)	94,304	(2,52,998)	455	984	2,29,851	48,555	25,54,156
Advances and Other Assets*	12,71,011	3,16,051	(3,24,678)	25,812	5,245	67,64,158	6,91,164	2,82,470	6,361	1,00,931	5,62,391	4,88,420	34,655	26,25,020	5,98,474	1,34,47,485
Inter fund Assets**	13,89,363	84,698	4,88,458	13,066	47,081	-	2,27,592	-	48,506	89,851	-	-	-	-	43,845	24,32,460
Sub-Total (A)	38,66,021	5,56,639	2,26,182	56,005	54,032	83,54,854	4,27,921	3,07,290	(79,581)	2,85,086	3,09,393	4,88,875	35,639	28,54,871	6,90,874	1,84,34,101
Current Liabilities	39,34,601	5,69,746	2,05,545	54,624	27,595	37,86,812	9,13,273	1,76,087	(70,148)	57,001	1,09,068	2,86,821	30,377	14,09,279	-	1,14,90,681
Provisions	2,16,400	85,937	9,075	6,726	376	3,23,158	91,164	27,687	124	10,876	17,604	44,433	701	3,51,755	787	11,86,803
Inter fund liability**	-	-	-	-	-	20,91,288	-	23,451	-	-	1,85,018	19,267	6,851	1,06,584	-	24,32,460
Sub-Total (B)	41,51,001	6,55,683	2,14,620	61,350	27,971	62,01,258	10,04,437	2,27,225	(70,024)	67,877	3,11,690	3,50,521	37,929	18,67,618	787	1,51,09,944
Net Current Assets (C) = (A-B)	**(2,84,979)**	**(99,044)**	**11,562**	**(5,345)**	**26,061**	**21,53,596**	**(5,76,516)**	**80,065**	**(9,557)**	**2,17,209**	**(2,297)**	**1,38,354**	**(2,290)**	**9,87,253**	**6,90,087**	**33,24,157**
Miscellaneous Expenditure (To the extent not written off or Adjusted)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debit Balance in Profit and Loss Account (Shareholders' Account)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**19,69,26,881**	**6,65,60,505**	**78,98,762**	**1,09,64,879**	**8,24,281**	**10,91,82,649**	**2,35,91,392**	**83,79,599**	**2,47,465**	**30,19,647**	**1,61,63,190**	**1,49,89,173**	**9,308**	**4,87,01,721**	**2,51,35,601**	**53,25,95,053**

*Advances and other assets allocated to shareholders' include tax assets.

** Inter fund asset/liability is created to represent receivable/payable between various segments

Refer Schedule 16 note 28.

Annexure - 1

(Amount in thousands of Indian Rupees)

BALANCE SHEET AS AT 31ST MARCH 2020

Particulars	Linked Business					Non-Linked								Par Non Linked Individual Life	Shareholders Fund	Total
	Individual Life	Group Life	Pension Individual	Group Pension	Health Individual	Individual Life	Group Life	Group Life Variable	Pension Individual	Annuity Individual	Group Pension	Group Pension Variable	Health Individual			
Sources of Funds																
Shareholders' Funds:																
Share Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,90,12,080	1,90,12,080
Reserves and Surplus	-	-	-	-	-	-	-	-	-	-	-	-	-	-	30,03,737	30,03,737
Credit/(Debit) / Fair Value Change Account	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(18,009)	(18,009)
Sub-Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2,19,97,808**	**2,19,97,808**
Borrowings	-	-	-	-	-	-	-		-		-		-	-	-	-
Policyholders' Funds:																
Credit/(Debit) Fair Value Change Account	-	-	-	-	-	5,20,577	(1,56,539)	(96,235)	547	-	(1,45,626)	(1,58,306)	(23)	(7,10,522)	-	(7,46,127)
Policy Liabilities	32,29,282	74,328	93,562	15,062	1,71,889	8,18,50,164	1,75,34,110	69,52,020	3,41,455	21,25,157	1,34,25,342	1,01,59,949	8,319	3,52,64,387	-	17,12,45,026
Insurance Reserves	-	-	-			-	-		-	-			-	-	-	-
Provision for Linked Liabilities	15,81,50,477	5,47,25,900	63,50,600	92,68,628	4,65,166	-	-	-	-	-	-	-	-	-	-	22,89,60,771
Funds for discontinued policies																
(i) Discontinued on account of non-payment of premium	53,69,038	-	8,15,201	-	-	-	-	-	-	-	-	-	-	-	-	61,84,239
(ii) Others																
Credit/(Debit) Fair Value Change Account (Linked)	(67,77,127)	2,52,761	(2,98,301)	(78,874)	5,940	-	-	-	-	-	-	-	-	-	-	(68,95,601)
Total Linked Liabilities	15,67,42,388	5,49,78,661	68,67,500	91,89,754	4,71,106	-	-	-	-	-	-	-	-	-	-	22,82,49,409
Sub-Total	**15,99,71,670**	**5,50,52,989**	**69,61,062**	**92,04,816**	**6,42,995**	**8,23,70,741**	**1,73,77,571**	**68,55,785**	**3,42,002**	**21,25,157**	**1,32,79,716**	**1,00,01,643**	**8,296**	**3,45,53,865**	**-**	**39,87,48,308**
Funds for Future Appropriation																
- Linked Liabilities	1,09,552	-	5,505	-	-	-	-	-	-	-	-	-	-	-	-	1,15,057
Total	**16,00,81,222**	**5,50,52,989**	**69,66,567**	**92,04,816**	**6,42,995**	**8,23,70,741**	**1,73,77,571**	**68,55,785**	**3,42,002**	**21,25,157**	**1,32,79,716**	**1,00,01,643**	**8,296**	**3,45,53,865**	**2,19,97,808**	**42,08,61,173**
Application of Funds																
Investments																
Shareholders'	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,30,54,405	2,30,54,405
Policyholders'	28,42,079	59,700	73,772	12,228	1,37,599	7,56,82,534	1,68,23,919	67,67,607	2,79,800	20,52,408	1,30,19,190	99,87,121	6,752	3,22,12,749	-	15,99,57,458
Assets Held to Cover Linked Liabilities	15,67,42,388	5,49,78,661	68,67,500	91,89,754	4,71,106	-	-	-	-	-	-	-	-	-	-	22,82,49,409
Loans	4,29,351	-	-	-	-	9,24,547	-	-	-	-	-	-	-	3,09,043	-	16,62,941
Fixed Assets	2,37,555	1,12,621	8,055	14,272	576	2,90,067	66,416	14,383	151	9,158	1,211	40,445	958	1,63,953	-	9,59,821
Current Assets																
Cash and Bank Balances	13,04,034	6,18,217	44,217	78,343	3,161	15,92,286	3,64,579	78,952	827	50,273	6,646	2,22,015	5,259	581	39,926	44,09,316
Advances and Other Assets*	13,32,974	5,03,833	(3,23,710)	64,679	5,761	61,05,430	3,70,607	2,19,256	7,423	88,086	3,04,784	4,07,864	50,001	30,95,271	8,74,567	1,31,06,826
Sub-Total (A)	**26,37,008**	**11,22,050**	**(2,79,493)**	**1,43,022**	**8,922**	**76,97,716**	**7,35,186**	**2,98,208**	**8,250**	**1,38,359**	**3,11,430**	**6,29,879**	**55,260**	**30,95,852**	**9,14,493**	**1,75,16,142**
Current Liabilities	21,55,871	12,12,552	66,455	1,53,950	28,716	30,01,198	9,45,893	1,54,610	1,198	78,118	13,015	4,34,989	(14,016)	15,97,953	-	98,30,502
Provisions	1,75,354	83,132	5,946	10,535	425	2,14,116	49,025	10,617	111	6,760	894	29,855	707	1,21,024	-	7,08,501
Sub-Total (B)	**23,31,225**	**12,95,684**	**72,401**	**1,64,485**	**29,141**	**32,15,314**	**9,94,918**	**1,65,227**	**1,309**	**84,878**	**13,909**	**4,64,844**	**(13,309)**	**17,18,977**	**-**	**1,05,39,003**
Net Current Assets (C) = (A-B)	**3,05,783**	**(1,73,634)**	**(3,51,894)**	**(21,463)**	**(20,219)**	**44,82,402**	**(2,59,732)**	**1,32,981**	**6,941**	**53,481**	**2,97,521**	**1,65,035**	**68,569**	**13,76,875**	**9,14,493**	**69,77,139**
Miscellaneous Expenditure (To the extent not written off or Adjusted)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debit Balance in Profit and Loss Account (Shareholders' Account)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**16,05,57,156**	**5,49,77,348**	**65,97,433**	**91,94,791**	**5,89,062**	**8,13,79,550**	**1,66,30,603**	**69,14,971**	**2,86,892**	**21,15,047**	**1,33,17,922**	**1,01,92,601**	**76,279**	**3,40,62,620**	**2,39,68,898**	**42,08,61,173**

Note: Advances and other assets allocated to shareholders' include tax assets.

Refer Schedule 16 note 28.

Annexure - 1

(Amount in thousands of Indian Rupees)

PREMIUM FOR THE YEAR ENDED 31ST MARCH 2021*

SCHEDULE 1

Particulars	Linked Business					Non Linked									
	Individual Life	Group Life	Pension Individual	Group Pension	Health Individual	Individual Life	Group Life	Group Life Variable	Pension Individual	Annuity Individual	Group Pension	Group Pension Variable	Health Individual	Par Non-Linked Individual Life	Total
1. First year premiums	53,11,491	-	4,63,523	14,290	-	1,12,81,481	7,13,273	-	-	-	56,290	5,34,692	12,334	21,60,358	2,05,47,732
2. Renewal Premiums	1,60,24,147	-	3,92,039	3,48,617	37,750	2,11,25,227	20,33,217	-	12,438	-	5,728	1,77,434	58,033	1,19,00,773	5,21,15,403
3. Single Premiums	3,73,114	86,20,981	54,805	3,11,817	2	11,702	63,98,824	27,77,529	-	10,91,039	17,04,000	37,45,294	-	-	2,50,89,107
Total Premiums	**2,17,08,752**	**86,20,981**	**9,10,367**	**6,74,724**	**37,752**	**3,24,18,410**	**91,45,314**	**27,77,529**	**12,438**	**10,91,039**	**17,66,018**	**44,57,420**	**70,367**	**1,40,61,131**	**9,77,52,242**

* Net of GST/Service Tax

Refer Schedule 16 note 28.

PREMIUM FOR THE YEAR ENDED 31ST MARCH 2020*

SCHEDULE 1

Particulars	Linked Business					Non Linked									
	Individual Life	Group Life	Pension Individual	Group Pension	Health Individual	Individual Life	Group Life	Group Life Variable	Pension Individual	Annuity Individual	Group Pension	Group Pension Variable	Health Individual	Par Non-Linked Individual Life	Total
Premium earned-net															
1. First year premiums	53,00,814	-	1,56,640	23,137	-	81,13,284	7,86,731	-	(1,399)	-	-	1,89,122	27,422	33,09,556	1,79,05,307
2. Renewal Premiums	1,42,07,882	-	4,74,787	4,07,628	48,057	1,60,85,356	17,09,968	-	13,967	-	5,436	1,49,156	52,536	1,03,72,809	4,35,27,582
3. Single Premiums	3,16,050	93,98,524	40,785	7,60,250	-	8,292	30,45,866	12,00,280	-	7,64,275	95,600	30,36,929	-	-	1,86,66,851
Total Premiums	**1,98,24,746**	**93,98,524**	**6,72,212**	**11,91,015**	**48,057**	**2,42,06,932**	**55,42,565**	**12,00,280**	**12,568**	**7,64,275**	**1,01,036**	**33,75,207**	**79,958**	**1,36,82,365**	**8,00,99,740**

* Net of GST/Service Tax

Refer Schedule 16 note 28.

Annexure - 1
(Amount in thousands of Indian Rupees)

COMMISSION EXPENSES FOR THE YEAR ENDED 31ST MARCH 2021

SCHEDULE 2

Particulars	Linked Business					Non Linked Business									Total
	Individual Life	Group Life	Pension Individual	Pension Group	Health Individual	Individual Life	Group Life	Group Life Variable	Pension Individual	Annuity Individual	Group Pension	Group Pension Variable	Health Individual	Par Non Linked Individual Life	
Commission paid															
Direct - First year premiums	5,01,863	-	22,181	-	-	21,99,000	21,716	-	-	-	-	-	2,623	5,43,206	32,90,589
Renewal premiums	3,88,510	26	4,173	40	1,202	6,38,402	57,301	-	196	-	-	24	2,043	5,48,606	16,40,523
Single premiums	5,940	3,158	693	-	-	294	59,330	-	-	17,616	-	827	-	-	87,858
Sub-Total	**8,96,313**	**3,184**	**27,047**	**40**	**1,202**	**28,37,696**	**1,38,347**	**-**	**196**	**17,616**	**-**	**851**	**4,666**	**10,91,812**	**50,18,970**
Add: Commission on Re-insurance Accepted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Less: Commission on Re-insurance Ceded	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Commission	**8,96,313**	**3,184**	**27,047**	**40**	**1,202**	**28,37,696**	**1,38,347**	**-**	**196**	**17,616**	**-**	**851**	**4,666**	**10,91,812**	**50,18,970**
Rewards and Remuneration to Agents/ Brokers/Other intermediaries	33,774	143	7,089	-	-	2,35,910	3,683	-	-	3,281	-	38	761	1,24,586	4,09,265
Total Commission	**9,30,087**	**3,327**	**34,136**	**40**	**1,202**	**30,73,606**	**1,42,030**	**-**	**196**	**20,897**	**-**	**889**	**5,427**	**12,16,398**	**54,28,235**

Refer Schedule 16 note 28.

COMMISSION EXPENSES FOR THE YEAR ENDED 31ST MARCH 2020

SCHEDULE 2

Particulars	Linked Business					Non Linked Business								Par Non Linked Individual Life	Total
	Individual Life	Group Life	Pension Individual	Pension Group	Health Individual	Individual Life	Group Life	Group Life Variable	Pension Individual	Annuity Individual	Group Pension	Group Pension Variable	Health Individual		
Commission paid															
Direct - First year premiums	5,00,338	2,338	8,370	1	(7)	17,07,669	24,749	-	(94)	48	-	30	5,991	8,69,601	31,19,034
Renewal premiums	3,33,710	23	4,491	3,215	1,579	4,48,914	52,043	-	222	-	-	81	1,422	4,91,607	13,37,307
Single premiums	4,124	9,688	487	-	-	278	57,655	-	-	12,123	-	1,232	-	-	85,587
Sub-Total	**8,38,172**	**12,049**	**13,348**	**3,216**	**1,572**	**21,56,861**	**1,34,447**	**-**	**128**	**12,171**	**-**	**1,343**	**7,413**	**13,61,208**	**45,41,928**
Add: Commission on Re-insurance Accepted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Less: Commission on Re-insurance Ceded	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Commission	**8,38,172**	**12,049**	**13,348**	**3,216**	**1,572**	**21,56,861**	**1,34,447**	**-**	**128**	**12,171**	**-**	**1,343**	**7,413**	**13,61,208**	**45,41,928**
Rewards and Remuneration to Agents/ Brokers/Other intermediaries	25,664	(197)	1,778	-	-	1,39,960	(1,352)	-	(1)	2,364	-	(21)	1,301	1,12,952	2,82,448
Total Commission	**8,63,836**	**11,852**	**15,126**	**3,216**	**1,572**	**22,96,821**	**1,33,095**	**-**	**127**	**14,535**	**-**	**1,322**	**8,714**	**14,74,160**	**48,24,376**

Refer Schedule 16 note 28.

Annexure - 1
(Amount in thousands of Indian Rupees)

OPERATING EXPENSES RELATED TO INSURANCE BUSINESS FOR THE YEAR ENDED 31ST MARCH 2021

SCHEDULE 3

Particulars	Linked Business					Non Linked Business									
	Individual Life	Group Life	Pension Individual	Group Pension	Health Individual	Individual Life	Group Life	Group Life Variable	Pension Individual	Annuity Individual	Group Pension	Group Pension Variable	Health Individual	Par Non Linked Individual Life	Total
Employees' remuneration and welfare benefits	18,20,679	61,272	12,084	8,334	1,729	40,38,334	1,36,340	7,906	182	2,901	4,349	20,079	5,489	8,89,527	70,09,204
Travel,conveyance and vehicle running expenses	21,543	197	22	25	6	45,552	454	26	0	9	4	72	19	9,038	76,967
Training expenses	22,989	86	73	11	20	49,000	206	11	1	29	1	32	64	10,492	83,016
Rents, rates and taxes	1,42,250	3,269	945	415	263	3,06,520	7,872	433	19	381	37	1,218	829	73,228	5,37,680
Repairs	63,219	1,744	342	221	95	1,35,687	4,199	231	7	138	20	650	301	31,232	2,38,085
Printing and stationery	8,284	73	40	9	5	18,682	177	10	0	8	1	27	20	3,985	31,323
Communication expenses	20,674	3,813	192	484	47	45,818	9,164	505	3	69	45	1,420	151	11,500	93,885
Legal and professional charges	25,860	948	582	156	107	59,118	399	118	11	175	218	200	317	17,678	1,05,886
Medical fees	27,594	338	-	43	3	68,600	814	45	-	11	4	126	2,946	8,477	1,08,999
Auditor's fees,expenses,etc.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a) as auditor	2,283	-	44	-	12	5,139	-	-	1	18	-	-	38	1,665	9,201
(b) as adviser or in any other capacity,in respect of	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i) Taxation & Matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Management services	299	-	6	-	2	669	-	-	0	2	-	-	5	217	1,200
(c) in any other capacity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advertisement and publicity	4,56,162	4,168	16,072	167	(2)	17,88,926	1,38,806	138	(1)	16	(12)	1,240	1,961	4,30,961	28,38,604
Interest and bank charges	29,312	-	568	-	159	65,713	-	-	11	228	-	-	495	21,220	1,17,706
Others: 1. Distribution expenses	1,807	-	28	-	(3)	5,687	-	-	(0)	(4)	-	-	(4)	1,138	8,649
2. Agents recruitment,seminar and other expenses	259	3	3	0	0	715	8	0	0	0	0	1	1	157	1,148
3. Recruitment and seminar expenses	24,720	64	90	8	23	52,984	154	9	2	34	1	24	75	11,466	89,654
4. IT expenses (including maintenance)	1,88,924	626	1,866	79	521	4,11,291	1,507	83	38	751	7	233	1,632	1,07,503	7,15,063
5. Policy stamps	24,371	43,384	-	5,502	2	60,589	1,04,488	5,748	-	10	492	16,172	2,602	7,487	2,70,849
6) (Profit)/Loss on sale of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7. Electricity expenses	25,845	651	171	83	48	55,689	1,568	86	3	69	7	243	150	13,299	97,913
8. Miscellaneous expenses	21,269	1,926	545	307	116	39,642	1,277	241	14	204	392	444	303	13,541	80,222
9. Outsourcing expenses	90,590	229	1,307	29	362	2,00,588	552	30	26	521	3	85	1,131	58,437	3,53,890
Depreciation	90,682	320	870	41	243	1,97,240	771	42	18	350	4	119	761	51,171	3,42,632
Total	**31,09,616**	**1,23,110**	**35,850**	**15,914**	**3,758**	**76,52,183**	**4,08,756**	**15,663**	**337**	**5,921**	**5,574**	**42,386**	**19,287**	**17,73,421**	**1,32,11,776**

Refer Schedule 16 note 28.

Annexure - 1
(Amount in thousands of Indian Rupees)

OPERATING EXPENSES RELATED TO INSURANCE BUSINESS FOR THE YEAR ENDED 31ST MARCH 2020

SCHEDULE 3

Particulars	Linked Business					Non Linked Business								Par Non Linked Individual Life	Total
	Individual Life	Group Life	Pension Individual	Group Pension	Health Individual	Individual Life	Group Life	Group Life Variable	Pension Individual	Annuity Individual	Group Pension	Group Pension Variable	Health Individual		
Employees' remuneration and welfare benefits	13,88,911	1,43,348	11,980.00	19,014.00	2,369.00	37,23,880	79,618.00	18,482.00	269.00	2,958.00	6,337.00	47,852.00	8,420.00	15,94,816	70,48,254
Travel,conveyance and vehicle running expenses	42,999	7,332	222	937	55	1,21,234	4,280	938	5	64	121	2,601	192	50,736	2,31,716
Training expenses	35,350	2,937	176	372	48	99,899	1,732	375	4	53	32	1,055	173	41,856	1,84,062
Rents, rates and taxes	1,12,181	4,238	880	537	246	2,97,922	2,499	541	20	263	46	1,522	839	1,26,674	5,48,408
Repairs	59,785	4,958	1,034	640	281	1,26,277	2,856	636	24	302	119	1,731	921	57,190	2,56,754
Printing and stationery	10,330	1,032	185	131	48	22,498	609	132	4	50	11	371	168	10,439	46,008
Communication expenses	25,307	3,287	469	417	128	52,456	1,935	420	10	135	39	1,178	430	24,206	1,10,417
Legal and professional charges	26,943	3,292	588	460	119	53,934	1,695	429	14	145	276	1,000	396	25,453	1,14,744
Medical fees	11,273	3	-	-	1	21,944	74,798	2	-	5	-	-	1,376	3,253	1,12,655
Auditor's fees,expenses,etc.															
(a) as auditor	2,207	206	44	26	12	4,345	122	26	1	13	2	74	40	2,021	9,139
(b) as adviser or in any other capacity,in respect of															
i) Taxation & Matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Management services	95	9	2	1	1	188	5	1	-	1	-	3	2	87	395
(c) in any other capacity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advertisement and publicity	3,32,325	1,040	483	136	(103)	10,67,032	586	134	(17)	(77)	37	354	376	4,50,996	18,53,302
Interest and bank charges	25,859	-	513	-	143	50,953	-	-	12	150	-	-	473	21,991	1,00,094
Others: 1. Distribution expenses	(2,275)	(564)	(183)	(72)	(33)	(1,397)	(333)	(72)	(2)	(34)	(6)	(203)	(153)	(2,552)	(7,879)
2. Agents recruitment,seminar and other expenses	1,586	38	16	5	1	4,952	23	5	-	1	-	14	12	2,300	8,953
3. Recruitment and seminar expenses	19,380	975	111	129	19	56,120	546	126	2	23	39	329	86	23,926	1,01,811
4. IT expenses (including maintenance)	1,39,288	10,177	1,146	1,325	291	3,67,941	5,799	1,307	27	328	307	3,505	976	1,56,451	6,88,868
5. Policy stamps	12,496	72	205	134	-	74,089	1,48,623	-	-	131	19	302	2,287	6,334	2,44,692
6. (Profit)/Loss on sale of assets	1,730	167	35	21	10	3,341	98	21	1	10	2	60	33	1,564	7,093
7. Electricity expenses	27,073	1,536	325	195	91	65,419	906	196	7	96	17	551	304	28,561	1,25,277
8. Miscellaneous expenses	20,347	3,462	513	501	100	33,152	1,679	455	15	134	390	976	276	15,331	77,331
9. Outsourcing expenses	71,056	6,207	1,356	787	357	1,49,140	3,660	793	28	375	67	2,229	1,235	69,769	3,07,059
Depreciation	62,959	7,244	860	918	241	1,46,255	4,272	925	20	254	78	2,601	801	64,597	2,92,025
Total	**24,27,205**	**2,00,996**	**20,960**	**26,614**	**4,425**	**65,41,574**	**3,36,008**	**25,872**	**444**	**5,380**	**7,933**	**68,105**	**19,663**	**27,75,999**	**1,24,61,178**

Refer Schedule 16 note 28.

Annexure - 1

(Amount in thousands of Indian Rupees)

BENEFITS PAID (NET) FOR THE YEAR ENDED 31ST MARCH 2021

SCHEDULE 4

Particulars	Linked Business					Non Linked Business									
	Individual Life	Group Life	Pension Individual	Group Pension	Health Individual	Individual Life	Group Life	Group Life Variable	Pension Individual	Annuity Individual	Group Pension	Group Pension Variable	Health Individual	Par Non Linked Individual Life	Total
1. Insurance Claims															
(a) Claims by Death	15,77,841	-	47,746	1,499	606	21,13,798	35,05,975	-	4,263	18,364	30,041	-	(271)	5,58,190	78,58,052
(b) Claims by Maturity	1,04,80,466	-	4,11,303	-	-	2,59,207	-	-	-	-	-	-	-	(43)	1,11,50,933
(c) Annuities / Pension Payment	1,196	-	-	-	-	299	-	-	-	1,60,620	-	-	-	-	1,62,115
(d) Other benefits								-	-	-					
(i) Surrender	1,78,36,884	54,37,090	11,13,569	7,06,720	37,531	15,12,230	11,51,028	16,84,013	70,007	(17)	78,588	4,43,002	332	3,45,136	3,04,16,113
(ii) Riders	7,630	-	655	-	53	18,580	14,809	-	-	-	-	-	22,030	11,808	75,565
(iii) Health	-	-	-	-	1,974	30	-	-	-	-	-	-	(1,677)	(2)	325
(iv) Survival and Others	1,05,249	-	11,977	-	84	9,42,893	5	-	42,031	515	-	-	4,198	2,88,393	13,95,345
2. (Amount ceded in reinsurance)															
(a) Claims by Death	(5,53,919)	-	(1,135)	-	-	(10,59,801)	(15,34,111)	-	-	-	-	-	-	(45,157)	(31,94,123)
(b) Claims by Maturity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) Annuities / Pension payment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d) Other benefits (Health)	-	-	-	-	(532)	130	-	-	-	-	-	-	(18,619)	-	(19,021)
3. Amount accepted in reinsurance:															
(a) Claims by Death	-	-	-	-	-	-	-	-	-		-	-	-	-	-
(b) Claims by Maturity	-	-	-	-	-	-	-	-	-		-	-	-	-	-
(c) Annuities / Pension Payment	-	-	-	-	-	-	-	-	-		-	-	-	-	-
(d) Other benefits	-	-	-	-	-	-	-	-	-		-	-	-	-	-
Total	**2,94,55,347**	**54,37,090**	**15,84,115**	**7,08,219**	**39,716**	**37,87,366**	**31,37,706**	**16,84,013**	**1,16,301**	**1,79,482**	**1,08,629**	**4,43,002**	**5,993**	**11,58,325**	**4,78,45,304**

Annexure - 1

(Amount in thousands of Indian Rupees)

BENEFITS PAID (NET) FOR THE YEAR ENDED 31ST MARCH 2020

SCHEDULE 4

Particulars		Linked Business					Non Linked Business								Par Non Linked Individual Life	Total
		Individual Life	Group Life	Pension Individual	Group Pension	Health Individual	Individual Life	Group Life	Group Life Variable	Pension Individual	Annuity Individual	Group Pension	Group Pension Variable	Health Individual		
1.	**Insurance Claims**															
(a)	Claims by Death	11,58,595	-	47,052	6,739	89	14,94,100	22,96,727	-	8,831	1,02,965	10,028	-	(7,081)	4,38,614	55,56,659
(b)	Claims by Maturity	1,29,94,291	-	4,33,891	-	-	74,076	-	-	-	-	-	-	-	363	1,35,02,621
(c)	Annuities / Pension Payment	-	-	-	-	-	-	-	-	-	1,17,118	-	-	-	-	1,17,118
(d)	Other benefits								-	-	-					
	(i) Surrender	1,95,65,003	48,92,416	12,94,769	4,09,773	36,968	9,21,454	51,41,028	22,92,246	19,879	(122)	12,03,739	18,44,445	(13,115)	1,94,293	3,78,02,776
	(ii) Riders	12,435	-	-	-	186	22,750	25,021	-	-	-	-	-	15,523	9,572	85,487
	(iii) Health	-	-	-	-	1,110	62	-	-	-	-	-	-	2,674	4	3,850
	(iv) Survival and Others	1,74,081	3	8,811	-	30	2,72,923	30	-	12,495	664	3	-	3,691	2,39,943	7,12,674
2.	**(Amount ceded in reinsurance)**															
(a)	Claims by Death	(4,47,560)	-	-	-	-	(9,41,484)	(8,93,020)	-	-	-	-	-	-	(9,329)	(22,91,393)
(b)	Claims by Maturity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Annuities / Pension payment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Other benefits (Health)	-	-	-	-	(482)	-	-	-	-	-	-	-	(28,433)	-	(28,915)
3.	**Amount accepted in reinsurance:**															
(a)	Claims by Death	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Claims by Maturity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Annuities / Pension Payment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Other benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL		**3,34,56,845**	**48,92,419**	**17,84,523**	**4,16,512**	**37,901**	**18,43,881**	**65,69,786**	**22,92,246**	**41,205**	**2,20,625**	**12,13,770**	**18,44,445**	**(26,741)**	**8,73,460**	**5,54,60,877**

Annexure - 2

(Amount in thousands of Indian Rupees)

DISCLOSURES IN RESPECT OF TRANSACTIONS WITH RELATED PARTIES AND OUTSTANDING FOR THE YEAR ENDED 31ST MARCH 2021

(A) Name of related parties where control exists

Ultimate Holding company	Grasim Industries Limited
Holding Company	Aditya Birla Capital Limited
Foreign Partner	Sun Life Financial (India) Insurance Investments Inc.
Subsidiary	Aditya Birla Sun Life Pension Management Company Limited

(B) Key Management Personnel	Mr. Kamlesh Rao (w.e.f. 19th August 2019)	Mr. Pankaj Razdan (up to 5th August 2019)
Relatives of Key Managerial Personnel	Mrs. Akila Kamlesh Rao (Spouse) (w.e.f 19th August 2019)	Ms. Sonia Razdan (Spouse) (upto August 5, 2019)
	Mrs. Sudha Dayanand Rao (Mother) (w.e.f August 19, 2019)	Mr.Jawaharlal Salegram Razdan (Father) (upto August 5, 2019)
	Mr. Ronak Kamlesh Rao (Son) (w.e.f August 19, 2019)	Ms. Sheela J. Razdan (Mother) (upto August 5, 2019)
	Mrs. Harsaana Sirsikar (Sister) (w.e.f August 19, 2019)	Mr. Arjun Razdan (Son) (upto August 5, 2019)
	Mr. Rajesh Dayanand Rao (Brother) (w.e.f August 19, 2019)	Mr. Sanjay Razdan (Brother) (upto August 5, 2019)

(Amounts in thousands)

Sr. No.	Name of the related party with whom the transaction has been made	Description of relationship with the party	Nature of Transaction		Audited Transactions during the year ended		Audited outstanding balance recoverable /(payable) as on	
					31 Mar 21	31 Mar 20	31 Mar 21	31 Mar 20
1	2	3	4		5	6	7	8
1	Grasim Industries Limited	Ultimate Holding company	a)	Interest income on Non-Convertible Debentures (NCD)	7,849	44,052	7,549	7,550
			b)	Purchase / (Sale) of NCD / Outstanding NCD	-	(4,00,000)	1,00,000	1,00,000
			c)	Group Insurance Premium	51,810	39,998	(12,192)	(13,788)
2	Aditya Birla Capital Limited	Holding Company	a)	Reimbursement of expenses	3,30,641	3,11,446	(33,620)	(24,911)
			b)	Recovery of expenses	6,650	10,675	-	-
			c)	Employee Stock Options	21,750	24,568	-	-
			d)	Group Insurance Premium	13,556	11,800	(1,550)	(1,678)
3	Aditya Birla Finance Limited	Fellow Subsidiary	a)	Recovery of expenses	718	529	-	-
			b)	Rent Income	3,055	33,823	1,835	4,499
			c)	Security Deposit Received	-	-	(8,830)	(8,830)
			d)	Purchase/ (Sale) of NCD/ Outstanding NCD	-	(1,50,000)	29,50,000	29,50,000
			e)	Interest income on NCD	2,67,484	2,68,412	1,34,069	1,34,185
			f)	Reimbursement of expenses	9,797	4,985	-	-
			g)	Group Insurance Premium	1,43,272	66,352	(18,063)	(5,422)

Annexure - 2

(Amount in thousands of Indian Rupees)

(Amounts in thousands)

Sr. No.	Name of the related party with whom the transaction has been made	Description of relationship with the party	Nature of Transaction	Audited Transactions during the year ended		Audited outstanding balance recoverable /(payable) as on	
				31 Mar 21	31 Mar 20	31 Mar 21	31 Mar 20
1	2	3	4	5	6	7	8
			h) Reimbursement of expenses transferred from Aditya Birla MyUniverse Limited	-	-	-	46
4	Aditya Birla Money Insurance Advisory Services Limited	Fellow Subsidiary	a) Commission expenses	31,407	13,411	(6,203)	(2,003)
			b) Reimbursement of expenses	-	264	-	-
5	Aditya Birla Money Limited	Fellow Subsidiary	a) Brokerage expenses	8,374	5,165	-	-
			b) Reimbursement of expenses	-	2,436	-	(13)
			c) Rent Expenses	208	1,645	(31)	(188)
			d) Rent Income	223	-	209	-
			e) Recovery of expenses	464	20	-	-
			f) Purchase of NCD	1,00,760	-	-	-
			g) Sale of NCD	-	99,727	-	-
			h) Purchase of Fixed Asset	2	-	(2)	-
			i) Group Insurance Premium	1,014	857	(1,702)	(268)
6	Aditya Birla Financial Shared Services Limited	Fellow Subsidiary	a) Advance given for expenses	83,821	89,505	8,498	8,563
			b) Reimbursement of expenses	4,54,427	4,16,659	(1,06,005)	(82,392)
			c) Recovery of expenses	3,290	4,470	-	-
			d) Group Insurance Premium	1,383	977	(407)	(635)
7	Aditya Birla Insurance Brokers Limited	Fellow Subsidiary	a) Recovery of expenses	665	755	-	-
			b) Rent Income	1,202	1,935	32	591
			c) Brokerage expenses	5,631	4,546	(409)	(538)
			d) Retirement Benefit liability of transferred employee	981	4,665	-	-
			e) Reinsurance payment on behalf of reinsurer	1,309	4,602	-	(2,147)
			f) Group Insurance Premium	1,572	1,276	(388)	(287)
8	Aditya Birla Capital Technology Services Limited (Formerly Aditya Birla MyUniverse Limited)	Fellow Subsidiary	a) Recovery of expenses transferred to Aditya Birla Finance Limited	-	46	-	-
			b) Reimbursement of expenses	63,553	5,900	(15,357)	-
			c) Advance given for expenses	7,960	-	481	-
			d) Recovery of Expenses	20		-	-
			e) Group Insurance Premium	98	32	(156)	(319)
9	Aditya Birla Sun Life Asset Management Company Limited	Fellow Subsidiary	a) Recovery of expenses	1,559	1,010	-	-
			b) Rent Income	329	115	179	40
			c) Reimbursement of expenses	377	923	-	(19)
			d) Purchase of Fixed Asset	2,531	5	-	(5)
			e) Group Insurance Premium	84,532	68,878	(20,277)	(7,793)

Annexure - 2
(Amount in thousands of Indian Rupees)

(Amounts in thousands)

Sr. No.	Name of the related party with whom the transaction has been made	Description of relationship with the party	Nature of Transaction		Audited Transactions during the year ended		Audited outstanding balance recoverable /(payable) as on	
					31 Mar 21	31 Mar 20	31 Mar 21	31 Mar 20
1	2	3	4		5	6	7	8
10	Aditya Birla Housing Finance Limited	Fellow Subsidiary	a)	Interest income on NCD	12,849	12,978	7,429	7,554
			b)	Sale of NCD	50,000	-	1,00,000	1,50,000
			c)	Commission expenses	12,753	15,654	(7,387)	(3,618)
			d)	Reimbursement of expenses	7,991	673	(6,726)	-
			e)	Group Insurance Premium	2,19,715	2,67,735	(24,089)	(5,405)
11	Aditya Birla Sun Life Pension Management Company Limited	Subsidiary	a)	Rent Income	3,850	3,362	-	398
			b)	Recovery of expenses	41,910	48,309	4,118	9,176
12	Aditya Birla Health Insurance Limited	Fellow Subsidiary	a)	Recovery of expenses	254	32	-	-
			b)	Rent Income	-	8,863	-	-
			c)	Group Mediclaim premium paid	15,230	29,129	2,375	14,441
			d)	Reimbursement of Expenses	591	1,244	-	-
			e)	Sale of Asset	13	-	-	-
			f)	Group Insurance Premium	6,793	4,663	(722)	(293)
13	UltraTech Cement Limited	Fellow Subsidiary	a)	Interest income on NCD	28,033	41,192	12,694	15,235
			b)	Sale of NCD	1,00,000	3,00,000	3,50,000	4,50,000
			c)	Group Insurance Premium	37,817	28,380	(831)	(2,062)
14	Aditya Birla Capital Foundation	Associate Company	a)	CSR Contributions	27,100	-	-	-
			b)	Reimbursement of Expenses	89	-	-	-
15	Sunlife Assurance company of Canada	Holding of Foreign Promoter	a)	Secondment Expenses	30,588	31,888	(6,367)	(9,628)
			b)	Subordinated debt	15,00,000	-	(15,00,000)	-
			c)	Interest on Subordinated debt	21,300	-	-	-
16	Mr. Pankaj Razdan (till 5th August 2019)	Key Management Personnel	a)	Managerial remuneration	-	56,500	-	-
17	Mr. Kamlesh Rao	Key Management Personnel	a)	Managerial remuneration	57,860	39,681	-	-
			b)	Long Term Incentive payment	3,791	-	-	-

Note 1: There are no provisions for doubtful debts, amounts written off or amounts written back pertaining to the above transactions.

Note 2: Related party relationship have been identified by the management and relied upon by the auditors.

Note 3: Related party transactions disclosed above denote the transactions entered during the existence of related party relationship.

Note 4: All the above transactions are reported inclusive of Goods and Service Tax, wherever applicable except Group Insurance Premium.

Annexure - 3
(Amount in thousands of Indian Rupees)

FORM A-RA(UL)

FUND REVENUE ACCOUNT FOR THE PERIOD ENDED 31ST MARCH 2021

Particulars	Sch	Ind. Assure		Ind. Income Advantage		Ind. Protector		Ind. Builder		Ind. Balancer	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN		ULIF01008 /07/ 05BSLIASSURE109		ULIF01507 /08/ 08BSLIINCADV109		ULIF00313 /03/ 01BSLPROTECT109		ULIF00113 /03/ 01BSLBUILDER109		ULIF00931 /05/ 05BSLBALANCE109	
Income from investments											
Interest income		1,80,552	1,45,827	4,82,590	4,74,547	2,08,031	2,21,195	1,50,661	1,62,564	16,511	17,004
Dividend income		-	-	-	-	4,300	4,125	6,422	6,344	962	802
Profit / Loss on sale of investment		15,062	3,392	1,67,740	1,41,085	73,787	45,942	1,23,529	31,455	24,114	3,149
Profit / Loss on inter fund transfer/ sale of investment		23,911	10,394	1,03,418	30,308	21,260	-	(1,389)	1,092	9,843	-
Miscellaneous Income / (Expenses)		-	-	(3)	-	-	-	-	-	-	-
Unrealised Gain/loss*		(8,748)	31,630	(1,16,802)	2,37,283	90,673	12,040	1,43,451	(63,324)	14,109	(8,454)
Total (A)		**2,10,777**	**1,91,243**	**6,36,943**	**8,83,223**	**3,98,051**	**2,83,302**	**4,22,674**	**1,38,131**	**65,539**	**12,501**
Fund management expenses		28,750	19,495	77,535	69,005	36,937	34,763	27,455	27,005	4,202	3,931
Fund administration expenses		-	-	-	-	-	-	-	-	-	-
Other charges	F-5	21,155	13,134	75,527	56,734	53,593	44,161	28,742	24,891	3,787	3,320
GST		8,983	5,873	27,551	22,633	16,296	14,206	10,116	9,341	1,438	1,306
Total (B)		**58,888**	**38,502**	**1,80,613**	**1,48,372**	**1,06,826**	**93,130**	**66,313**	**61,237**	**9,427**	**8,557**
Net Income for the year (A-B)		**1,51,889**	**1,52,741**	**4,56,330**	**7,34,851**	**2,91,225**	**1,90,172**	**3,56,361**	**76,894**	**56,112**	**3,944**
Add: Fund revenue account at the beginning of the year		10,47,311	8,94,570	30,89,085	23,54,234	28,64,912	26,74,740	25,17,310	24,40,416	1,48,249	1,44,305
Fund revenue account at the end of the year		**11,99,200**	**10,47,311**	**35,45,415**	**30,89,085**	**31,56,137**	**28,64,912**	**28,73,671**	**25,17,310**	**2,04,361**	**1,48,249**

Particulars	Sch	Ind. Enhancer		Ind. Creator		Ind. Magnifier		Ind. Maximiser		Ind. Multiplier	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN		ULIF00213 /03/ 01BSLENHANCE109		ULIF00704 /02/ 04BSLCREATOR109		ULIF00826 /06/ 04BSLIIMAGNI109		ULIF01101 /06/ 07BSLIINMAXI109		ULIF01217 /10/ 07BSLINMULTI109	
Income from investments											
Interest income		28,76,922	30,69,799	1,61,493	1,79,518	54,630	94,098	19,305	21,273	22,767	31,390
Dividend income		2,67,323	2,57,754	28,619	29,995	1,09,139	1,14,728	2,33,751	2,27,315	1,19,543	1,24,784
Profit / Loss on sale of investment		39,57,876	7,83,958	4,59,042	91,346	11,25,420	3,38,909	19,96,198	16,38,724	23,46,970	(5,33,474)
Profit / Loss on inter fund transfer/ sale of investment		41,872	22,942	(14,295)	7,300	(87,797)	11,596	1,08,601	21,866	15,532	(12,939)
Miscellaneous Income / (Expenses)		(2)	-	-	-	-	-	-	-	-	-
Unrealised Gain/loss*		68,04,423	(45,26,397)	7,71,879	(5,26,537)	31,92,597	(25,03,048)	70,46,497	(61,51,372)	52,42,795	(33,55,699)
Total (A)		**1,39,48,414**	**(3,91,944)**	**14,06,738**	**(2,18,378)**	**43,93,989**	**(19,43,717)**	**94,04,352**	**(42,42,194)**	**77,47,607**	**(37,45,938)**
Fund management expenses		7,98,752	8,01,264	61,053	59,564	1,28,941	1,36,039	2,46,581	2,51,917	1,81,745	1,39,826
Fund administration expenses		-	-	-	-	-	-	-	-	-	-
Other charges	F-5	11,48,267	10,44,176	36,862	32,046	94,872	83,954	1,65,315	1,43,441	2,07,160	1,70,817
GST		3,50,463	3,32,179	17,624	16,490	40,286	39,599	74,142	71,164	70,003	55,916
Total (B)		**22,97,482**	**21,77,619**	**1,15,539**	**1,08,100**	**2,64,099**	**2,59,592**	**4,86,038**	**4,66,522**	**4,58,908**	**3,66,559**
Net Income for the year (A-B)		**1,16,50,932**	**(25,69,563)**	**12,91,199**	**(3,26,478)**	**41,29,890**	**(22,03,309)**	**89,18,314**	**(47,08,716)**	**72,88,699**	**(41,12,497)**
Add: Fund revenue account at the beginning of the year		1,91,20,627	2,16,90,190	38,00,014	41,26,492	77,35,583	99,38,892	70,97,438	1,18,06,154	(3,87,451)	37,25,046
Fund revenue account at the end of the year		**3,07,71,559**	**1,91,20,627**	**50,91,213**	**38,00,014**	**1,18,65,473**	**77,35,583**	**1,60,15,752**	**70,97,438**	**69,01,248**	**(3,87,451)**

Annexure - 3
(Amount in thousands of Indian Rupees)

Particulars	Sch	Ind. Super 20		Ind. Platinum Plus - 1		Ind. Platinum Plus - 2		Ind. Platinum Plus - 3		Ind. Platinum Plus - 4	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN		ULIF01723 /06/ 09BSLSUPER20109		ULIF01325 /02/ 08BSLIIPLAT1109		ULIF01425 /02/ 08BSLIIPLAT2109		ULIF01628 /04/ 09BSLIIPLAT3109		ULIF01816 /09/ 09BSLIIPLAT4109	
Income from investments											
Interest income		14,066	14,276	-	-	-	276	-	1,04,901	-	1,60,244
Dividend income		1,16,293	1,28,850	-	-	-	-	-	-	-	-
Profit / Loss on sale of investment		13,13,906	8,26,685	-	-	-	-	-	(7,133)	-	(11,208)
Profit / Loss on inter fund transfer/ sale of investment		64,959	22,133	-	-	-	-	-	(903)	-	(3,263)
Miscellaneous Income / (Expenses)		-	-	-	-	-	-	-	-	-	-
Unrealised Gain/loss*		35,92,018	(27,60,016)	-	-	-	-	-	5,359	-	8,035
Total (A)		**51,01,242**	**(17,68,072)**	**-**	**-**	**-**	**276**	**-**	**1,02,224**	**-**	**1,53,808**
Fund management expenses		1,42,849	1,36,480	-	-	-	72	-	23,175	-	33,626
Fund administration expenses		-	-	-	-	-	-	-	-	-	-
Other charges	F-5	90,247	68,737	-	-	-	34	-	3,904	-	6,056
GST		41,957	36,939	-	-	-	19	-	4,874	-	7,143
Total (B)		**2,75,053**	**2,42,156**	**-**	**-**	**-**	**125**	**-**	**31,953**	**-**	**46,825**
Net Income for the year (A-B)		**48,26,189**	**(20,10,228)**	**-**	**-**	**-**	**151**	**-**	**70,271**	**-**	**1,06,983**
Add: Fund revenue account at the beginning of the year		22,49,639	42,59,867	16,83,147	16,83,147	50,83,113	50,82,962	38,15,686	37,45,415	27,39,492	26,32,509
Fund revenue account at the end of the year		**70,75,828**	**22,49,639**	**16,83,147**	**16,83,147**	**50,83,113**	**50,83,113**	**38,15,686**	**38,15,686**	**27,39,492**	**27,39,492**

Particulars	Sch	Ind. Platinum Advantage		Ind. Platinum Premier		Ind. Foresight - 5 Pay		Ind. Foresight- Single Pay		Ind. Titanium - 1	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN		ULIF02408 /09/ 10BSLPLATADV109		ULIF02203 /02/ 10BSLPLATPR1109		ULIF02510 /02/ 11BSLFSIT5P1109		ULIF02610 /02/ 11BSLFSITSP1109		ULIF01911 /12/ 09BSLITITAN1109	
Income from investments											
Interest income		2,63,840	3,68,542	27,433	2,62,089	11,09,910	11,30,117	38,397	39,967	-	11,706
Dividend income		-	13,115	-	4,203	-	49,978	-	911	-	124
Profit / Loss on sale of investment		(37,027)	3,91,387	6,030	1,04,125	(21,283)	9,82,603	(819)	51,994	-	14,862
Profit / Loss on inter fund transfer/ sale of investment		-	(37,899)	4,728	36,751	(7,595)	54,374	-	(3,549)	-	(1,585)
Miscellaneous Income / (Expenses)		-	-	-	-	-	-	-	-	-	-
Unrealised Gain/loss*		(14,013)	(4,81,836)	(11,955)	(1,78,724)	(1,24,909)	(12,88,362)	(4,095)	(39,282)	-	(13,525)
Total (A)		**2,12,800**	**2,53,309**	**26,236**	**2,28,444**	**9,56,123**	**9,28,710**	**33,483**	**50,041**	**-**	**11,582**
Fund management expenses		75,085	89,075	10,433	60,273	2,90,646	3,24,209	9,276	9,778	1	2,853
Fund administration expenses		-	-	-	-	-	-	-	-	-	-
Other charges	F-5	12,488	12,275	1,553	9,891	-	-	-	-	-	441
GST		15,763	18,242	2,157	12,629	52,316	58,358	1,670	1,760	-	593
Total (B)		**1,03,336**	**1,19,592**	**14,143**	**82,793**	**3,42,962**	**3,82,567**	**10,946**	**11,538**	**1**	**3,887**
Net Income for the year (A-B)		**1,09,464**	**1,33,717**	**12,093**	**1,45,651**	**6,13,161**	**5,46,143**	**22,537**	**38,503**	**(1)**	**7,695**
Add: Fund revenue account at the beginning of the year		54,68,883	53,35,166	38,66,681	37,21,030	1,12,43,336	1,06,97,193	5,91,411	5,52,908	2,29,062	2,21,367
Fund revenue account at the end of the year		**55,78,347**	**54,68,883**	**38,78,774**	**38,66,681**	**1,18,56,497**	**1,12,43,336**	**6,13,948**	**5,91,411**	**2,29,061**	**2,29,062**

Annexure - 3
(Amount in thousands of Indian Rupees)

Particulars	Sch	Ind. Titanium- 2		Ind. Titanium- 3		Ind. Pure Equity		Ind. Value Momentum		Ind. Liquid Plus	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN		ULIF02011 /12/ 09BSLITITAN2109		ULIF02111 /12/ 09BSLITITAN3109		ULIF02707 /10/ 11BSLIPUREEQ109		ULIF02907 /10/ 11BSLIVALUEM109		ULIF02807 /10/ 11BSLLIQPLUS109	
Income from investments											
Interest income		90	3,587	354	1,668	23,737	20,170	12,841	13,603	1,46,422	1,83,982
Dividend income		-	-	-	68	48,510	49,646	1,16,072	1,27,239	-	-
Profit / Loss on sale of investment		(57)	78	(131)	5,143	5,03,235	(1,20,633)	3,37,511	(5,95,375)	(11,803)	6,565
Profit / Loss on inter fund transfer/ sale of investment		(55)	(116)	-	(290)	(7)	2,301	6,915	9,518	602	1,888
Miscellaneous Income / (Expenses)		-	-	-	-	-	-	-	-	-	-
Unrealised Gain/loss*		94	(274)	76	(4,612)	20,29,477	(7,60,399)	17,78,473	(8,71,767)	(11,068)	(8,985)
Total (A)		**72**	**3,275**	**299**	**1,977**	**26,04,952**	**(8,08,915)**	**22,51,812**	**(13,16,782)**	**1,24,153**	**1,83,450**
Fund management expenses		26	807	124	463	73,162	49,252	57,365	49,644	22,902	24,871
Fund administration expenses		-	-	-	-	-	-	-	-	-	-
Other charges	F-5	9	140	24	75	88,947	69,489	57,586	58,651	39,648	34,398
GST		7	170	26	96	29,179	21,373	20,692	19,493	11,259	10,668
Total (B)		**42**	**1,117**	**174**	**634**	**1,91,288**	**1,40,114**	**1,35,643**	**1,27,788**	**73,809**	**69,937**
Net Income for the year (A-B)		**30**	**2,158**	**125**	**1,343**	**24,13,664**	**(9,49,029)**	**21,16,169**	**(14,44,570)**	**50,344**	**1,13,513**
Add: Fund revenue account at the beginning of the year		64,409	62,251	28,515	27,172	(6,55,591)	2,93,438	(13,58,203)	86,367	3,20,244	2,06,731
Fund revenue account at the end of the year		**64,439**	**64,409**	**28,640**	**28,515**	**17,58,073**	**(6,55,591)**	**7,57,966**	**(13,58,203)**	**3,70,588**	**3,20,244**

Particulars	Sch	Ind. Pension Growth		Ind. Pension Enrich		Ind. Pension Nourish		Ind. Income Advantage Guaranteed		Ind. Maximiser Guaranteed	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN		ULIF00504 /03/ 03BSLIGROWTH109		ULIF00404 /03/ 03BSLIENRICH109		ULIF00604 /03/ 03BSLNOURISH109		ULIF03127 /08/ 13BSLIINADGT109		ULIF03027 /08/ 13BSLIMAXGT109	
Income from investments											
Interest income		12,591	13,278	59,092	64,341	5,133	6,110	1,00,998	1,10,468	120	163
Dividend income		512	592	4,879	5,805	89	96	-	-	909	868
Profit / Loss on sale of investment		15,953	1,795	1,11,279	24,432	2,483	390	28,164	17,203	7,122	8,271
Profit / Loss on inter fund transfer/ sale of investment		9,983	16	837	(318)	1,961	520	12,409	3,619	193	359
Miscellaneous Income / (Expenses)		-	-	-	-	-	-	-	-	-	-
Unrealised Gain/loss*		2,934	(1,141)	1,31,813	(89,898)	1,312	636	(22,344)	62,267	30,082	(26,425)
Total (A)		**41,973**	**14,540**	**3,07,900**	**4,362**	**10,978**	**7,752**	**1,19,227**	**1,93,557**	**38,426**	**(16,764)**
Fund management expenses		2,379	2,359	15,891	16,393	842	883	18,408	19,710	1,209	1,131
Fund administration expenses		-	-	-	-	-	-	-	-	-	-
Other charges	F-5	3,111	2,661	15,793	13,958	1,156	1,037	960	1,083	36	37
GST		988	904	5,703	5,463	360	346	3,486	3,743	224	211
Total (B)		**6,478**	**5,924**	**37,387**	**35,814**	**2,358**	**2,266**	**22,854**	**24,536**	**1,469**	**1,379**
Net Income for the year (A-B)		**35,495**	**8,616**	**2,70,513**	**(31,452)**	**8,620**	**5,486**	**96,373**	**1,69,021**	**36,957**	**(18,143)**
Add: Fund revenue account at the beginning of the year		3,46,467	3,37,851	17,02,478	17,33,930	1,13,447	1,07,961	4,96,401	3,27,380	4,344	22,487
Fund revenue account at the end of the year		**3,81,962**	**3,46,467**	**19,72,991**	**17,02,478**	**1,22,067**	**1,13,447**	**5,92,774**	**4,96,401**	**41,301**	**4,344**

Annexure - 3
(Amount in thousands of Indian Rupees)

Particulars	Sch	Gr. Fixed Interest		Gr. Gilt		Gr. Bond		Gr. Money Market		Gr. Short Term Debt	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN		ULGF00416 /07/ 02BSLGFIXINT109		ULGF00630 /05/ 03BSLIGRGILT109		ULGF00530 /05/ 03BSLIGRBOND109		ULGF00824 /08/ 04BSLIGRMMKT109		ULGF01322 /09/ 08BSLGSHTDBT109	
Income from investments											
Interest income		12,15,897	9,01,595	17,568	21,927	4,58,498	2,93,642	1,06,680	1,27,749	26,935	21,441
Dividend income		-	-	-	-	-	-	-	-	-	-
Profit / Loss on sale of investment		13,746	8,763	-	496	40,470	12,847	(4,135)	4,794	791	(131)
Profit / Loss on inter fund transfer/ sale of investment		-	-	14,108	-	1,09,149	-	110	172	10,100	523
Miscellaneous Income / (Expenses)		-	-	-	-	(2)	-	(5)	-	-	-
Unrealised Gain/loss*		91,553	6,09,736	(11,691)	23,020	(30,506)	1,48,587	(10,349)	(3,943)	(2,908)	7,115
Total (A)		**13,21,196**	**15,20,094**	**19,985**	**45,443**	**5,77,609**	**4,55,076**	**92,301**	**1,28,772**	**34,918**	**28,948**
Fund management expenses		1,77,366	1,21,419	2,656	3,119	68,449	41,516	18,047	18,239	4,501	2,978
Fund administration expenses		-	-	-	-	-	-	-	-	-	-
Other charges	F-5	-	-	-	-	-	-	-	-	-	-
GST		31,926	21,855	478	561	12,321	7,473	3,248	3,283	810	536
Total (B)		**2,09,292**	**1,43,274**	**3,134**	**3,680**	**80,770**	**48,989**	**21,295**	**21,522**	**5,311**	**3,514**
Net Income for the year (A-B)		**11,11,904**	**13,76,820**	**16,851**	**41,763**	**4,96,839**	**4,06,087**	**71,006**	**1,07,250**	**29,607**	**25,434**
Add: Fund revenue account at the beginning of the year		58,73,242	44,96,422	1,10,934	69,171	26,14,872	22,08,785	11,22,963	10,15,713	3,80,134	3,54,700
Fund revenue account at the end of the year		**69,85,146**	**58,73,242**	**1,27,785**	**1,10,934**	**31,11,711**	**26,14,872**	**11,93,969**	**11,22,963**	**4,09,741**	**3,80,134**

Particulars	Sch	Gr. Growth Advantage		Gr. Income Advantage		Gr. Secure		Gr. Stable		Gr. Growth	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN		ULGF01026 /11/ 07BSLIGGRADV109		ULGF01425 /02/ 10BSLGINCADV109		ULGF00212 /06/ 01BSLGSECURE109		ULGF00312 /06/ 01BSLGSTABLE109		ULGF00112 /06/ 01BSLGGROWTH109	
Income from investments											
Interest income		20,259	26,354	31,320	31,101	15,79,448	14,77,811	3,30,623	3,27,806	2,15,063	2,47,307
Dividend income		5,531	6,798	-	-	71,518	62,217	33,744	30,593	42,962	39,283
Profit / Loss on sale of investment		61,759	42,668	484	341	7,81,966	5,14,233	3,90,443	2,59,931	5,67,254	3,01,676
Profit / Loss on inter fund transfer/ sale of investment		4,579	2,151	7,988	1,126	(5,172)	13,146	(8,008)	12,983	56,666	15,289
Miscellaneous Income / (Expenses)		-	-	-	-	-	-	-	-	-	-
Unrealised Gain/loss*		1,62,789	(1,55,718)	(4,596)	18,136	20,85,091	(9,89,687)	9,62,123	(5,81,827)	10,00,677	(9,61,284)
Total (A)		**2,54,917**	**(77,747)**	**35,196**	**50,704**	**45,12,851**	**10,77,720**	**17,08,925**	**49,486**	**18,82,622**	**(3,57,729)**
Fund management expenses		7,490	9,198	4,516	4,232	2,87,674	2,54,262	77,864	71,008	60,841	65,672
Fund administration expenses		-	-	-	-	-	-	-	-	-	-
Other charges	F-5	-	-	-	-	-	-	-	-	-	-
GST		1,348	1,656	813	762	51,781	45,767	14,016	12,781	10,951	11,821
Total (B)		**8,838**	**10,854**	**5,329**	**4,994**	**3,39,455**	**3,00,029**	**91,880**	**83,789**	**71,792**	**77,493**
Net Income for the year (A-B)		**2,46,079**	**(88,601)**	**29,867**	**45,710**	**41,73,396**	**7,77,691**	**16,17,045**	**(34,303)**	**18,10,830**	**(4,35,222)**
Add: Fund revenue account at the beginning of the year		2,65,137	3,53,738	3,66,734	3,21,024	99,79,127	92,01,436	44,83,277	45,17,580	30,54,912	34,90,134
Fund revenue account at the end of the year		**5,11,216**	**2,65,137**	**3,96,601**	**3,66,734**	**1,41,52,523**	**99,79,127**	**61,00,322**	**44,83,277**	**48,65,742**	**30,54,912**

Annexure - 3
(Amount in thousands of Indian Rupees)

Particulars	Sch	Gr. Fixed Interest II		Gr. Money Market II		Gr. Short Term Debt II		Gr. Stable II		Gr. Growth II	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN		ULGF01728 /11/ 11BSLGFXINT2109		ULGF01928 /11/ 11BSLGRMMKT2109		ULGF02128 /11/ 11BSLGSHTDB2109		ULGF02228 /11/ 11BSLGSTABL2109		ULGF01828 /11/ 11BSLGROWTH2109	
Income from investments											
Interest income		2,098	2,440	149	207	15,765	19,669	1,239	1,259	13,681	14,590
Dividend income		-	-	-	-	-	-	121	113	2,811	2,545
Profit / Loss on sale of investment		-	6	(34)	(1)	(758)	377	1,469	794	28,039	14,691
Profit / Loss on inter fund transfer/ sale of investment		919	242	-	-	-	-	156	(12)	(349)	57
Miscellaneous Income / (Expenses)		-	-	-	-	-	-	-	-	5	-
Unrealised Gain/loss*		(532)	748	3	(29)	218	4,536	3,222	(2,420)	84,945	(58,201)
Total (A)		**2,485**	**3,436**	**118**	**177**	**15,225**	**24,582**	**6,207**	**(266)**	**1,29,132**	**(26,318)**
Fund management expenses		-	-	-	-	-	-	-	-	-	-
Fund administration expenses		-	-	-	-	-	-	-	-	-	-
Other charges	F-5	-	-	-	-	-	-	-	-	-	-
GST		-	-	-	-	-	-	-	-	-	-
Total (B)		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net Income for the year (A-B)		**2,485**	**3,436**	**118**	**177**	**15,225**	**24,582**	**6,207**	**(266)**	**1,29,132**	**(26,318)**
Add: Fund revenue account at the beginning of the year		28,721	25,285	3,403	3,226	2,11,481	1,86,899	12,736	13,002	1,56,449	1,82,767
Fund revenue account at the end of the year		**31,206**	**28,721**	**3,521**	**3,403**	**2,26,706**	**2,11,481**	**18,943**	**12,736**	**2,85,581**	**1,56,449**

Particulars	Sch	Pension Discontinued		Life Discontinued		Discontinued Policy		Ind. Asset Allocation		Ind. Capped Nifty Index	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN		ULIF03305 /07/ 13BSLIPNDIS109		ULIF03205 /07/ 13BSLILDIS109		ULIF02301 /07/ 10BSLIDISCPF109		ULIF03430 /10/ 14BSLIASTALC109		ULIF03530 /10/ 14BSLICNFIDX109	
Income from investments											
Interest income		37,487	50,748	2,96,557	2,96,585	86	410	85,342	81,193	529	913
Dividend income		-	-	-	-	-	-	7,026	3,464	14,973	12,703
Profit / Loss on sale of investment		-	2,721	504	9,935	-	-	1,16,681	14,513	49,801	11,461
Profit / Loss on inter fund transfer/ sale of investment		-	-	-	-	-	-	(28,861)	(914)	1,795	80
Miscellaneous Income / (Expenses)		-	-	-	-	-	-	-	-	-	-
Unrealised Gain/loss*		(1,668)	(67)	(7,727)	(177)	-	-	1,77,190	(20,029)	4,25,547	(2,30,063)
Total (A)		**35,819**	**53,402**	**2,89,334**	**3,06,343**	**86**	**410**	**3,57,378**	**78,227**	**4,92,645**	**(2,04,906)**
Fund management expenses		4,237	4,632	35,295	25,979	13	39	25,106	18,356	12,223	9,778
Fund administration expenses		-	-	-	-	-	-	-	-	-	-
Other charges	F-5	1,124	2,097	51,754	37,172	49	42	15,161	11,465	7,594	6,388
GST		965	1,211	15,669	11,367	11	15	7,248	5,368	3,567	2,910
Total (B)		**6,326**	**7,940**	**1,02,718**	**74,518**	**73**	**96**	**47,515**	**35,189**	**23,384**	**19,076**
Net Income for the year (A-B)		**29,493**	**45,462**	**1,86,616**	**2,31,825**	**13**	**314**	**3,09,863**	**43,038**	**4,69,261**	**(2,23,982)**
Add: Fund revenue account at the beginning of the year		1,59,817	1,14,355	5,58,766	3,26,941	22,18,004	22,17,690	2,12,609	1,69,571	(1,08,522)	1,15,460
Fund revenue account at the end of the year		**1,89,310**	**1,59,817**	**7,45,382**	**5,58,766**	**22,18,017**	**22,18,004**	**5,22,472**	**2,12,609**	**3,60,739**	**(1,08,522)**

Annexure - 3

(Amount in thousands of Indian Rupees)

Particulars	Sch	MNC		Total	
		Current Year	Previous Year	Current Year	Previous Year
SFIN		ULIF03722/06/18ABSLIMUMNC109			
Income from investments					
Interest income		6,826	5,746	1,04,50,536	1,08,77,196
Dividend income		21,269	5,994	12,57,278	13,11,052
Profit / Loss on sale of investment		(3,942)	(2,174)	1,45,88,839	54,43,611
Profit / Loss on inter fund transfer/ sale of investment		-	-	4,79,066	2,20,958
Miscellaneous Income / (Expenses)		-	-	(7)	-
Unrealised Gain/loss*		4,70,205	(1,33,958)	3,59,52,355	(2,56,28,352)
Total (A)		**4,94,358**	**(1,24,392)**	**6,27,28,067**	**(77,75,535)**
Fund management expenses		20,192	8,792	31,19,019	30,47,082
Fund administration expenses		-	-	-	-
Other charges	F-5	30,487	15,536	22,53,007	19,72,241
GST		9,123	4,380	9,66,964	9,03,477
Total (B)		**59,802**	**28,708**	**63,38,990**	**59,22,800**
Net Income for the year (A-B)		**4,34,556**	**(1,53,100)**	**5,63,89,077**	**(1,36,98,335)**
Add: Fund revenue account at the beginning of the year		(1,52,035)	1,065	11,66,18,800	13,03,17,135
Fund revenue account at the end of the year		**2,82,521**	**(1,52,035)**	**17,30,07,877**	**11,66,18,800**

*Net change in mark to market value of investments.

There is no unit balance as of 31st March 2017 and neither there was any movement in Gr. Capital Protection, Gr. Floating Rate, Gr. Growth Maximsier, Gr. Secure- II & Gr. Bond II for the period starting from 1st April 2014 till 31st March 2021.

Annexure - 3

(Amount in thousands of Indian Rupees)

FORM A-BS(UL)

FUND BALANCE SHEET AS AT 31ST MARCH 2021

Particulars	Sch	Ind. Assure		Ind. Income Advantage		Ind. Protector		Ind. Builder		Ind. Balancer	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN		ULIF01008 /07/ 05BSLIASSURE109		ULIF01507 /08/ 08BSLIINCADV109		ULIF00313 /03/ 01BSLPROTECT109		ULIF00113 /03/ 01BSLBUILDER109		ULIF00931 /05/ 05BSLBALANCE109	
Sources of Funds											
Policyholders' Funds:											
Policyholders' contribution	F-1	19,52,833	11,44,014	45,74,011	43,36,080	5,56,480	6,55,170	(1,20,938)	53,784	1,45,874	1,60,471
Revenue Account		11,99,200	10,47,311	35,45,415	30,89,085	31,56,137	28,64,912	28,73,671	25,17,310	2,04,361	1,48,249
Total		**31,52,033**	**21,91,325**	**81,19,426**	**74,25,165**	**37,12,617**	**35,20,082**	**27,52,733**	**25,71,094**	**3,50,235**	**3,08,720**
Application of Funds											
Investments	F-2	31,59,848	18,32,363	78,90,643	71,24,773	36,30,692	34,26,326	27,09,703	25,26,608	3,41,865	3,03,733
Current Assets	F-3	84,171	3,61,306	2,62,661	3,08,771	84,263	95,852	46,757	46,124	8,370	4,999
Less: Current Liabilities and Provisions	F-4	91,986	2,344	33,878	8,379	2,338	2,096	3,727	1,638	-	12
Net current assets		(7,815)	3,58,962	2,28,783	3,00,392	81,925	93,756	43,030	44,486	8,370	4,987
(a) Total		**31,52,033**	**21,91,325**	**81,19,426**	**74,25,165**	**37,12,617**	**35,20,082**	**27,52,733**	**25,71,094**	**3,50,235**	**3,08,720**
(b) Number of Units outstanding (in thousands)		**86,448**	**64,180**	**2,51,541**	**2,47,063**	**72,631**	**75,873**	**40,230**	**43,383**	**7,766**	**8,212**
NAV per Unit (a)/(b) (Rs)		36.46	34.14	32.28	30.05	51.12	46.39	68.42	59.26	45.10	37.59

Particulars	Sch	Ind. Enhancer		Ind. Creator		Ind. Magnifier		Ind. Maximiser		Ind. Multiplier	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN		ULIF00213 /03/ 01BSLENHANCE109		ULIF00704 /02/ 04BSLCREATOR109		ULIF00826 /06/ 04BSLIIMAGNI109		ULIF01101 /06/ 07BSLIINMAXI109		ULIF01217 /10/ 07BSLINMULTI109	
Sources of Funds											
Policyholders' Funds:											
Policyholders' contribution	F-1	3,52,99,087	3,89,97,810	82,179	4,30,999	(10,79,892)	(1,00,914)	44,57,780	69,68,426	1,10,68,045	89,96,610
Revenue Account		3,07,71,559	1,91,20,627	50,91,213	38,00,014	1,18,65,473	77,35,583	1,60,15,752	70,97,438	69,01,248	(3,87,451)
Total		**6,60,70,646**	**5,81,18,437**	**51,73,392**	**42,31,013**	**1,07,85,581**	**76,34,669**	**2,04,73,532**	**1,40,65,864**	**1,79,69,293**	**86,09,159**
Application of Funds											
Investments	F-2	6,49,79,671	5,75,50,174	51,07,932	42,14,019	1,09,54,519	75,96,178	2,04,32,401	1,38,36,958	1,78,09,578	85,74,337
Current Assets	F-3	12,30,360	11,20,401	74,674	54,762	77,092	39,754	2,61,545	2,56,232	4,03,662	1,07,706
Less: Current Liabilities and Provisions	F-4	1,39,385	5,52,138	9,214	37,768	2,46,030	1,263	2,20,414	27,326	2,43,947	72,884
Net current assets		10,90,975	5,68,263	65,460	16,994	(1,68,938)	38,491	41,131	2,28,906	1,59,715	34,822
(a) Total		**6,60,70,646**	**5,81,18,437**	**51,73,392**	**42,31,013**	**1,07,85,581**	**76,34,669**	**2,04,73,532**	**1,40,65,864**	**1,79,69,293**	**86,09,159**
(b) Number of Units outstanding (in thousands)		**8,51,491**	**9,20,221**	**75,734**	**81,896**	**1,48,504**	**1,65,699**	**5,39,363**	**6,19,629**	**4,07,572**	**3,55,358**
NAV per Unit (a)/(b) (Rs)	Plan I	77.59	63.16	68.31	51.66	72.63	46.08	37.96	22.70	44.09	24.23

Annexure - 3
(Amount in thousands of Indian Rupees)

Particulars	Sch	Ind. Super 20		Ind. Platinum Plus- 1		Ind. Platinum Plus- 2		Ind. Platinum Plus- 3		Ind. Platinum Plus- 4	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN		ULIF01723 /06/ 09BSLSUPER20109		ULIF01325 /02/ 08BSLIIPLAT1109		ULIF01425 /02/ 08BSLIIPLAT2109		ULIF01628 /04/ 09BSLIIPLAT3109		ULIF01816 /09/ 09BSLIIPLAT4109	
Sources of Funds											
Policyholders' Funds:	F-1	51,84,080	57,94,536	(16,83,147)	(16,83,147)	(50,83,113)	(50,83,113)	(38,15,686)	(38,15,686)	(27,39,492)	(27,39,492)
Revenue Account		70,75,828	22,49,639	16,83,147	16,83,147	50,83,113	50,83,113	38,15,686	38,15,686	27,39,492	27,39,492
Total		**1,22,59,908**	**80,44,175**	**-**	-	**-**	-	**-**	-	**-**	-
Application of Funds											
Investments	F-2	1,22,78,044	78,75,898	-	-	-	-	-	-	-	-
Current Assets	F-3	1,46,470	2,14,215	-	-	-	-	-	-	-	-
Less: Current Liabilities and Provisions	F-4	1,64,606	45,938	-	-	-	-	-	-	-	-
Net current assets		(18,136)	1,68,277	-	-	-	-	-	-	-	-
(a) Total		**1,22,59,908**	**80,44,175**	**-**	-	**-**	-	**-**	-	**-**	-
(b) Number of Units outstanding		**3,14,377**	**3,33,965**	**-**	-	**-**	-	**-**	-	**-**	-
(in thousands)											
NAV per Unit (a)/(b) (Rs)	Plan I	39.00	24.09	-	-	-	-	-	-	-	-

Particulars	Sch	Ind. Platinum Advantage		Ind. Platinum Premier		Ind. Foresight- 5 Pay		Ind. Foresight- Single Pay		Ind. Titanium- 1	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN		ULIF02408 /09/ 10BSLPLATADV109		ULIF02203 /02/ 10BSLPLATPR1109		ULIF02510 /02/ 11BSLFSIT5P1109		ULIF02610 /02/ 11BSLFSITSP1109		ULIF01911 /12/ 09BSLITITAN1109	
Sources of Funds											
Policyholders' Funds:											
Policyholders' contribution	F-1	(25,94,923)	1,44,639	(38,78,481)	(15,92,713)	26,61,393	59,43,193	(66,689)	(12,613)	(2,29,013)	(2,29,013)
Revenue Account		55,78,347	54,68,883	38,78,774	38,66,681	1,18,56,497	1,12,43,336	6,13,948	5,91,411	2,29,061	2,29,062
Total		**29,83,424**	**56,13,522**	**293**	**22,73,968**	**1,45,17,890**	**1,71,86,529**	**5,47,259**	**5,78,798**	**48**	**49**
Application of Funds											
Investments	F-2	31,80,132	54,75,234	250	22,24,516	1,41,46,470	1,67,14,326	5,31,616	5,60,058	-	-
Current Assets	F-3	9,084	1,38,847	43	52,905	4,17,715	4,80,984	17,773	18,737	48	38
Less: Current Liabilities and Provisions	F-4	2,05,792	559	-	3,453	46,295	8,781	2,130	(3)	-	(11)
Net current assets		(1,96,708)	1,38,288	43	49,452	3,71,420	4,72,203	15,643	18,740	48	49
(a) Total		**29,83,424**	**56,13,522**	**293**	**22,73,968**	**1,45,17,890**	**1,71,86,529**	**5,47,259**	**5,78,798**	**48**	**49**
(b) Number of Units outstanding		**1,55,112**	**2,98,832**	**14**	**1,07,383**	**7,59,086**	**9,31,746**	**25,114**	**27,610**	**2**	**2**
(in thousands)											
NAV per Unit (a)/(b) (Rs)	Plan I	19.23	18.78	21.46	21.18	19.13	18.45	21.79	20.96	21.86	22.32

Annexure - 3

(Amount in thousands of Indian Rupees)

Particulars	Sch	Ind. Titanium- 2		Ind. Titanium- 3		Ind. Pure Equity		Ind. Value Momentum		Ind. Liquid Plus	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN		ULIF02011 /12/ 09BSLITITAN2109		ULIF02111 /12/ 09BSLITITAN3109		ULIF02707 /10/ 11BSLIPUREEQ109		ULIF02907 /10/ 11BSLIVALUEM109		ULIF02807 /10/ 11BSLLIQPLUS109	
Sources of Funds											
Policyholders' Funds:											
Policyholders' contribution	F-1	(64,439)	(50,992)	(28,640)	(3,477)	57,39,912	42,39,248	45,52,700	43,44,467	24,58,728	21,72,870
Revenue Account		64,439	64,409	28,640	28,515	17,58,073	(6,55,591)	7,57,966	(13,58,203)	3,70,588	3,20,244
Total		**-**	**13,417**	**-**	**25,038**	**74,97,985**	**35,83,657**	**53,10,666**	**29,86,264**	**28,29,316**	**24,93,114**
Application of Funds											
Investments	F-2	-	13,019	-	24,515	75,70,879	36,73,290	52,12,593	28,93,678	26,18,836	23,17,996
Current Assets	F-3	-	396	-	524	2,89,637	63,516	3,99,194	95,362	2,13,923	1,81,145
Less: Current Liabilities and Provisions	F-4	-	(2)	-	1	3,62,531	1,53,149	3,01,121	2,776	3,443	6,027
Net current assets		-	398	-	523	(72,894)	(89,633)	98,073	92,586	2,10,480	1,75,118
(a) Total		**-**	**13,417**	**-**	**25,038**	**74,97,985**	**35,83,657**	**53,10,666**	**29,86,264**	**28,29,316**	**24,93,114**
(b) Number of Units outstanding (in thousands)		**-**	**624**	**-**	**1,268**	**1,97,240**	**1,55,836**	**2,13,682**	**2,06,071**	**1,52,934**	**1,40,649**
NAV per Unit (a)/(b) (Rs)	Plan I	-	21.50	-	19.74	38.01	23.00	24.85	14.49	18.50	17.73

Particulars	Sch	Ind. Pension Growth		Ind. Pension Enrich		Ind. Pension Nourish		Ind. Income Advantage Guaranteed		Ind. Maximiser Guaranteed	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN		ULIF00504 /03/ 03BSLIGROWTH109		ULIF00404 /03/ 03BSLIENRICH109		ULIF00604 /03/ 03BSLNOURISH109		ULIF03127 /08/ 13BSLIINADGT109		ULIF03027 /08/ 13BSLIMAXGT109	
Sources of Funds											
Policyholders' Funds:											
Policyholders' contribution	F-1	(1,44,419)	(1,23,532)	(6,84,606)	(5,59,360)	(39,381)	(33,288)	8,46,151	10,40,670	38,087	55,178
Revenue Account		3,81,962	3,46,467	19,72,991	17,02,478	1,22,067	1,13,447	5,92,774	4,96,401	41,301	4,344
Total		**2,37,543**	**2,22,935**	**12,88,385**	**11,43,118**	**82,686**	**80,159**	**14,38,925**	**15,37,071**	**79,388**	**59,522**
Application of Funds											
Investments	F-2	2,31,734	2,18,258	12,73,536	11,31,874	85,138	78,414	13,39,490	15,33,027	79,611	58,551
Current Assets	F-3	5,809	4,676	16,074	18,159	1,617	1,745	1,35,503	51,799	1,667	1,847
Less: Current Liabilities and Provisions	F-4	-	(1)	1,225	6,915	4,069	-	36,068	47,755	1,890	876
Net current assets		5,809	4,677	14,849	11,244	(2,452)	1,745	99,435	4,044	(223)	971
(a) Total		**2,37,543**	**2,22,935**	**12,88,385**	**11,43,118**	**82,686**	**80,159**	**14,38,925**	**15,37,071**	**79,388**	**59,522**
(b) Number of Units outstanding (in thousands)		**4,080**	**4,519**	**18,478**	**20,649**	**1,885**	**2,059**	**78,983**	**89,949**	**3,450**	**4,261**
NAV per Unit (a)/(b) (Rs)	Plan I	58.22	49.34	69.73	55.36	43.87	38.94	18.22	17.09	23.01	13.97

Annexure - 3

(Amount in thousands of Indian Rupees)

Particulars	Sch	Gr. Fixed Interest		Gr. Gilt		Gr. Bond		Gr. Money Market		Gr. Short Term Debt	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN		ULGF00416 /07/ 02BSLGFIXINT109		ULGF00630 /05/ 03BSLIGRGILT109		ULGF00530 /05/ 03BSLIGRBOND109		ULGF00824 /08/ 04BSLIGRMMKT109		ULGF01322 /09/ 08BSLGSHTDBT109	
Sources of Funds											
Policyholders' Funds:											
Policyholders' contribution	F-1	1,36,32,893	94,77,498	75,712	2,38,022	27,76,549	41,74,573	95,303	7,23,221	80,746	(55,284)
Revenue Account		69,85,146	58,73,242	1,27,785	1,10,934	31,11,711	26,14,872	11,93,969	11,22,963	4,09,741	3,80,134
Total		**2,06,18,039**	**1,53,50,740**	**2,03,497**	**3,48,956**	**58,88,260**	**67,89,445**	**12,89,272**	**18,46,184**	**4,90,487**	**3,24,850**
Application of Funds											
Investments	F-2	1,90,74,639	1,44,64,282	1,99,323	3,42,056	57,21,253	65,61,445	12,60,168	16,13,135	4,78,707	3,07,558
Current Assets	F-3	15,47,957	9,87,454	4,174	6,904	1,67,070	2,28,101	29,104	2,33,008	27,038	17,292
Less: Current Liabilities and Provisions	F-4	4,557	1,00,996	-	4	63	101	-	(41)	15,258	-
Net current assets		15,43,400	8,86,458	4,174	6,900	1,67,007	2,28,000	29,104	2,33,049	11,780	17,292
(a) Total		**2,06,18,039**	**1,53,50,740**	**2,03,497**	**3,48,956**	**58,88,260**	**67,89,445**	**12,89,272**	**18,46,184**	**4,90,487**	**3,24,850**
(b) Number of Units outstanding (in thousands)		**4,42,008**	**3,51,929**	**5,993**	**10,817**	**1,51,385**	**1,87,974**	**35,811**	**53,309**	**18,192**	**12,918**
NAV per Unit (a)/(b) (Rs)	Plan I	46.65	43.62	33.96	32.26	38.90	36.12	36.00	34.63	26.96	25.15

Particulars	Sch	Gr. Growth Advantage		Gr. Income Advantage		Gr. Secure		Gr. Stable		Gr. Growth	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN		ULGF01026 /11/ 07BSLIGGRADV109		ULGF01425 /02/ 10BSLGINCADV109		ULGF00212 /06/ 01BSLGSECURE109		ULGF00312 /06/ 01BSLGSTABLE109		ULGF00112 /06/ 01BSLGGROWTH109	
Sources of Funds											
Policyholders' Funds:											
Policyholders' contribution	F-1	5,21,702	4,80,393	64,512	67,170	1,87,80,040	1,57,74,754	22,92,278	15,37,871	4,30,645	27,55,865
Revenue Account		5,11,216	2,65,137	3,96,601	3,66,734	1,41,52,523	99,79,127	61,00,322	44,83,277	48,65,742	30,54,912
Total		**10,32,918**	**7,45,530**	**4,61,113**	**4,33,904**	**3,29,32,563**	**2,57,53,881**	**83,92,600**	**60,21,148**	**52,96,387**	**58,10,777**
Application of Funds											
Investments	F-2	10,39,100	7,40,809	4,49,037	4,22,634	3,18,97,823	2,51,21,972	82,77,465	59,16,716	52,07,373	57,25,153
Current Assets	F-3	10,136	4,721	12,076	11,272	10,66,600	6,32,062	1,29,331	1,04,468	95,459	85,643
Less: Current Liabilities and Provisions	F-4	16,318	-	-	2	31,860	153	14,196	36	6,445	19
Net current assets		(6,182)	4,721	12,076	11,270	10,34,740	6,31,909	1,15,135	1,04,432	89,014	85,624
(a) Total		**10,32,918**	**7,45,530**	**4,61,113**	**4,33,904**	**3,29,32,563**	**2,57,53,881**	**83,92,600**	**60,21,148**	**52,96,387**	**58,10,777**
(b) Number of Units outstanding (in thousands)		**23,291**	**23,426**	**18,004**	**18,111**	**4,78,225**	**4,34,197**	**86,690**	**77,101**	**43,309**	**63,488**
NAV per Unit (a)/(b) (Rs)	Plan I	44.35	31.83	25.61	23.96	68.86	59.31	96.81	78.09	122.29	91.53

Annexure - 3

(Amount in thousands of Indian Rupees)

Particulars	Sch	Gr. Fixed Interest II		Gr. Money Market II		Gr. Short Term Debt II		Gr. Stable II		Gr. Growth II	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN		ULGF01728 /11/ 11BSLGFXINT2109		ULGF01928 /11/ 11BSLGRMMKT2109		ULGF02128 /11/ 11BSLGSHTDB2109		ULGF02228 /11/ 11BSLGSTABL2109		ULGF01828 /11/ 11BSLGROWTH2109	
Sources of Funds											
Policyholders' Funds:											
Policyholders' contribution	F-1	(5,346)	3,784	(150)	(127)	90,981	96,497	7,163	12,713	2,10,827	2,17,343
Revenue Account		31,206	28,721	3,521	3,403	2,26,706	2,11,481	18,943	12,736	2,85,581	1,56,449
Total		**25,860**	**32,505**	**3,371**	**3,276**	**3,17,687**	**3,07,978**	**26,106**	**25,449**	**4,96,408**	**3,73,792**
Application of Funds											
Investments	F-2	25,753	32,402	3,310	3,138	3,11,835	3,02,517	25,762	25,093	4,93,871	3,71,051
Current Assets	F-3	107	103	61	138	5,852	5,461	370	356	2,924	2,741
Less: Current Liabilities and Provisions	F-4	-	-	-	-	-	-	26	-	387	-
Net current assets		107	103	61	138	5,852	5,461	344	356	2,537	2,741
(a) Total		**25,860**	**32,505**	**3,371**	**3,276**	**3,17,687**	**3,07,978**	**26,106**	**25,449**	**4,96,408**	**3,73,792**
(b) Number of Units outstanding		**1,038**	**1,409**	**175**	**176**	**14,434**	**14,689**	**948**	**1,162**	**16,372**	**16,613**
(in thousands)											
NAV per Unit (a)/(b) (Rs)	Plan I	24.91	23.07	19.26	18.58	22.01	20.97	27.55	21.91	30.32	22.50

Particulars	Sch	Pension Discontinued		Life Discontinued		Discontinued Policy		Ind. Asset Allocation		Ind. Capped Nifty Index	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN		ULIF03305 /07/ 13BSLIPNDIS109		ULIF03205 /07/ 13BSLILDIS109		ULIF02301 /07/ 10BSLIDISCPF109		ULIF03430 /10/ 14BSLIASTALC109		ULIF03530 /10/ 14BSLICNFIDX109	
Sources of Funds											
Policyholders' Funds:											
Policyholders' contribution	F-1	5,31,002	6,53,991	74,77,505	48,06,918	(22,17,961)	(22,13,257)	18,05,774	14,40,904	8,33,122	7,97,918
Revenue Account		1,89,310	1,59,817	7,45,382	5,58,766	22,18,017	22,18,004	5,22,472	2,12,609	3,60,739	(1,08,522)
Total		**7,20,312**	**8,13,808**	**82,22,887**	**53,65,684**	**56**	**4,747**	**23,28,246**	**16,53,513**	**11,93,861**	**6,89,396**
Application of Funds											
Investments	F-2	7,69,164	8,65,420	84,92,650	56,57,795	487	4,700	23,12,579	16,18,777	11,80,453	6,83,401
Current Assets	F-3	6,257	134	39,873	273	97	37	56,704	40,349	17,048	8,996
Less: Current Liabilities and Provisions	F-4	55,109	51,746	3,09,636	2,92,384	528	(10)	41,037	5,613	3,640	3,001
Net current assets		(48,852)	(51,612)	(2,69,763)	(2,92,111)	(431)	47	15,667	34,736	13,408	5,995
(a) Total		**7,20,312**	**8,13,808**	**82,22,887**	**53,65,684**	**56**	**4,747**	**23,28,246**	**16,53,513**	**11,93,861**	**6,89,396**
(b) Number of Units outstanding		**48,119**	**56,376**	**5,47,377**	**3,70,155**	**3**	**251**	**1,27,621**	**1,08,006**	**66,182**	**63,717**
(in thousands)											
NAV per Unit (a)/(b) (Rs)	Plan I	14.97	14.44	15.02	14.50	19.52	18.95	18.24	15.31	18.04	10.82

Annexure - 3
(Amount in thousands of Indian Rupees)

Particulars	Sch	MNC		Total	
		Current Year	Previous Year	Current Year	Previous Year
SFIN		ULIF03722/06/18ABSLIMUMNC109			
Sources of Funds					
Policyholders' Funds:					
Policyholders' contribution	F-1	18,17,727	11,89,019	10,66,65,505	11,16,30,611
Revenue Account		2,82,521	(1,52,035)	17,30,07,877	11,66,18,800
Total		**21,00,248**	**10,36,984**	**27,96,73,382**	**22,82,49,411**
Application of Funds					
Investments	F-2	20,55,246	9,89,037	27,48,41,179	22,35,47,214
Current Assets	F-3	83,787	77,648	74,90,137	61,67,963
Less: Current Liabilities and Provisions	F-4	38,785	29,701	26,57,934	14,65,766
Net current assets		45,002	47,947	48,32,203	47,02,197
(a) Total		**21,00,248**	**10,36,984**	**27,96,73,382**	**22,82,49,411**
(b) Number of Units outstanding (in thousands)		**1,70,288**	**1,16,542**		
NAV per Unit (a)/(b) (Rs)	Plan I	12.33	8.90		

There is no unit balance as of 31st March 2021 and neither there was any movement in Gr. Capital Protection, Gr. Floating Rate, Gr. Growth Maximsier, Gr. Secure- II & Gr. Bond II for the period starting from 1st April 2014 till 31st March 2021.

Annexure - 3
(Amount in thousands of Indian Rupees)

SCHEDULES TO FUND BALANCE SHEET

SCHEDULE: F-1 POLICYHOLDERS' CONTRIBUTION

Particulars	Ind. Assure		Ind. Income Advantage		Ind. Protector		Ind. Builder		Ind. Balancer	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF01008 /07/ 05BSLIASSURE109		ULIF01507 /08/ 08BSLIINCADV109		ULIF00313 /03/ 01BSLPROTECT109		ULIF00113 /03/ 01BSLBUILDER109		ULIF00931 /05/ 05BSLBALANCE109	
Opening balance	11,44,014	9,92,636	43,36,080	43,65,097	6,55,170	7,77,540	53,784	2,75,188	1,60,471	1,60,293
Add: Additions during the year* **	23,05,952	13,59,475	40,27,155	22,71,236	7,65,951	4,90,294	2,43,050	2,28,380	18,167	20,849
Less: Deductions during the year	14,97,133	12,08,097	37,89,224	23,00,253	8,64,641	6,12,664	4,17,772	4,49,784	32,764	20,671
Closing balance	**19,52,833**	**11,44,014**	**45,74,011**	**43,36,080**	**5,56,480**	**6,55,170**	**(1,20,938)**	**53,784**	**1,45,874**	**1,60,471**

Particulars	Ind. Enhancer		Ind. Creator		Ind. Magnifier		Ind. Maximiser		Ind. Multiplier	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF00213 /03/ 01BSLENHANCE109		ULIF00704 /02/ 04BSLCREATOR109		ULIF00826 /06/ 04BSLIIMAGNI109		ULIF01101 /06/ 07BSLIINMAXI109		ULIF01217 /10/ 07BSLINMULTI109	
Opening balance	3,89,97,810	4,33,73,346	4,30,999	6,86,837	(1,00,914)	8,43,754	69,68,426	76,13,213	89,96,610	60,80,673
Add: Additions during the year* **	41,16,867	45,85,265	8,22,453	6,82,905	14,24,745	12,46,630	42,51,092	40,88,108	70,83,014	60,40,828
Less: Deductions during the year	78,15,590	89,60,801	11,71,273	9,38,743	24,03,723	21,91,298	67,61,738	47,32,895	50,11,579	31,24,891
Closing balance	**3,52,99,087**	**3,89,97,810**	**82,179**	**4,30,999**	**(10,79,892)**	**(1,00,914)**	**44,57,780**	**69,68,426**	**1,10,68,045**	**89,96,610**

Particulars	Ind. Super 20		Ind. Platinum Plus- 1		Ind. Platinum Plus- 2		Ind. Platinum Plus- 3		Ind. Platinum Plus- 4	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF01723 /06/ 09BSLSUPER20109		ULIF01325 /02/ 08BSLIIPLAT1109		ULIF01425 /02/ 08BSLIIPLAT2109		ULIF01628 /04/ 09BSLIIPLAT3109		ULIF01816 /09/ 09BSLIIPLAT4109	
Opening balance	57,94,536	59,76,938	(16,83,147)	(16,83,147)	(50,83,113)	(50,38,116)	(38,15,686)	7,92,989	(27,39,492)	8,10,825
Add: Additions during the year* **	47,56,269	34,41,138	-	-	-	8,708	110	21,602	323	27,024
Less: Deductions during the year	53,66,725	36,23,540	-	-	-	53,705	110	46,30,277	323	35,77,341
Closing balance	**51,84,080**	**57,94,536**	**(16,83,147)**	**(16,83,147)**	**(50,83,113)**	**(50,83,113)**	**(38,15,686)**	**(38,15,686)**	**(27,39,492)**	**(27,39,492)**

Particulars	Ind. Platinum Advantage		Ind. Platinum Premier		Ind. Foresight- 5 Pay		Ind. Foresight- Single Pay		Ind. Titanium- 1	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF02408 /09/ 10BSLPLATADV109		ULIF02203 /02/ 10BSLPLATPR1109		ULIF02510 /02/ 11BSLFSIT5P1109		ULIF02610 /02/ 11BSLFSITSP1109		ULIF01911 /12/ 09BSLITITAN1109	
Opening balance	1,44,639	8,93,178	(15,92,713)	4,92,716	59,43,193	89,44,934	(12,613)	96,875	(2,29,013)	8,434
Add: Additions during the year* **	19,341	26,100	9,899	41,537	2,28,330	2,52,369	1,598	22,739	253	353
Less: Deductions during the year	27,58,903	7,74,639	22,95,667	21,26,966	35,10,130	32,54,110	55,674	1,32,227	253	2,37,800
Closing balance	**(25,94,923)**	**1,44,639**	**(38,78,481)**	**(15,92,713)**	**26,61,393**	**59,43,193**	**(66,689)**	**(12,613)**	**(2,29,013)**	**(2,29,013)**

Particulars	Ind. Titanium- 2		Ind. Titanium- 3		Ind. Pure Equity		Ind. Value Momentum		Ind. Liquid Plus	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF02011 /12/ 09BSLITITAN2109		ULIF02111 /12/ 09BSLITITAN3109		ULIF02707 /10/ 11BSLIPUREEQ109		ULIF02907 /10/ 11BSLIVALUEM109		ULIF02807 /10/ 11BSLLIQPLUS109	
Opening balance	(50,992)	(3,239)	(3,477)	4,431	42,39,248	29,97,399	43,44,467	35,49,934	21,72,870	28,77,005
Add: Additions during the year* **	221	36	88	381	36,83,908	24,78,045	20,46,647	22,23,550	49,78,233	59,92,524
Less: Deductions during the year	13,668	47,789	25,251	8,289	21,83,244	12,36,196	18,38,414	14,29,017	46,92,375	66,96,659
Closing balance	**(64,439)**	**(50,992)**	**(28,640)**	**(3,477)**	**57,39,912**	**42,39,248**	**45,52,700**	**43,44,467**	**24,58,728**	**21,72,870**

Annexure - 3
(Amount in thousands of Indian Rupees)

Particulars	Ind. Pension Growth		Ind. Pension Enrich		Ind. Pension Nourish		Ind. Income Advantage Guaranteed		Ind. Maximiser Guaranteed	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF00504 /03/ 03BSLIGROWTH109		ULIF00404 /03/ 03BSLIENRICH109		ULIF00604 /03/ 03BSLNOURISH109		ULIF03127 /08/ 13BSLIINADGT109		ULIF03027 /08/ 13BSLIMAXGT109	
Opening balance	(1,23,532)	(1,00,451)	(5,59,360)	(3,96,903)	(33,288)	(19,057)	10,40,670	12,58,506	55,178	44,623
Add: Additions during the year* **	4,364	5,673	29,428	34,800	4,190	3,495	7,22,123	7,47,174	21,694	45,093
Less: Deductions during the year	25,251	28,754	1,54,674	1,97,257	10,283	17,726	9,16,642	9,65,010	38,785	34,538
Closing balance	**(1,44,419)**	**(1,23,532)**	**(6,84,606)**	**(5,59,360)**	**(39,381)**	**(33,288)**	**8,46,151**	**10,40,670**	**38,087**	**55,178**

Particulars	Gr. Fixed Interest		Gr. Gilt		Gr. Bond		Gr. Money Market		Gr. Short Term Debt	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULGF00416 /07/ 02BSLGFIXINT109		ULGF00630 /05/ 03BSLIGRGILT109		ULGF00530 /05/ 03BSLIGRBOND109		ULGF00824 /08/ 04BSLIGRMMKT109		ULGF01322 /09/ 08BSLGSHTDBT109	
Opening balance	94,77,498	63,86,500	2,38,022	2,24,606	41,74,573	10,52,532	7,23,221	20,34,628	(55,284)	(57,760)
Add: Additions during the year* **	65,21,280	41,56,423	39,003	26,505	6,36,337	37,51,720	25,41,844	22,70,766	3,24,042	60,993
Less: Deductions during the year	23,65,885	10,65,425	2,01,313	13,089	20,34,361	6,29,679	31,69,762	35,82,173	1,88,012	58,517
Closing balance	**1,36,32,893**	**94,77,498**	**75,712**	**2,38,022**	**27,76,549**	**41,74,573**	**95,303**	**7,23,221**	**80,746**	**(55,284)**

Particulars	Gr. Growth Advantage		Gr. Income Advantage		Gr. Secure		Gr. Stable		Gr. Growth	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULGF01026 /11/ 07BSLIGGRADV109		ULGF01425 /02/ 10BSLGINCADV109		ULGF00212 /06/ 01BSLGSECURE109		ULGF00312 /06/ 01BSLGSTABLE109		ULGF00112 /06/ 01BSLGGROWTH109	
Opening balance	4,80,393	5,39,205	67,170	85,275	1,57,74,754	1,42,56,560	15,37,871	24,31,497	27,55,865	26,00,118
Add: Additions during the year* **	3,17,327	57,466	1,454	1,311	64,19,739	68,26,063	17,13,927	9,30,184	10,52,000	16,43,009
Less: Deductions during the year	2,76,018	1,16,278	4,112	19,416	34,14,453	53,07,869	9,59,520	18,23,810	33,77,220	14,87,262
Closing balance	**5,21,702**	**4,80,393**	**64,512**	**67,170**	**1,87,80,040**	**1,57,74,754**	**22,92,278**	**15,37,871**	**4,30,645**	**27,55,865**

Particulars	Gr. Fixed Interest II		Gr. Money Market II		Gr. Short Term Debt II		Gr. Stable II		Gr. Growth II	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULGF01728 /11/ 11BSLGFXINT2109		ULGF01928 /11/ 11BSLGRMMKT2109		ULGF02128 /11/ 11BSLGSHTDB2109		ULGF02228 /11/ 11BSLGSTABL2109		ULGF01828 /11/ 11BSLGROWTH2109	
Opening balance	3,784	8,308	(127)	(105)	96,497	1,00,023	12,713	13,122	2,17,343	2,21,707
Add: Additions during the year* **	(1)	1	1	1	-	-	1,631	4,237	(4)	(1)
Less: Deductions during the year	9,129	4,525	24	23	5,516	3,526	7,181	4,646	6,512	4,363
Closing balance	**(5,346)**	**3,784**	**(150)**	**(127)**	**90,981**	**96,497**	**7,163**	**12,713**	**2,10,827**	**2,17,343**

Particulars	Pension Discontinued		Life Discontinued		Discontinued Policy		Ind. Asset Allocation		Ind. Capped Nifty Index	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF03305 /07/ 13BSLIPNDIS109		ULIF03205 /07/ 13BSLILDIS109		ULIF02301 /07/ 10BSLIDISCPF109		ULIF03430 /10/ 14BSLIASTALC109		ULIF03530 /10/ 14BSLICNFIDX109	
Opening balance	6,53,991	8,01,923	48,06,918	40,59,833	(22,13,257)	(22,03,325)	14,40,904	11,23,451	7,97,918	6,10,282
Add: Additions during the year* **	4,46,218	5,73,665	1,13,50,168	68,80,133	51,510	73,486	13,80,190	7,67,064	5,78,503	4,46,141
Less: Deductions during the year	5,69,207	7,21,597	86,79,581	61,33,048	56,214	83,418	10,15,320	4,49,611	5,43,299	2,58,505
Closing balance	**5,31,002**	**6,53,991**	**74,77,505**	**48,06,918**	**(22,17,961)**	**(22,13,257)**	**18,05,774**	**14,40,904**	**8,33,122**	**7,97,918**

Annexure - 3

(Amount in thousands of Indian Rupees)

Particulars	MNC		Total	
	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF03722/06/18ABSLIMUMNC109			
Opening balance	11,89,019	3,57,979	11,16,30,611	12,13,22,810
Add: Additions during the year* **	13,73,477	9,93,046	7,63,14,111	6,58,48,524
Less: Deductions during the year	7,44,769	1,62,006	8,12,79,217	7,55,40,723
Closing balance	**18,17,727**	**11,89,019**	**10,66,65,505**	**11,16,30,611**

* Additions represents units creation & deductions represent unit cancellations.

** Includes Last Day Collections.

Since there is no actual movement in Group Secure II and Group Bond II funds, it is not forming part of the current financial discloures.

Annexure - 3
(Amount in thousands of Indian Rupees)

SCHEDULES TO FUND BALANCE SHEET
SCHEDULE: F-2 INVESTMENTS

Particulars	Ind. Assure		Ind. Income Advantage		Ind. Protector		Ind. Builder		Ind. Balancer	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF01008/ 07/ 05BSLIASSURE109		ULIF01507/ 08/ 08BSLIINCADV109		ULIF00313/ 03/ 01BSLPROTECT109		ULIF00113/ 03/ 01BSLBUILDER109		ULIF00931/ 05/ 05BSLBALANCE109	
Approved Investments										
Government Bonds	6,76,132	1,15,741	33,03,540	32,62,442	17,17,136	16,25,969	11,13,728	10,74,635	1,49,116	1,52,494
Corporate Bonds	9,74,522	5,84,590	12,01,531	12,24,060	5,13,782	5,93,899	3,42,039	3,15,859	60,718	11,197
Infrastructure Bonds	6,81,343	8,29,063	22,48,328	20,06,104	6,37,168	6,33,748	5,55,766	5,28,322	28,884	25,873
Equity	-	-	-	-	3,44,956	2,50,270	5,15,687	3,84,271	81,952	51,522
Money Market	6,79,010	79,836	6,99,243	1,18,395	3,95,254	3,01,473	1,48,695	1,71,828	15,994	58,425
Fixed Deposits	75,000	94,500	75,000	50,000	-	-	-	25,000	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-
Preference Shares	-	-	-	-	-	-	-	-	-	-
Total	**30,86,007**	**17,03,730**	**75,27,642**	**66,61,001**	**36,08,296**	**34,05,359**	**26,75,915**	**24,99,915**	**3,36,664**	**2,99,511**
Other Investments										
Corporate Bonds	73,841	90,767	2,72,414	3,59,141	-	10,043	-	10,043	-	-
Infrastructure Bonds	-	37,866	90,587	1,04,631	-	-	-	-	-	-
Equity	-	-	-	-	22,396	10,924	33,788	16,650	5,201	4,222
Money Market	-	-	-	-	-	-	-	-	-	-
Fixed Deposits	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-
Total	**73,841**	**1,28,633**	**3,63,001**	**4,63,772**	**22,396**	**20,967**	**33,788**	**26,693**	**5,201**	**4,222**
Grand Total	**31,59,848**	**18,32,363**	**78,90,643**	**71,24,773**	**36,30,692**	**34,26,326**	**27,09,703**	**25,26,608**	**3,41,865**	**3,03,733**
% of Approved Investments to Total	98%	93%	95%	93%	99%	99%	99%	99%	98%	99%
% of Other Investments to Total	2%	7%	5%	7%	1%	1%	1%	1%	2%	1%

Particulars	Ind. Enhancer		Ind. Creator		Ind. Magnifier		Ind. Maximiser		Ind. Multiplier	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF00213/ 03/ 01BSLENHANCE109		ULIF00704/ 02/ 04BSLCREATOR109		ULIF00826/ 06/ 04BSLIIMAGNI109		ULIF01101/ 06/ 07BSLIINMAXI109		ULIF01217/ 10/ 07BSLINMULTI109	
Approved Investments										
Government Bonds	2,11,92,293	1,73,20,890	8,41,025	11,42,865	1,32,976	2,00,082	-	-	-	-
Corporate Bonds	79,09,164	76,46,966	6,08,741	2,88,247	66,173	1,23,148	-	-	-	-
Infrastructure Bonds	1,44,19,033	1,07,58,635	7,40,852	4,05,407	5,99,073	30,677	-	-	-	-
Equity	1,85,30,764	1,41,93,522	23,89,095	18,56,443	81,68,469	55,09,686	1,72,55,358	1,15,46,219	1,45,37,761	71,06,876
Money Market	9,01,587	30,04,597	3,56,839	2,15,977	4,95,674	7,76,870	1,71,937	1,59,044	3,27,129	4,02,035
Fixed Deposits	-	1,75,000	-	1,10,000	-	-	-	-	-	-
Mutual Funds	-	16,04,157	-	-	-	-	-	-	-	-
Preference Shares	6,366	9,883	-	-	-	-	-	-	-	-
Total	**6,29,59,207**	**5,47,13,650**	**49,36,552**	**40,18,939**	**94,62,365**	**66,40,463**	**1,74,27,295**	**1,17,05,263**	**1,48,64,890**	**75,08,911**
Other Investments										
Corporate Bonds	4,01,583	6,95,863	-	3,013	-	-	-	-	-	-
Infrastructure Bonds	1,01,368	1,01,697	-	-	-	-	-	-	-	-
Equity	15,17,513	13,04,198	1,71,380	1,92,067	8,42,908	3,80,062	11,15,053	9,30,019	27,90,833	10,65,426
Money Market	-	-	-	-	-	-	-	-	-	-
Fixed Deposits	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	7,34,766	-	-	6,49,246	5,75,653	18,90,053	12,01,676	1,53,855	-
Total	**20,20,464**	**28,36,524**	**1,71,380**	**1,95,080**	**14,92,154**	**9,55,715**	**30,05,106**	**21,31,695**	**29,44,688**	**10,65,426**
Grand Total	**6,49,79,671**	**5,75,50,174**	**51,07,932**	**42,14,019**	**1,09,54,519**	**75,96,178**	**2,04,32,401**	**1,38,36,958**	**1,78,09,578**	**85,74,337**
% of Approved Investments to Total	97%	95%	97%	95%	86%	87%	85%	85%	83%	88%
% of Other Investments to Total	3%	5%	3%	5%	14%	13%	15%	15%	17%	12%

Annexure - 3

(Amount in thousands of Indian Rupees)

Particulars	Ind. Super 20		Ind. Platinum Plus- 1		Ind. Platinum Plus- 2		Ind. Platinum Plus- 3		Ind. Platinum Plus- 4	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF01723/ 06/ 09BSLSUPER20109		ULIF01325/ 02/ 08BSLIIPLAT1109		ULIF01425/ 02/ 08BSLIIPLAT2109		ULIF01628/ 04/ 09BSLIIPLAT3109		ULIF01816/ 09/ 09BSLIIPLAT4109	
Approved Investments										
Government Bonds	-	-	-	-	-	-	-	-	-	-
Corporate Bonds	-	-	-	-	-	-	-	-	-	-
Infrastructure Bonds	-	-	-	-	-	-	-	-	-	-
Equity	99,51,647	66,90,943	-	-	-	-	-	-	-	-
Money Market	2,34,264	44,598	-	-	-	-	-	-	-	-
Fixed Deposits	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-
Preference Shares	-	-	-	-	-	-	-	-	-	-
Total	**1,01,85,911**	**67,35,541**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Other Investments										
Corporate Bonds	-	-	-	-	-	-	-	-	-	-
Infrastructure Bonds	-	-	-	-	-	-	-	-	-	-
Equity	3,22,322	4,78,249	-	-	-	-	-	-	-	-
Money Market	-	-	-	-	-	-	-	-	-	-
Fixed Deposits	-	-	-	-	-	-	-	-	-	-
Mutual Funds	17,69,811	6,62,108	-	-	-	-	-	-	-	-
Total	**20,92,133**	**11,40,357**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total	**1,22,78,044**	**78,75,898**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
% of Approved Investments to Total	**83%**	**86%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
% of Other Investments to Total	**17%**	**14%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**

Particulars	Ind. Platinum Advantage		Ind. Platinum Premier		Ind. Foresight- 5 Pay		Ind. Foresight- Single Pay		Ind. Titanium- 1	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF02408/ 09/ 10BSLPLATADV109		ULIF02203/ 02/ 10BSLPLATPR1109		ULIF02510/ 02/ 11BSLFSIT5P1109		ULIF02610/ 02/ 11BSLFSITSP1109		ULIF01911/ 12/ 09BSLITITAN1109	
Approved Investments										
Government Bonds	4,19,227	12,81,953	-	3,83,845	59,53,208	48,98,642	99,119	98,838	-	-
Corporate Bonds	27,770	7,90,847	-	90,253	17,50,948	31,00,913	50,122	71,338	-	-
Infrastructure Bonds	9,428	20,03,149	-	5,58,844	48,65,050	61,67,914	2,71,566	3,19,535	-	-
Equity	-	-	-	-	-	-	-	-	-	-
Money Market	27,23,707	13,99,285	250	7,88,769	15,77,264	9,90,912	1,10,809	70,347	-	-
Fixed Deposits	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	4,02,805	-	15,55,945	-	-	-	-
Preference Shares	-	-	-	-	-	-	-	-	-	-
Total	**31,80,132**	**54,75,234**	**250**	**22,24,516**	**1,41,46,470**	**1,67,14,326**	**5,31,616**	**5,60,058**	**-**	**-**
Other Investments										
Corporate Bonds	-	-	-	-	-	-	-	-	-	-
Infrastructure Bonds	-	-	-	-	-	-	-	-	-	-
Equity	-	-	-	-	-	-	-	-	-	-
Money Market	-	-	-	-	-	-	-	-	-	-
Fixed Deposits	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total	**31,80,132**	**54,75,234**	**250**	**22,24,516**	**1,41,46,470**	**1,67,14,326**	**5,31,616**	**5,60,058**	**-**	**-**
% of Approved Investments to Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
% of Other Investments to Total	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**

Annexure - 3
(Amount in thousands of Indian Rupees)

Particulars	Ind. Titanium- 2		Ind. Titanium- 3		Ind. Pure Equity		Ind. Value Momentum		Ind. Liquid Plus	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF02011/ 12/ 09BSLITITAN2109		ULIF02111/ 12/ 09BSLITITAN3109		ULIF02707/ 10/ 11BSLIPUREEQ109		ULIF02907/ 10/ 11BSLIVALUEM109		ULIF02807/ 10/ 11BSLLIQPLUS109	
Approved Investments										
Government Bonds	-	10,019	-	8,483	-	-	-	-	7,18,666	-
Corporate Bonds	-	-	-	2,022	-	-	-	-	3,58,664	3,51,336
Infrastructure Bonds	-	-	-	2,010	-	-	-	-	5,34,211	6,91,742
Equity	-	-	-	-	60,48,582	28,98,480	47,46,097	25,01,481	-	-
Money Market	-	3,000	-	12,000	7,78,613	4,87,781	88,068	1,14,046	10,07,295	10,79,738
Fixed Deposits	-	-	-	-	-	-	-	-	-	95,000
Mutual Funds	-	-	-	-	-	-	-	-	-	1,00,180
Preference Shares	-	-	-	-	-	-	-	-	-	-
Total	**-**	**13,019**	**-**	**24,515**	**68,27,195**	**33,86,261**	**48,34,165**	**26,15,527**	**26,18,836**	**23,17,996**
Other Investments										
Corporate Bonds	-	-	-	-	-	-	-	-	-	-
Infrastructure Bonds	-	-	-	-	-	-	-	-	-	-
Equity	-	-	-	-	7,43,684	2,87,029	3,78,428	2,78,151	-	-
Money Market	-	-	-	-	-	-	-	-	-	-
Fixed Deposits	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**7,43,684**	**2,87,029**	**3,78,428**	**2,78,151**	**-**	**-**
Grand Total	**-**	**13,019**	**-**	**24,515**	**75,70,879**	**36,73,290**	**52,12,593**	**28,93,678**	**26,18,836**	**23,17,996**
% of Approved Investments to Total	**100%**	**100%**	**100%**	**100%**	**90%**	**92%**	**93%**	**90%**	**100%**	**100%**
% of Other Investments to Total	**0%**	**0%**	**0%**	**0%**	**10%**	**8%**	**7%**	**10%**	**0%**	**0%**

Particulars	Ind. Pension Growth		Ind. Pension Enrich		Ind. Pension Nourish		Ind. Income Advantage Guaranteed		Ind. Maximiser Guaranteed	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF00504/ 03/ 03BSLIGROWTH109		ULIF00404/ 03/ 03BSLIENRICH109		ULIF00604/ 03/ 03BSLNOURISH109		ULIF03127/ 08/ 13BSLIINADGT109		ULIF03027/ 08/ 13BSLIMAXGT109	
Approved Investments										
Government Bonds	1,06,102	1,02,030	4,16,069	3,89,010	14,875	39,211	4,03,787	6,43,829	-	-
Corporate Bonds	57,660	31,251	98,036	1,13,233	20,718	8,686	1,47,196	2,49,646	-	-
Infrastructure Bonds	20,947	47,057	2,50,219	2,47,384	32,587	20,750	5,28,689	3,79,847	-	-
Equity	42,404	31,593	4,11,744	3,44,387	7,562	5,644	-	-	66,306	48,087
Money Market	1,449	3,600	62,177	1,050	8,847	3,600	1,11,029	25,826	250	2,150
Fixed Deposits	-	-	-	-	-	-	-	75,000	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-
Preference Shares	-	-	-	-	-	-	-	-	-	-
Total	**2,28,562**	**2,15,531**	**12,38,245**	**10,95,064**	**84,589**	**77,891**	**11,90,701**	**13,74,148**	**66,556**	**50,237**
Other Investments										
Corporate Bonds	-	-	-	-	-	-	1,48,789	1,58,879	-	-
Infrastructure Bonds	-	-	-	-	-	-	-	-	-	-
Equity	3,172	2,727	35,291	36,810	549	523	-	-	4,704	3,492
Money Market	-	-	-	-	-	-	-	-	-	-
Fixed Deposits	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	8,351	4,822
Total	**3,172**	**2,727**	**35,291**	**36,810**	**549**	**523**	**1,48,789**	**1,58,879**	**13,055**	**8,314**
Grand Total	**2,31,734**	**2,18,258**	**12,73,536**	**11,31,874**	**85,138**	**78,414**	**13,39,490**	**15,33,027**	**79,611**	**58,551**
% of Approved Investments to Total	**99%**	**99%**	**97%**	**97%**	**99%**	**99%**	**89%**	**90%**	**84%**	**86%**
% of Other Investments to Total	**1%**	**1%**	**3%**	**3%**	**1%**	**1%**	**11%**	**10%**	**16%**	**14%**

Annexure - 3

(Amount in thousands of Indian Rupees)

Particulars	Gr. Fixed Interest		Gr. Gilt		Gr. Bond		Gr. Money Market		Gr. Short Term Debt	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULGF00416/ 07/ 02BSLGFIXINT109		ULGF00630/ 05/ 03BSLIGRGILT109		ULGF00530/ 05/ 03BSLIGRBOND109		ULGF00824/ 08/ 04BSLIGRMMKT109		ULGF01322/ 09/ 08BSLGSHTDBT109	
Approved Investments										
Government Bonds	75,42,464	43,28,701	1,80,730	3,23,457	-	-	5,50,726	-	-	-
Corporate Bonds	48,46,466	46,81,231	-	-	24,47,754	16,91,853	1,39,511	2,36,652	1,97,147	1,36,243
Infrastructure Bonds	50,25,937	32,02,406	-	-	27,25,388	31,55,681	1,90,954	3,16,941	1,44,478	94,768
Equity	-	-	-	-	-	-	-	-	-	-
Money Market	13,76,290	15,13,708	18,593	18,599	5,48,111	10,59,297	3,28,977	9,39,672	1,37,082	76,547
Fixed Deposits	-	-	-	-	-	2,64,000	50,000	19,500	-	-
Mutual Funds	-	4,50,934	-	-	-	3,42,406	-	1,00,370	-	-
Preference Shares	-	-	-	-	-	-	-	-	-	-
Total	**1,87,91,157**	**1,41,76,980**	**1,99,323**	**3,42,056**	**57,21,253**	**65,13,237**	**12,60,168**	**16,13,135**	**4,78,707**	**3,07,558**
Other Investments										
Corporate Bonds	2,83,482	2,87,302	-	-	-	48,208	-	-	-	-
Infrastructure Bonds	-	-	-	-	-	-	-	-	-	-
Equity	-	-	-	-	-	-	-	-	-	-
Money Market	-	-	-	-	-	-	-	-	-	-
Fixed Deposits	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-
Total	**2,83,482**	**2,87,302**	**-**	**-**	**-**	**48,208**	**-**	**-**	**-**	**-**
Grand Total	**1,90,74,639**	**1,44,64,282**	**1,99,323**	**3,42,056**	**57,21,253**	**65,61,445**	**12,60,168**	**16,13,135**	**4,78,707**	**3,07,558**
% of Approved Investments to Total	**99%**	**98%**	**100%**	**100%**	**100%**	**99%**	**100%**	**100%**	**100%**	**100%**
% of Other Investments to Total	**1%**	**2%**	**0%**	**0%**	**0%**	**1%**	**0%**	**0%**	**0%**	**0%**

Particulars	Gr. Growth Advantage		Gr. Income Advantage		Gr. Secure		Gr. Stable		Gr. Growth	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULGF01026/ 11/ 07BSLIGGRADV109		ULGF01425/ 02/ 10BSLGINCADV109		ULGF00212/ 06/ 01BSLGSECURE109		ULGF00312/ 06/ 01BSLGSTABLE109		ULGF00112/ 06/ 01BSLGGROWTH109	
Approved Investments										
Government Bonds	1,14,366	1,42,286	1,82,192	1,95,169	1,11,67,492	66,20,984	28,83,422	18,60,002	13,59,961	15,42,452
Corporate Bonds	65,242	69,816	93,169	1,02,477	59,32,509	57,16,861	12,56,315	12,62,115	4,97,563	6,26,770
Infrastructure Bonds	1,56,850	52,497	1,52,584	1,05,639	54,17,541	39,64,387	4,13,991	3,72,900	6,47,315	6,22,909
Equity	5,15,238	3,99,852	-	-	58,36,314	44,11,619	26,71,686	17,96,716	24,10,985	25,77,236
Money Market	96,614	39,798	21,092	19,349	25,43,263	37,97,148	8,28,595	4,63,582	88,667	1,37,043
Fixed Deposits	-	-	-	-	-	1,70,000	-	-	-	-
Mutual Funds	-	-	-	-	5,07,308	-	-	-	-	-
Preference Shares	-	-	-	-	-	-	-	-	-	-
Total	**9,48,310**	**7,04,249**	**4,49,037**	**4,22,634**	**3,14,04,427**	**2,46,80,999**	**80,54,009**	**57,55,315**	**50,04,491**	**55,06,410**
Other Investments										
Corporate Bonds	-	-	-	-	-	50,055	-	2,009	-	-
Infrastructure Bonds	-	-	-	-	-	-	-	-	-	-
Equity	90,790	36,560	-	-	4,93,396	3,90,918	2,23,456	1,59,392	2,02,882	2,18,743
Money Market	-	-	-	-	-	-	-	-	-	-
Fixed Deposits	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-
Total	**90,790**	**36,560**	**-**	**-**	**4,93,396**	**4,40,973**	**2,23,456**	**1,61,401**	**2,02,882**	**2,18,743**
Grand Total	**10,39,100**	**7,40,809**	**4,49,037**	**4,22,634**	**3,18,97,823**	**2,51,21,972**	**82,77,465**	**59,16,716**	**52,07,373**	**57,25,153**
% of Approved Investments to Total	**91%**	**95%**	**100%**	**100%**	**98%**	**98%**	**97%**	**97%**	**96%**	**96%**
% of Other Investments to Total	**9%**	**5%**	**0%**	**0%**	**2%**	**2%**	**3%**	**3%**	**4%**	**4%**

Annexure - 3

(Amount in thousands of Indian Rupees)

Particulars	Gr. Fixed Interest II		Gr. Money Market II		Gr. Short Term Debt II		Gr. Stable II		Gr. Growth II	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULGF01728/ 11/ 11BSLGFXINT2109		ULGF01928/ 11/ 11BSLGRMMKT2109		ULGF02128/ 11/ 11BSLGSHTDB2109		ULGF02228/ 11/ 11BSLGSTABL2109		ULGF01828/ 11/ 11BSLGROWTH2109	
Approved Investments										
Government Bonds	24,553	30,352	1,511	2,505	-	-	12,858	14,865	99,223	98,896
Corporate Bonds	-	-	-	-	49,604	51,460	-	-	10,472	30,629
Infrastructure Bonds	-	-	-	-	1,19,384	90,863	1,124	1,143	63,621	21,229
Equity	-	-	-	-	-	-	8,125	7,444	2,22,331	1,65,827
Money Market	1,200	2,050	1,799	633	1,42,847	1,60,194	2,949	1,000	79,371	40,398
Fixed Deposits	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-
Preference Shares	-	-	-	-	-	-	-	-	-	-
Total	**25,753**	**32,402**	**3,310**	**3,138**	**3,11,835**	**3,02,517**	**25,056**	**24,452**	**4,75,018**	**3,56,979**
Other Investments										
Corporate Bonds	-	-	-	-	-	-	-	-	-	-
Infrastructure Bonds	-	-	-	-	-	-	-	-	-	-
Equity	-	-	-	-	-	-	706	641	18,853	14,072
Money Market	-	-	-	-	-	-	-	-	-	-
Fixed Deposits	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**706**	**641**	**18,853**	**14,072**
GRAND TOTAL	**25,753**	**32,402**	**3,310**	**3,138**	**3,11,835**	**3,02,517**	**25,762**	**25,093**	**4,93,871**	**3,71,051**
% of Approved Investments to Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**97%**	**97%**	**96%**	**96%**
% of Other Investments to Total	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**3%**	**3%**	**4%**	**4%**

Particulars	Pension Discontinued		Life Discontinued		Discontinued Policy		Ind. Asset Allocation		Ind. Capped Nifty Index	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF03305/ 07/ 13BSLIPNDIS109		ULIF03205/ 07/ 13BSLILDIS109		ULIF02301/ 07/ 10BSLIDISCPF109		ULIF03430/ 10/ 14BSLIASTALC109		ULIF03530/ 10/ 14BSLICNFIDX109	
Approved Investments										
Government Bonds	2,27,927	-	16,91,980	-	-	-	3,66,620	4,87,366	-	-
Corporate Bonds	-	-	-	-	-	-	2,85,536	2,51,512	-	-
Infrastructure Bonds	-	-	-	-	-	-	4,82,871	1,95,282	-	-
Equity	-	-	-	-	-	-	4,29,270	2,63,348	11,21,434	6,15,222
Money Market	5,41,237	8,65,420	68,00,670	56,57,795	487	4,700	7,25,941	3,96,435	7,797	22,299
Fixed Deposits	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-
Preference Shares	-	-	-	-	-	-	-	-	-	-
Total	**7,69,164**	**8,65,420**	**84,92,650**	**56,57,795**	**487**	**4,700**	**22,90,238**	**15,93,943**	**11,29,231**	**6,37,521**
Other Investments										
Corporate Bonds	-	-	-	-	-	-	-	-	-	-
Infrastructure Bonds	-	-	-	-	-	-	-	-	-	-
Equity	-	-	-	-	-	-	22,341	24,834	51,222	45,880
Money Market	-	-	-	-	-	-	-	-	-	-
Fixed Deposits	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**22,341**	**24,834**	**51,222**	**45,880**
Grand Total	**7,69,164**	**8,65,420**	**84,92,650**	**56,57,795**	**487**	**4,700**	**23,12,579**	**16,18,777**	**11,80,453**	**6,83,401**
% of Approved Investments to Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**99%**	**98%**	**96%**	**93%**
% of Other Investments to Total	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**1%**	**2%**	**4%**	**7%**

Annexure - 3

(Amount in thousands of Indian Rupees)

Particulars	MNC		Total	
	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF03722/ 06/ 18ABSLIMUMNC109			
Approved Investments				
Government Bonds	-	-	6,36,63,024	4,83,98,013
Corporate Bonds	-	-	3,00,09,072	3,04,55,110
Infrastructure Bonds	-	-	4,19,65,182	3,78,52,706
Equity	15,87,518	6,74,715	9,79,01,285	6,43,31,403
Money Market	3,01,039	1,92,843	2,54,88,005	2,57,23,692
Fixed Deposits	-	-	2,00,000	10,78,000
Mutual Funds	-	-	5,07,308	45,56,797
Preference Shares	-	-	6,366	9,883
Total	**18,88,557**	**8,67,558**	**25,97,40,242**	**21,24,05,604**
Other Investments		-		-
Corporate Bonds	-	-	11,80,109	17,15,323
Infrastructure Bonds	-	-	1,91,955	2,44,194
Equity	1,66,689	1,21,479	92,57,557	60,03,068
Money Market	-	-	-	-
Fixed Deposits	-	-	-	-
Mutual Funds	-	-	44,71,316	31,79,025
Total	**1,66,689**	**1,21,479**	**1,51,00,937**	**1,11,41,610**
Grand Total	**20,55,246**	**9,89,037**	**27,48,41,179**	**22,35,47,214**
% of Approved Investments to Total	**92%**	**88%**	**95%**	**95%**
% of Other Investments to Total	**8%**	**12%**	**5%**	**5%**

There is no unit balance as of 31st March 2021 and neither there was any movement in Gr. Capital Protection, Gr. Floating Rate, Gr. Growth Maximsier, Gr. Secure-II & Gr. Bond II for the period starting from 01st April 2014 till 31st March 2021.

Annexure - 3
(Amount in thousands of Indian Rupees)

SCHEDULES TO FUND BALANCE SHEET
SCHEDULE: F - 3 CURRENT ASSETS

Particulars	Ind. Assure		Ind. Income Advantage		Ind. Protector		Ind. Builder		Ind. Balancer	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF01008 /07 /05BSLIASSURE109		ULIF01507 /08 /08BSLIINCADV109		ULIF00313 /03 /01BSLPROTECT109		ULIF00113 /03 /01BSLBUILDER109		ULIF00931 /05 /05BSLBALANCE109	
Accrued Interest	64,502	57,201	2,00,114	1,60,913	67,282	65,579	36,280	42,838	6,796	4,072
Cash & Bank Balance	139	2,434	302	292	304	2,084	151	2,029	750	790
Dividend Receivable	-	-	-	-	43	30	69	47	10	11
Receivable for Sale of Investments	-	-	-	-	4,646	-	8,209	-	661	-
Receivable from policy holder	19,233	3,01,374	62,245	1,47,566	11,988	28,159	2,048	1,210	153	126
Margin Money	-	-	-	-	-	-	-	-	-	-
Share Application Money	-	-	-	-	-	-	-	-	-	-
Other Current Assets (for Investments)	297	297	-	-	-	-	-	-	-	-
Total	**84,171**	**3,61,306**	**2,62,661**	**3,08,771**	**84,263**	**95,852**	**46,757**	**46,124**	**8,370**	**4,999**

Particulars	Ind. Enhancer		Ind. Creator		Ind. Magnifier		Ind. Maximiser		Ind. Multiplier	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF00213 /03 /01BSLENHANCE109		ULIF00704 /02 /04BSLCREATOR109		ULIF00826 /06 /04BSLIIMAGNI109		ULIF01101 /06 /07BSLIINMAXI109		ULIF01217 /10 /07BSLINMULTI109	
Accrued Interest	11,03,435	10,05,729	59,721	45,989	14,786	12,824	-	-	-	-
Cash & Bank Balance	12,352	22,400	147	293	1,096	491	298	748	297	457
Dividend Receivable	4,390	3,986	278	221	1,203	1,280	2,258	1,888	-	3,510
Receivable for Sale of Investments	0	31,764	-	-	18,868	-	81,217	1,39,206	1,25,887	5,541
Receivable from policy holder	1,10,180	55,727	14,528	8,259	35,600	25,159	1,60,188	1,14,390	1,90,222	98,198
Margin Money	-	-	-	-	5,539	-	17,584	-	87,256	-
Share Application Money	-	-	-	-	-	-	-	-	-	-
Other Current Assets (for Investments)	3	795	-	-	-	-	-	-	-	-
Total	**12,30,360**	**11,20,401**	**74,674**	**54,762**	**77,092**	**39,754**	**2,61,545**	**2,56,232**	**4,03,662**	**1,07,706**

Particulars	Ind. Super 20		Ind. Platinum Plus- 1		Ind. Platinum Plus- 2		Ind. Platinum Plus- 3		Ind. Platinum Plus- 4	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF01723 /06 /09BSLSUPER20109		ULIF01325 /02 /08BSLIIPLAT1109		ULIF01425 /02 /08BSLIIPLAT2109		ULIF01628 /04 /09BSLIIPLAT3109		ULIF01816 /09 /09BSLIIPLAT4109	
Accrued Interest	-	-	-	-	-	-	-	-	-	-
Cash & Bank Balance	182	400	-	-	-	-	-	-	-	-
Dividend Receivable	-	-	-	-	-	-	-	-	-	-
Receivable for Sale of Investments	53,429	1,61,170	-	-	-	-	-	-	-	-
Receivable from policy holder	92,859	52,645	-	-	-	-	-	-	-	-
Margin Money	-	-	-	-	-	-	-	-	-	-
Share Application Money	-	-	-	-	-	-	-	-	-	-
Other Current Assets (for Investments)	-	-	-	-	-	-	-	-	-	-
Total	**1,46,470**	**2,14,215**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Annexure - 3
(Amount in thousands of Indian Rupees)

Particulars	Ind. Platinum Advantage		Ind. Platinum Premier		Ind. Foresight- 5 Pay		Ind. Foresight- Single Pay		Ind. Titanium- 1	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF02408 /09 /10BSLPLATADV109		ULIF02203 /02 /10BSLPLATPR1109		ULIF02510 /02 /11BSLFSIT5P1109		ULIF02610 /02 /11BSLFSITSP1109		ULIF01911 /12 /09BSLITITAN1109	
Accrued Interest	8,186	1,34,525	-	52,544	4,16,944	4,71,979	17,687	18,641	-	-
Cash & Bank Balance	899	4,308	43	362	771	9,005	85	94	48	37
Dividend Receivable	-	-	-	-	-	-	-	-	-	-
Receivable for Sale of Investments	-	-	-	-	-	-	-	-	-	-
Receivable from policy holder	(1)	14	-	(1)	-	-	1	2	-	1
Margin Money	-	-	-	-	-	-	-	-	-	-
Share Application Money	-	-	-	-	-	-	-	-	-	-
Other Current Assets (for Investments)	-	-	-	-	-	-	-	-	-	-
Total	**9,084**	**1,38,847**	**43**	**52,905**	**4,17,715**	**4,80,984**	**17,773**	**18,737**	**48**	**38**

Particulars	Ind. Titanium- 2		Ind. Titanium- 3		Ind. Pure Equity		Ind. Value Momentum		Ind. Liquid Plus	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF02011 /12 /09BSLITITAN2109		ULIF02111 /12 /09BSLITITAN3109		ULIF02707 /10 /11BSLIPUREEQ109		ULIF02907 /10 /11BSLIVALUEM109		ULIF02807 /10 /11BSLLIQPLUS109	
Accrued Interest	-	321	-	475	-	-	-	-	42,358	52,397
Cash & Bank Balance	-	75	-	48	396	212	68	183	180	121
Dividend Receivable	-	-	-	-	1,674	-	1,534	1,119	-	-
Receivable for Sale of Investments	-	-	-	-	81,653	-	2,36,142	57,832	-	-
Receivable from policy holder	-	-	-	1	1,35,573	63,304	55,291	36,228	1,70,985	1,28,227
Margin Money	-	-	-	-	70,341	-	1,06,159	-	-	-
Share Application Money	-	-	-	-	-	-	-	-	-	-
Other Current Assets (for Investments)	-	-	-	-	-	-	-	-	400	400
Total	**-**	**396**	**-**	**524**	**2,89,637**	**63,516**	**3,99,194**	**95,362**	**2,13,923**	**1,81,145**

Particulars	Ind. Pension Growth		Ind. Pension Enrich		Ind. Pension Nourish		Ind. Income Advantage Guaranteed		Ind. Maximiser Guaranteed	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF00504 /03 /03BSLIGROWTH109		ULIF00404 /03 /03BSLIENRICH109		ULIF00604 /03 /03BSLNOURISH109		ULIF03127 /08 /13BSLIINADGT109		ULIF03027 /08 /13BSLIMAXGT109	
Accrued Interest	5,636	4,496	15,311	17,527	1,490	1,567	28,149	33,348	-	-
Cash & Bank Balance	105	61	128	191	88	126	90	153	34	43
Dividend Receivable	4	-	38	44	1	1	-	-	7	6
Receivable for Sale of Investments	-	-	-	-	-	-	-	-	-	-
Receivable from policy holder	64	119	597	397	38	51	1,07,264	18,298	1,626	1,798
Margin Money	-	-	-	-	-	-	-	-	-	-
Share Application Money	-	-	-	-	-	-	-	-	-	-
Other Current Assets (for Investments)	-	-	-	-	-	-	-	-	-	-
Total	**5,809**	**4,676**	**16,074**	**18,159**	**1,617**	**1,745**	**1,35,503**	**51,799**	**1,667**	**1,847**

Annexure - 3
(Amount in thousands of Indian Rupees)

Particulars	Gr. Fixed Interest		Gr. Gilt		Gr. Bond		Gr. Money Market		Gr. Short Term Debt	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULGF00416 /07 /02BSLGFIXINT109		ULGF00630 /05 /03BSLIGRGILT109		ULGF00530 /05 /03BSLIGRBOND109		ULGF00824 /08 /04BSLIGRMMKT109		ULGF01322 /09 /08BSLGSHTDBT109	
Accrued Interest	4,83,624	3,58,631	4,122	6,860	1,57,501	1,68,381	23,161	27,566	11,468	8,355
Cash & Bank Balance	10,237	10,171	51	44	1,852	3,215	90	119	83	85
Dividend Receivable	-	-	-	-	-	-	-	-	-	-
Receivable for Sale of Investments	-	-	-	-	-	2	-	5	-	-
Receivable from policy holder	10,53,963	6,17,725	1	-	7,717	56,503	5,853	2,05,318	15,487	8,852
Margin Money	-	-	-	-	-	-	-	-	-	-
Share Application Money	-	-	-	-	-	-	-	-	-	-
Other Current Assets (for Investments)	133	927	-	-	-	-	-	-	-	-
Total	**15,47,957**	**9,87,454**	**4,174**	**6,904**	**1,67,070**	**2,28,101**	**29,104**	**2,33,008**	**27,038**	**17,292**

Particulars	Gr. Growth Advantage		Gr. Income Advantage		Gr. Secure		Gr. Stable		Gr. Growth	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULGF01026 /11 /07BSLIGGRADV109		ULGF01425 /02 /10BSLGINCADV109		ULGF00212 /06 /01BSLGSECURE109		ULGF00312 /06 /01BSLGSTABLE109		ULGF00112 /06 /01BSLGGROWTH109	
Accrued Interest	8,889	4,544	12,026	11,186	6,07,180	5,12,524	1,03,642	79,842	58,421	77,449
Cash & Bank Balance	109	121	49	86	7,050	18,266	544	357	139	266
Dividend Receivable	43	56	-	-	567	527	271	208	218	344
Receivable for Sale of Investments	587	-	-	-	6,381	-	2,897	-	21,980	-
Receivable from policy holder	-	-	1	-	4,29,119	1,00,745	14,572	24,061	12,423	7,584
Margin Money	508	-	-	-	16,303	-	7,405	-	2,278	-
Share Application Money	-	-	-	-	-	-	-	-	-	-
Other Current Assets (for Investments)	-	-	-	-	-	-	-	-	-	-
Total	**10,136**	**4,721**	**12,076**	**11,272**	**10,66,600**	**6,32,062**	**1,29,331**	**1,04,468**	**95,459**	**85,643**

Particulars	Gr. Fixed Interest II		Gr. Money Market II		Gr. Short Term Debt II		Gr. Stable II		Gr. Growth II	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULGF01728 /11 /11BSLGFXINT2109		ULGF01928 /11 /11BSLGRMMKT2109		ULGF02128 /11 /11BSLGSHTDB2109		ULGF02228 /11 /11BSLGSTABL2109		ULGF01828 /11 /11BSLGROWTH2109	
Accrued Interest	36	45	20	80	5,704	5,402	303	341	2,362	2,619
Cash & Bank Balance	71	58	40	58	147	60	44	16	76	100
Dividend Receivable	-	-	-	-	-	-	1	1	22	21
Receivable for Sale of Investments	-	-	-	-	-	-	8	-	246	-
Receivable from policy holder	-	-	1	-	1	(1)	(1)	(2)	-	1
Margin Money	-	-	-	-	-	-	15	-	218	-
Share Application Money	-	-	-	-	-	-	-	-	-	-
Other Current Assets (for Investments)	-	-	-	-	-	-	-	-	-	-
Total	**107**	**103**	**61**	**138**	**5,852**	**5,461**	**370**	**356**	**2,924**	**2,741**

Annexure - 3
(Amount in thousands of Indian Rupees)

Particulars	Pension Discontinued		Life Discontinued		Discontinued Policy		Ind. Asset Allocation		Ind. Capped Nifty Index	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF03305 /07 /13BSLIPNDIS109		ULIF03205 /07 /13BSLILDIS109		ULIF02301 /07 /10BSLIDISCPF109		ULIF03430 /10 /14BSLIASTALC109		ULIF03530 /10 /14BSLICNFIDX109	
Accrued Interest	5,102	-	29,566	-	-	-	24,415	22,826	-	-
Cash & Bank Balance	126	128	311	156	61	37	192	169	140	124
Dividend Receivable	-	-	-	-	-	-	63	22	310	-
Receivable for Sale of Investments	-	-	-	-	-	-	-	-	-	-
Receivable from policy holder	1,029	6	9,996	117	36	-	32,034	17,332	16,598	8,872
Margin Money	-	-	-	-	-	-	-	-	-	-
Share Application Money	-	-	-	-	-	-	-	-	-	-
Other Current Assets (for Investments)	-	-	-	-	-	-	-	-	-	-
Total	**6,257**	134	**39,873**	273	**97**	37	**56,704**	40,349	**17,048**	8,996

Particulars	MNC		Total	
	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF03722 /06 /18ABSLIMUMNC109			
Accrued Interest	-	-	36,26,219	34,69,616
Cash & Bank Balance	155	189.00	40,520	81,262
Dividend Receivable	1,293	540.00	14,297	13,862
Receivable for Sale of Investments	-	15,670.00	6,42,811	4,11,190
Receivable from policy holder	82,339	61,249.00	28,51,851	21,89,614
Margin Money	-	-	3,13,606	-
Share Application Money	-	-	-	-
Other Current Assets (for Investments)	-	-	833	2,419
Total	**83,787**	**77,648.00**	**74,90,137**	**61,67,963**

There is no unit balance as of 31st March 2021 and neither there was any movement in Gr. Capital Protection, Gr. Floating Rate, Gr. Growth Maximsier, Gr. Secure- II & Gr. Bond II for the period starting from 01st April 2014 till 31st March 2021.

Annexure - 3
(Amount in thousands of Indian Rupees)

SCHEDULES TO FUND BALANCE SHEET

SCHEDULE: F - 4 CURRENT LIABILITIES AND PROVISIONS

Particulars	Ind. Assure		Ind. Income Advantage		Ind. Protector		Ind. Builder		Ind. Balancer	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF01008 /07 /05BSLIASSURE109		ULIF01507 /08 /08BSLIINCADV109		ULIF00313 /03 /01BSLPROTECT109		ULIF00113 /03 /01BSLBUILDER109		ULIF00931 /05 /05BSLBALANCE109	
Payable for Purchase of Investments	-	-	-	-	-	-	-	-	-	-
Other Current Liabilities	-	-	-	28	-	3	-	(1)	-	12
Payable to Policy holder	91,986	2,344	33,878	8,351	2,338	2,093	3,727	1,639	-	-
Total	**91,986**	**2,344**	**33,878**	**8,379**	**2,338**	**2,096**	**3,727**	**1,638**	**-**	**12**

Particulars	Ind. Enhancer		Ind. Creator		Ind. Magnifier		Ind. Maximiser		Ind. Multiplier	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF00213 /03 /01BSLENHANCE109		ULIF00704 /02 /04BSLCREATOR109		ULIF00826 /06 /04BSLIIMAGNI109		ULIF01101 /06 /07BSLIINMAXI109		ULIF01217 /10 /07BSLINMULTI109	
Payable for Purchase of Investments	21,361	2,25,395	-	33,841	2,13,283	-	82,958	21,793	2,21,443	65,502
Other Current Liabilities	-	(181)	-	(12)	-	(105)	-	(146)	-	64
Payable to Policy holder	1,18,024	3,26,924	9,214	3,939	32,747	1,368	1,37,456	5,678	22,504	7,317
Total	**1,39,385**	**5,52,138**	**9,214**	**37,768**	**2,46,030**	**1,263**	**2,20,414**	**27,325**	**2,43,947**	**72,883**

Particulars	Ind. Super 20		Ind. Platinum Plus- 1		Ind. Platinum Plus- 2		Ind. Platinum Plus- 3		Ind. Platinum Plus- 4	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF01723 /06 /09BSLSUPER20109		ULIF01325 /02 /08BSLIIPLAT1109		ULIF01425 /02 /08BSLIIPLAT2109		ULIF01628 /04 /09BSLIIPLAT3109		ULIF01816 /09 /09BSLIIPLAT4109	
Payable for Purchase of Investments	80,812	38,775	-	-	-	-	-	-	-	-
Other Current Liabilities	-	(46)	-	-	-	-	-	-	-	-
Payable to Policy holder	83,794	7,209	-	-	-	-	-	-	-	-
Total	**1,64,606**	**45,938**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Particulars	Ind. Platinum Advantage		Ind. Platinum Premier		Ind. Foresight- 5 Pay		Ind. Foresight- Single Pay		Ind. Titanium- 1	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF02408 /09 /10BSLPLATADV109		ULIF02203 /02 /10BSLPLATPR1109		ULIF02510 /02 /11BSLFSIT5P1109		ULIF02610 /02 /11BSLFSITSP1109		ULIF01911 /12 /09BSLITITAN1109	
Payable for Purchase of Investments	-	-	-	-	-	-	-	-	-	-
Other Current Liabilities	-	(38)	-	(97)	-	(184)	-	(3)	-	(11)
Payable to Policy holder	2,05,792	597	-	3,550	46,295	8,965	2,130	-	-	-
Total	**2,05,792**	**559**	**-**	**3,453**	**46,295**	**8,781**	**2,130**	**(3)**	**-**	**(11)**

Annexure - 3
(Amount in thousands of Indian Rupees)

Particulars	Ind. Titanium- 2		Ind. Titanium- 3		Ind. Pure Equity		Ind. Value Momentum		Ind. Liquid Plus	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF02011 /12 /09BSLITITAN2109		ULIF02111 /12 /09BSLITITAN3109		ULIF02707 /10 /11BSLIPUREEQ109		ULIF02907 /10 /11BSLIVALUEM109		ULIF02807 /10 /11BSLLIQPLUS109	
Payable for Purchase of Investments	-	-	-	-	3,57,724	1,49,040	2,95,476	-	-	-
Other Current Liabilities	-	(2)	-	-	-	55	-	-	-	6
Payable to Policy holder	-	-	-	1	4,807	4,055	5,645	2,777	3,443	6,021
Total	**-**	**(2)**	**-**	**1**	**3,62,531**	**1,53,150**	**3,01,121**	**2,777**	**3,443**	**6,027**

Particulars	Ind. Pension Growth		Ind. Pension Enrich		Ind. Pension Nourish		Ind. Income Advantage Guaranteed		Ind. Maximiser Guaranteed	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF00504 /03 /03BSLIGROWTH109		ULIF00404 /03 /03BSLIENRICH109		ULIF00604 /03 /03BSLNOURISH109		ULIF03127 /08 /13BSLIINADGT109		ULIF03027 /08 /13BSLIMAXGT109	
Payable for Purchase of Investments	-	-	-	6,609	4,069	-	10,172	-	-	-
Other Current Liabilities	-	(1)	-	(6)	-	-	-	-	-	(1)
Payable to Policy holder	-	-	1,225	312	-	-	25,896	47,755	1,890	877
Total	**-**	**(1)**	**1,225**	**6,915**	**4,069**	**-**	**36,068**	**47,755**	**1,890**	**876**

Particulars	Gr. Fixed Interest		Gr. Gilt		Gr. Bond		Gr. Money Market		Gr. Short Term Debt	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULGF00416 /07 /02BSLGFIXINT109		ULGF00630 /05 /03BSLIGRGILT109		ULGF00530 /05 /03BSLIGRBOND109		ULGF00824 /08 /04BSLIGRMMKT109		ULGF01322 /09 /08BSLGSHTDBT109	
Payable for Purchase of Investments	-	1,00,808	-	-	-	-	-	-	15,258	-
Other Current Liabilities	-	139	-	4	-	101	-	(41)	-	-
Payable to Policy holder	4,557	49	-	-	63	-	-	-	-	-
Total	**4,557**	**1,00,996**	**-**	**4**	**63**	**101**	**-**	**(41)**	**15,258**	**-**

Particulars	Gr. Growth Advantage		Gr. Income Advantage		Gr. Secure		Gr. Stable		Gr. Growth	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULGF01026 /11 /07BSLIGGRADV109		ULGF01425 /02 /10BSLGINCADV109		ULGF00212 /06 /01BSLGSECURE109		ULGF00312 /06 /01BSLGSTABLE109		ULGF00112 /06 /01BSLGGROWTH109	
Payable for Purchase of Investments	16,318	-	-	-	26,962	-	12,247	-	4,050	-
Other Current Liabilities	-	-	-	2	-	153	-	36	-	19
Payable to Policy holder	-	-	-	-	4,898	2	1,949	-	2,395	-
Total	**16,318**	**-**	**-**	**2**	**31,860**	**155**	**14,196**	**36**	**6,445**	**19**

Annexure - 3

(Amount in thousands of Indian Rupees)

Particulars	Gr. Fixed Interest II		Gr. Money Market II		Gr. Short Term Debt II		Gr. Stable II		Gr. Growth II	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULGF01728 /11 /11BSLGFXINT2109		ULGF01928 /11 /11BSLGRMMKT2109		ULGF02128 /11 /11BSLGSHTDB2109		ULGF02228 /11 /11BSLGSTABL2109		ULGF01828 /11 /11BSLGROWTH2109	
Payable for Purchase of Investments	-	-	-	-	-	-	26	-	387	-
Other Current Liabilities	-	-	-	-	-	-	-	-	-	-
Payable to Policy holder	-	-	-	-	-	-	-	-	-	-
Total	**-**	-	**-**	-	**-**	-	**26**	-	**387**	-

Particulars	Pension Discontinued		Life Discontinued		Discontinued Policy		Ind. Asset Allocation		Ind. Capped Nifty Index	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF03305 /07 /13BSLIPNDIS109		ULIF03205 /07 /13BSLILDIS109		ULIF02301 /07 /10BSLIDISCPF109		ULIF03430 /10 /14BSLIASTALC109		ULIF03530 /10 /14BSLICNFIDX109	
Payable for Purchase of Investments	-	-	-	-	-	-	-	4,930	-	-
Other Current Liabilities	-	(3)	-	27	-	(10)	-	25	-	4
Payable to Policy holder	55,109	51,749	3,09,636	2,92,357	528	-	41,037	658	3,640	2,996
Total	**55,109**	**51,746**	**3,09,636**	**2,92,384**	**528**	**(10)**	**41,037**	**5,613**	**3,640**	**3,000**

Particulars	MNC		Total	
	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF03722 /06 /18ABSLIMUMNC109			
Payable for Purchase of Investments	38,201	28,920	14,00,747	6,75,613
Other Current Liabilities	-	43	-	(167)
Payable to Policy holder	584	737	12,57,187	7,90,320
Total	**38,785**	**29,700**	**26,57,934**	**14,65,766**

There is no unit balance as of 31st March 2021 and neither there was any movement in Gr. Capital Protection, Gr. Floating Rate, Gr. Growth Maximsier, Gr. Secure- II & Gr. Bond II for the period starting from 01st April 2014 till 31st March 2021.

Annexure - 3

(Amount in thousands of Indian Rupees)

SCHEDULES TO FUND REVENUE ACCOUNT

SCHEDULE: F- 5 OTHER EXPENSES*

Particulars	Ind. Assure		Ind. Income Advantage		Ind. Protector		Ind. Builder		Ind. Balancer	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF01008/ 07/ 05BSLIASSURE109		ULIF01507/ 08/ 08BSLIINCADV109		ULIF00313/ 03/ 01BSLPROTECT109		ULIF00113/ 03/ 01BSLBUILDER109		ULIF00931/ 05/ 05BSLBALANCE109	
(A) Other charges										
Policy Administration charge	3,246	2,765	14,696	11,161	15,279	14,338	10,755	9,824	1,947	1,768
Surrender charge	-	-	-	-	-	-	-	-	-	-
Switching charge	63	31	83	(13)	33	9	6	7	-	-
Mortality charge	17,846	10,319	60,748	45,564	38,281	29,807	17,981	15,057	1,840	1,552
Discontinuance charge	-	19	-	22	-	7	-	3	-	-
Miscellaneous charge**	-	-	-	-	-	-	-	-	-	-
Total	**21,155**	**13,134**	**75,527**	**56,734**	**53,593**	**44,161**	**28,742**	**24,891**	**3,787**	**3,320**
(B) GST										
GST on charges	3,808	2,364	13,595	10,212	9,647	7,949	5,174	4,480	682	598
Total	**3,808**	**2,364**	**13,595**	**10,212**	**9,647**	**7,949**	**5,174**	**4,480**	**682**	**598**
Total (A+B)	**24,963**	**15,498**	**89,122**	**66,946**	**63,240**	**52,110**	**33,916**	**29,371**	**4,469**	**3,918**

Particulars	Ind. Enhancer		Ind. Creator		Ind. Magnifier		Ind. Maximiser		Ind. Multiplier	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF00213/ 03/ 01BSLENHANCE109		ULIF00704/ 02/ 04BSLCREATOR109		ULIF00826/ 06/ 04BSLIIMAGNI109		ULIF01101/ 06/ 07BSLIINMAXI109		ULIF01217/ 10/ 07BSLINMULTI109	
(A) Other charges										
Policy Administration charge	4,45,453	4,07,662	6,692	6,260	20,620	18,766	50,322	45,801	44,327	36,938
Surrender charge	1	18	-	-	-	-	-	-	(19)	(136)
Switching charge	417	144	13	39	(61)	(24)	(61)	433	(55)	454
Mortality charge	7,02,396	6,36,348	30,157	25,743	74,313	65,198	1,15,054	97,188	1,62,907	1,33,540
Discontinuance charge	-	4	-	4	-	14	-	19	-	21
Miscellaneous charge**	-	-	-	-	-	-	-	-	-	-
Total	**11,48,267**	**10,44,176**	**36,862**	**32,046**	**94,872**	**83,954**	**1,65,315**	**1,43,441**	**2,07,160**	**1,70,817**
(B) GST										
GST on charges	2,06,688	1,87,952	6,635	5,768	17,077	15,112	29,757	25,819	37,289	30,747
Total	**2,06,688**	**1,87,952**	**6,635**	**5,768**	**17,077**	**15,112**	**29,757**	**25,819**	**37,289**	**30,747**
Total (A+B)	**13,54,955**	**12,32,128**	**43,497**	**37,814**	**1,11,949**	**99,066**	**1,95,072**	**1,69,260**	**2,44,449**	**2,01,564**

Annexure - 3
(Amount in thousands of Indian Rupees)

Particulars	Ind. Super 20		Ind. Platinum Plus- 1		Ind. Platinum Plus- 2		Ind. Platinum Plus- 3		Ind. Platinum Plus- 4	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF01723/ 06/ 09BSLSUPER20109		ULIF01325/ 02/ 08BSLIIPLAT1109		ULIF01425/ 02/ 08BSLIIPLAT2109		ULIF01628/ 04/ 09BSLIIPLAT3109		ULIF01816/ 09/ 09BSLIIPLAT4109	
(A) Other charges										
Policy Administration charge	19,894	13,649	-	-	-	12	-	2,146	-	3,389
Surrender charge	-	-	-	-	-	-	-	-	-	-
Switching charge	(132)	1,108	-	-	-	-	-	-	-	-
Mortality charge	70,485	53,957	-	-	-	22	-	1,758	-	2,667
Discontinuance charge	-	23	-	-	-	-	-	-	-	-
Miscellaneous charge**	-	-	-	-	-	-	-	-	-	-
Total	**90,247**	**68,737**	**-**	**-**	**-**	**34**	**-**	**3,904**	**-**	**6,056**
(B) GST										
GST on charges	16,244	12,373	-	-	-	6	-	703	-	1,090
Total	**16,244**	**12,373**	**-**	**-**	**-**	**6**	**-**	**703**	**-**	**1,090**
Total (A+B)	**1,06,491**	**81,110**	**-**	**-**	**-**	**40**	**-**	**4,607**	**-**	**7,146**

Particulars	Ind. Platinum Advantage		Ind. Platinum Premier		Ind. Foresight- 5 Pay		Ind. Foresight- Single Pay		Ind. Titanium- 1	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF02408/ 09/ 10BSLPLATADV109		ULIF02203/ 02/ 10BSLPLATPR1109		ULIF02510/ 02/ 11BSLFSIT5P1109		ULIF02610/ 02/ 11BSLFSITSP1109		ULIF01911/ 12/ 09BSLITITAN1109	
(A) Other charges										
Policy Administration charge	7,444	7,468	912	6,259	-	-	-	-	-	286
Surrender charge	-	-	-	-	-	-	-	-	-	-
Switching charge	-	-	-	-	-	-	-	-	-	-
Mortality charge	5,044	4,807	641	3,632	-	-	-	-	-	155
Discontinuance charge	-	-	-	-	-	-	-	-	-	-
Miscellaneous charge**	-	-	-	-	-	-	-	-	-	-
Total	**12,488**	**12,275**	**1,553**	**9,891**	**-**	**-**	**-**	**-**	**-**	**441**
(B) GST										
GST on charges	2,248	2,209	279	1,780	-	-	-	-	-	79
Total	**2,248**	**2,209**	**279**	**1,780**	**-**	**-**	**-**	**-**	**-**	**79**
Total (A+B)	**14,736**	**14,484**	**1,832**	**11,671**	**-**	**-**	**-**	**-**	**-**	**520**

Annexure - 3
(Amount in thousands of Indian Rupees)

Particulars	Ind. Titanium- 2		Ind. Titanium- 3		Ind. Pure Equity		Ind. Value Momentum		Ind. Liquid Plus	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF02011/ 12/ 09BSLITITAN2109		ULIF02111/ 12/ 09BSLITITAN3109		ULIF02707/ 10/ 11BSLIPUREEQ109		ULIF02907/ 10/ 11BSLIVALUEM109		ULIF02807/ 10/ 11BSLLIQPLUS109	
(A) Other charges										
Policy Administration charge	10	101	17	56	13,519	8,667	7,938	5,029	6,141	188
Surrender charge	-	-	-	-	-	-	-	-	(1)	-
Switching charge	-	-	-	-	128	(1,127)	7	(249)	28	8
Mortality charge	(1)	39	7	19	75,300	61,941	49,641	53,869	33,480	34,192
Discontinuance charge	-	-	-	-	-	8	-	2	-	10
Miscellaneous charge**	-	-	-	-	-	-	-	-	-	-
Total	**9**	**140**	**24**	**75**	**88,947**	**69,489**	**57,586**	**58,651**	**39,648**	**34,398**
(B) GST										
GST on charges	2	25	4	13	16,010	12,508	10,366	10,557	7,137	6,191
Total	**2**	**25**	**4**	**13**	**16,010**	**12,508**	**10,366**	**10,557**	**7,137**	**6,191**
Total (A+B)	**11**	**165**	**28**	**88**	**1,04,957**	**81,997**	**67,952**	**69,208**	**46,785**	**40,589**

Particulars	Ind. Pension Growth		Ind. Pension Enrich		Ind. Pension Nourish		Ind. Income Advantage Guaranteed		Ind. Maximiser Guaranteed	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF00504/ 03/ 03BSLIGROWTH109		ULIF00404/ 03/ 03BSLIENRICH109		ULIF00604/ 03/ 03BSLNOURISH109		ULIF03127/ 08/ 13BSLIINADGT109		ULIF03027/ 08/ 13BSLIMAXGT109	
(A) Other charges										
Policy Administration charge	3,047	2,606	15,327	13,498	1,119	1,000	966	1,090	36	37
Surrender charge	-	-	-	-	-	-	-	-	-	-
Switching charge	-	-	-	-	-	-	-	-	-	-
Mortality charge	64	55	466	460	37	37	(6)	(7)	-	-
Discontinuance charge	-	-	-	-	-	-	-	-	-	-
Miscellaneous charge**	-	-	-	-	-	-	-	-	-	-
Total	**3,111**	**2,661**	**15,793**	**13,958**	**1,156**	**1,037**	**960**	**1,083**	**36**	**37**
(B) GST										
GST on charges	560	479	2,843	2,512	208	187	173	195	6	7
Total	**560**	**479**	**2,843**	**2,512**	**208**	**187**	**173**	**195**	**6**	**7**
Total (A+B)	**3,671**	**3,140**	**18,636**	**16,470**	**1,364**	**1,224**	**1,133**	**1,278**	**42**	**44**

Annexure - 3
(Amount in thousands of Indian Rupees)

Particulars	Gr. Fixed Interest		Gr. Gilt		Gr. Bond		Gr. Money Market		Gr. Short Term Debt	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULGF00416/ 07/ 02BSLGFIXINT109		ULGF00630/ 05/ 03BSLIGRGILT109		ULGF00530/ 05/ 03BSLIGRBOND109		ULGF00824/ 08/ 04BSLIGRMMKT109		ULGF01322/ 09/ 08BSLGSHTDBT109	
(A) Other charges										
Policy Administration charge	-	-	-	-	-	-	-	-	-	-
Surrender charge	-	-	-	-	-	-	-	-	-	-
Switching charge	-	-	-	-	-	-	-	-	-	-
Mortality charge	-	-	-	-	-	-	-	-	-	-
Discontinuance charge	-	-	-	-	-	-	-	-	-	-
Miscellaneous charge**	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
(B) GST										
GST on charges	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Total (A+B)	-	-	-	-	-	-	-	-	-	-

Particulars	Gr. Growth Advantage		Gr. Income Advantage		Gr. Secure		Gr. Stable		Gr. Growth	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULGF01026/ 11/ 07BSLIGGRADV109		ULGF01425/ 02/ 10BSLGINCADV109		ULGF00212/ 06/ 01BSLGSECURE109		ULGF00312/ 06/ 01BSLGSTABLE109		ULGF00112/ 06/ 01BSLGGROWTH109	
(A) Other charges										
Policy Administration charge	-	-	-	-	-	-	-	-	-	-
Surrender charge	-	-	-	-	-	-	-	-	-	-
Switching charge	-	-	-	-	-	-	-	-	-	-
Mortality charge	-	-	-	-	-	-	-	-	-	-
Discontinuance charge	-	-	-	-	-	-	-	-	-	-
Miscellaneous charge**	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
(B) GST										
GST on charges	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Total (A+B)	-	-	-	-	-	-	-	-	-	-

Annexure - 3

(Amount in thousands of Indian Rupees)

Particulars	Gr. Fixed Interest II		Gr. Money Market II		Gr. Short Term Debt II		Gr. Stable II		Gr. Growth II	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULGF01728/ 11/ 11BSLGFXINT2109		ULGF01928/ 11/ 11BSLGRMMKT2109		ULGF02128/ 11/ 11BSLGSHTDB2109		ULGF02228/ 11/ 11BSLGSTABL2109		ULGF01828/ 11/ 11BSLGROWTH2109	
(A) Other charges										
Policy Administration charge	-	-	-	-	-	-	-	-	-	-
Surrender charge	-	-	-	-	-	-	-	-	-	-
Switching charge	-	-	-	-	-	-	-	-	-	-
Mortality charge	-	-	-	-	-	-	-	-	-	-
Discontinuance charge	-	-	-	-	-	-	-	-	-	-
Miscellaneous charge**	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(B) GST										
GST on charges	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total (A+B)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Particulars	Pension Discontinued		Life Discontinued		Discontinued Policy		Ind. Asset Allocation		Ind. Capped Nifty Index	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF03305/ 07/ 13BSLIPNDIS109		ULIF03205/ 07/ 13BSLILDIS109		ULIF02301/ 07/ 10BSLIDISCPF109		ULIF03430/ 10/ 14BSLIASTALC109		ULIF03530/ 10/ 14BSLICNFIDX109	
(A) Other charges										
Policy Administration charge	21	25	1,635	1,081	21	42	4,053	3,301	2,110	1,745
Surrender charge	-	-	-	-	-	-	-	-	-	-
Switching charge	-	-	-	-	-	-	12	(417)	6	3
Mortality charge	(2)	-	511	373	30	15	11,096	8,577	5,478	4,636
Discontinuance charge	1,105	1,429	49,608	21,070	(2)	(11)	-	4	-	4
Miscellaneous charge**	-	643	-	14,648	-	(4)	-	-	-	-
Total	**1,124**	**2,097**	**51,754**	**37,172**	**49**	**42**	**15,161**	**11,465**	**7,594**	**6,388**
(B) GST										
GST on charges	202	377	9,316	6,691	9	8	2,729	2,064	1,367	1,150
Total	**202**	**377**	**9,316**	**6,691**	**9**	**8**	**2,729**	**2,064**	**1,367**	**1,150**
Total (A+B)	**1,326**	**2,474**	**61,070**	**43,863**	**58**	**50**	**17,890**	**13,529**	**8,961**	**7,538**

Annexure - 3
(Amount in thousands of Indian Rupees)

Particulars	MNC		Total	
	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF03722/ 06/ 18ABSLIMUMNC109			
(A) Other charges				
Policy Administration charge	7,422	4,271	7,04,969	6,31,229
Surrender charge	-	-	(19)	(118)
Switching charge	4	(205)	491	201
Mortality charge	23,061	11,467	14,96,855	13,02,987
Discontinuance charge	-	3	50,711	22,655
Miscellaneous charge**	-	-	-	15,287
Total	30,487	15,536	22,53,007	19,72,241
(B) GST				
GST on charges	5,488	2,797	4,05,543	3,55,002
Total	**5,488**	**2,797**	**4,05,543**	**3,55,002**
Total (A+B)	**35,975**	**18,333**	**26,58,550**	**23,27,243**

*Any expense which is 1% of the total expenses incurred should be disclosed as a separate line item.

**Miscellaneous charge includes Reinstatement charge & Late Payment charge.

There is no unit balance as of 31st March 2021 and neither there was any movement in Gr. Capital Protection, Gr. Floating Rate, Gr. Growth Maximsier, Gr. Secure- II & Gr. Bond II for the period starting from 01st April 2014 till 31st March 2021.

Annexure - 3
(Amount in thousands of Indian Rupees)

ANNEXURE TO REVENUE ACCOUNT-BREAK UP OF UNIT LINKED BUSINESS (UL)

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2021

POLICYHOLDERS' ACCOUNT (TECHNICAL ACCOUNT)

Particulars	Individual Life			Pension Individual			Group Life			Group Pension			Health Individual			Total Unit Linked
	Non-Unit	Unit	Total	Non-Unit	Unit	Total	Non-Unit	Unit	Total	Non-Unit	Unit	Total	Non-Unit	Unit	Total	
	(1)	(2)	(3)=(1) + (2)	(4)	(5)	(6)=(4) + (5)	(7)	(8)	(9)= (7) + (8)	(10)	(11)	(12)= (10) + (11)	(12)	(13)	(15)= (13) + (14)	(16)=(3)+ (6)+(9)+ (14)
Premiums earned – net																
(a) Premium	6,74,471	2,10,34,281	2,17,08,752	1,17,319	7,93,048	9,10,367	(3,86,475)	90,07,456	86,20,981	(18,503)	6,93,227	6,74,724	-	37,752	37,752	3,19,52,576
(b) Reinsurance ceded	(6,74,467)	-	(6,74,467)	(179)	-	(179)	(607)	-	(607)	-	-	-	(3,022)	-	(3,022)	(6,78,275)
Income from Investments																
(a) Interest, Dividend & Rent - Gross	2,05,309	72,77,319	74,82,628	6,027	3,44,014	3,50,041	4,715	36,47,763	36,52,478	880	5,44,147	5,45,027	12,239	18,086	30,325	1,20,60,499
(b) Profit on sale/ redemption of investments	2,441	1,82,58,831	1,82,61,272	69	6,53,712	6,53,781	57	20,75,823	20,75,880	10	5,48,899	5,48,909	150	65,454	65,604	2,16,05,446
(c) Loss on sale/redemption of investments	(292)	(58,23,813)	(58,24,105)	(8)	(1,41,882)	(1,41,890)	(7)	(4,43,017)	(4,43,024)	(2)	(1,09,964)	(1,09,966)	(18)	(15,331)	(15,349)	(65,34,334)
(d) Unrealised gain/(loss)	-	3,04,85,411	3,04,85,411	-	9,98,504	9,98,504	-	34,13,689	34,13,689	-	9,16,349	9,16,349	-	1,38,397	1,38,397	3,59,52,350
(e) Gain Loss on Amortisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other income:																
(a) Linked Income	53,31,532	(53,31,532)	-	1,44,579	(1,44,579)	-	7,26,252	(7,26,252)	-	1,16,660	(1,16,660)	-	45,038	(45,038)	-	-
(b) Contribution from the Shareholders' a/c	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) Others (Interest etc)	80,173	-	80,173	1,115	-	1,115	9,760	-	9,760	817	-	817	65	-	65	91,930
Total (A)	**56,19,167**	**6,59,00,497**	**7,15,19,664**	**2,68,922**	**25,02,817**	**27,71,739**	**3,53,695**	**1,69,75,462**	**1,73,29,157**	**99,862**	**24,75,998**	**25,75,860**	**54,452**	**1,99,320**	**2,53,772**	**9,44,50,192**
Commission	9,30,087	-	9,30,087	34,136	-	34,136	3,327	-	3,327	40	-	40	1,202	-	1,202	9,68,792
Operating Expenses related to Insurance Business	31,09,616	-	31,09,616	35,850	-	35,850	1,23,110	-	1,23,110	15,914	-	15,914	3,758	-	3,758	32,88,248
Service Tax on Charges*	9,51,973	-	9,51,973	49,867	-	49,867	1,11,671	-	1,11,671	17,040	-	17,040	6,863	-	6,863	11,37,414
Provision for doubtful debts	76	-	76	3	-	3	-	-	-	-	-	-	-	-	-	79
Total (B)	**49,91,752**	**-**	**49,91,752**	**1,19,856**	**-**	**1,19,856**	**2,38,108**	**-**	**2,38,108**	**32,994**	**-**	**32,994**	**11,823**	**-**	**11,823**	**53,94,533**
Benefits Paid (Net)	5,92,937	2,88,62,410	2,94,55,347	(66)	15,84,181	15,84,115	-	54,37,090	54,37,090	-	7,08,219	7,08,219	1,495	38,221	39,716	3,72,24,487
Interim Bonus Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in valuation of liability in respect of life policies	(82,873)	3,70,38,087	3,69,55,214	19,063	9,18,636	9,37,699	(30,856)	1,15,38,372	1,15,07,516	(7,716)	17,67,779	17,60,063	20,186	1,61,099	1,81,285	5,13,41,777
Total (C)	**5,10,064**	**6,59,00,497**	**6,64,10,561**	**18,997**	**25,02,817**	**25,21,814**	**(30,856)**	**1,69,75,462**	**1,69,44,606**	**(7,716)**	**24,75,998**	**24,68,282**	**21,681**	**1,99,320**	**2,21,001**	**8,85,66,264**
SURPLUS/ (DEFICIT) (D) =(A)-(B)-(C)	**1,17,351**	**-**	**1,17,351**	**1,30,069**	**-**	**1,30,069**	**1,46,443**	**-**	**1,46,443**	**74,584**	**-**	**74,584**	**20,948**	**-**	**20,948**	**4,89,395**
APPROPRIATIONS																
Insurance reserve at the beginning of the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Shareholders' a/c	2,26,903	-	2,26,903	1,35,574	-	1,35,574	1,46,443	-	1,46,443	74,584	-	74,584	20,948	-	20,948	6,04,452
Funds available for future appropriations	(1,09,552)	-	(1,09,552)	(5,505)	-	(5,505)	-	-	-	-	-	-	-	-	-	(1,15,057)
Total (D)	**1,17,351**	**-**	**1,17,351**	**1,30,069**	**-**	**1,30,069**	**1,46,443**	**-**	**1,46,443**	**74,584**	**-**	**74,584**	**20,948**	**-**	**20,948**	**4,89,395**

*GST on charges w.e.f. 1st July 2017

Annexure - 3

(Amount in thousands of Indian Rupees)

ANNEXURE TO REVENUE ACCOUNT-BREAK UP OF UNIT LINKED BUSINESS (UL)

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2020

POLICYHOLDERS' ACCOUNT (TECHNICAL ACCOUNT)

Particulars	Individual Life			Pension Individual			Group Life			Group Pension			Health Individual			Total Unit Linked
	Non-Unit	Unit	Total	Non-Unit	Unit	Total	Non-Unit	Unit	Total	Non-Unit	Unit	Total	Non-Unit	Unit	Total	
	(1)	(2)	(3)=(1) + (2)	(4)	(5)	(6)=(4) + (5)	(7)	(8)	(9)= (7) + (8)	(10)	(11)	(12)= (10) + (11)	(12)	(13)	(15)= (13) + (14)	(16)=(3)+ (6)+(9)+(14)
Premiums earned – net																
(a) Premium	7,11,701	1,91,13,045	1,98,24,746	22,601	6,49,611	6,72,212	(3,38,630)	97,37,154	93,98,524	5,712	11,85,303	11,91,015	-	48,057	48,057	3,11,34,554
(b) Reinsurance ceded	(5,33,951)	-	(5,33,951)	(197)	-	(197)	(184)	-	(184)	-	-	-	(3,055)	-	(3,055)	(5,37,387)
Income from Investments																
(a) Interest, Dividend & Rent - Gross	2,16,104	82,83,536	84,99,640	5,376	3,89,438	3,94,814	4,702	30,49,317	30,54,019	961	6,07,130	6,08,091	9,900	18,864	28,764	1,25,85,328
(b) Profit on sale/ redemption of investments	10,092	1,04,32,168	1,04,42,260	344	3,98,504	3,98,848	187	11,61,784	11,61,971	37	4,36,035	4,36,072	383	50,042	50,425	1,24,89,576
(c) Loss on sale/redemption of investments	-	(62,59,290)	(62,59,290)	-	(1,43,743)	(1,43,743)	-	(2,82,580)	(2,82,580)	-	(1,08,077)	(1,08,077)	-	(13,521)	(13,521)	(68,07,211)
(d) Unrealised gain/(loss)	-	(2,28,46,291)	(2,28,46,291)	-	(7,31,233)	(7,31,233)	-	(12,22,255)	(12,22,255)	-	(7,18,976)	(7,18,976)	-	(1,09,738)	(1,09,738)	(2,56,28,493)
(e) Gain Loss on Amortisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other income:																
(a) Linked Income	55,23,571	(55,23,571)	-	1,13,624	(1,13,624)	-	5,77,632	(5,77,632)	-	1,25,955	(1,25,955)	-	42,524	(42,524)	-	-
(b) Contribution from the Shareholders' a/c	-	-	-	-	-	-	43,935	-	43,935	-	-	-	-	-	-	43,935
(c) Others (Interest etc)	83,378	-	83,378	1,498	-	1,498	20,881	-	20,881	2,648	-	2,648	111	-	111	1,08,516
TOTAL (A)	**60,10,895**	**31,99,597**	**92,10,492**	**1,43,246**	**4,48,953**	**5,92,199**	**3,08,523**	**1,18,65,788**	**1,21,74,311**	**1,35,313**	**12,75,460**	**14,10,773**	**49,863**	**(48,820)**	**1,043**	**2,33,88,818**
Commission	8,63,836	-	8,63,836	15,126	-	15,126	11,852	-	11,852	3,216	-	3,216	1,572	-	1,572	8,95,602
Operating Expenses related to Insurance Business	24,23,336	-	24,23,336	20,927	-	20,927	2,00,597	-	2,00,597	26,561	-	26,561	4,418	-	4,418	26,75,839
Service Tax on Charges*	9,73,835	-	9,73,835	28,794	-	28,794	88,969	-	88,969	18,507	-	18,507	6,823	-	6,823	11,16,928
Provision for doubtful debts	(9)	-	(9)	-	-	-	-	-	-	-	-	-	-	-	-	(9)
TOTAL (B)	**42,60,998**	**-**	**42,60,998**	**64,847**	**-**	**64,847**	**3,01,418**	**-**	**3,01,418**	**48,284**	**-**	**48,284**	**12,813**	**-**	**12,813**	**46,88,360**
Benefits Paid (Net)	4,56,378	3,30,00,467	3,34,56,845	(509)	17,85,032	17,84,523	-	48,92,419	48,92,419	-	4,16,512	4,16,512	814	37,087	37,901	4,05,88,200
Interim Bonus Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in valuation of liability in respect of life policies																
Change in Valuation Liability	(27,520)	(2,98,00,870)	(2,98,28,390)	(5,612)	(13,36,079)	(13,41,691)	7,105	69,73,369	69,80,474	411	8,58,948	8,59,359	25,934	(85,907)	(59,973)	(2,33,90,221)
TOTAL (C)	**4,28,858**	**31,99,597**	**36,28,455**	**(6,121)**	**4,48,953**	**4,42,832**	**7,105**	**1,18,65,788**	**1,18,72,893**	**411**	**12,75,460**	**12,75,871**	**26,748**	**(48,820)**	**(22,072)**	**1,71,97,979**
SURPLUS/ (DEFICIT) (D) =(A)-(B)-(C)	**13,21,039**	**-**	**13,21,039**	**84,520**	**-**	**84,520**	**-**	**-**	**-**	**86,618**	**-**	**86,618**	**10,302**	**-**	**10,302**	**15,02,479**
APPROPRIATIONS																
Insurance reserve at the beginning of the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Shareholders' a/c	12,88,957	-	12,88,957	81,209	-	81,209	-	-	-	86,618	-	86,618	10,302	-	10,302	14,67,086
Funds available for future appropriations	32,082	-	32,082	3,311	-	3,311	-	-	-	-	-	-	-	-	-	35,393
Total (D)	**13,21,039**	**-**	**13,21,039**	**84,520**	**-**	**84,520**	**-**	**-**	**-**	**86,618**	**-**	**86,618**	**10,302**	**-**	**10,302**	**15,02,479**

*GST on charges w.e.f 1st July 2017

Annexure - 3
(Amount in thousands of Indian Rupees)

SCHEDULES TO ANNEXURE TO REVENUE ACCOUNT (UL) FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE-UL1

LINKED INCOME (RECOVERED FROM LINKED FUNDS) FOR THE YEAR ENDED 31ST MARCH 2021

Particulars	Individal Life	Pension Individual	Group Life	Group Pension	Health Individual	Total
Fund Administration charges	NA	NA	NA	NA	NA	NA
Fund Management charge	27,37,294	1,05,015	7,25,376	1,11,721	8,338	36,87,744
Policy Administration charge	8,00,802	37,668	876	4,939	2,350	8,46,635
Surrender charge	-	-	-	-	-	-
Switching charge	581	-	-	-	-	581
Mortality charge / Rider Premium Charge	17,34,321	683	-	-	34,350	17,69,354
Miscellaneous charge	170	-	-	-	0	170
Discontinuance charges	58,365	1,213	-	-	-	59,578
TOTAL (UL-1)	**53,31,532**	**1,44,579**	**7,26,252**	**1,16,660**	**45,038**	**63,64,061**

Charges are inclusive of Goods and Service tax

SCHEDULES TO ANNEXURE TO REVENUE ACCOUNT (UL) FORMING PART OF FINANCIAL STATEMENTS

SCHEDULE-UL1

LINKED INCOME (RECOVERED FROM LINKED FUNDS) FOR THE PERIOD ENDED 31ST MARCH 2020

Particulars	Individal Life	Pension Individual	Group Life	Group Pension	Health Individual	Total
Fund Administration charges	NA	NA	NA	NA	NA	NA
Fund Management charge	27,86,455	1,09,520	5,76,815	1,21,325	8,050	36,02,165
Policy Administration charge	9,40,440	1,003	817	4,630	463	9,47,352
Surrender charge	139	-	-	-	-	139
Switching charge	434	0	-	-	-	434
Mortality charge / Rider Premium Charge	17,55,478	757	-	-	34,011	17,90,247
Miscellaneous charge	13	0	-	-	-	13
Discontinuance charges	40,611	2,343	-	-	-	42,954
TOTAL (UL-1)	**55,23,571**	**1,13,624**	**5,77,632**	**1,25,955**	**42,524**	**63,83,305**

Charges are inclusive of Goods and Service tax

Annexure - 3

(Amount in thousands of Indian Rupees)

SCHEDULE–UL2 BENEFITS PAID [NET] FOR THE PERIOD ENDED 31ST MARCH 2021

Sr No.	Particulars	Individual Life			Pension Individual			Group Life			Group Pension			Health Individual			Total Unit Linked
		Non Unit	Unit	Linked Life	Non-Unit	Unit	Linked Pension	Non-Unit	Unit	Linked Group	Non-Unit	Unit	Linked Group	Non-Unit	Unit	Linked Health	
		(1)	(2)	(3)=(1)+(2)	(4)	(5)	(6)= (4)+ (5)	(7)	(8)	(9)=(7)+(8)	(10)	(11)	(12)= (10)+ (11)	(13)	(14)	(15)= (13)+ (14)	(16)= (3)+ (6)+ (9)+ (12)+ (15)
1	**Insurance Claims**																
	(a) Claims by Death	11,33,617	4,44,224	15,77,841	940	46,806	47,746	-	-	-	-	1,499	1,499	-	606	606	16,27,692
	(b) Claims by Maturity	-	1,04,80,466	1,04,80,466	-	4,11,303	4,11,303	-	-	-	-	-	-	-	-	-	1,08,91,769
	(c) Annuities / Pension payment	-	1,196	1,196	-	-	-	-	-	-	-	-	-	-	-	-	1,196
	(d) Other benefits				-												
	(i) Surrender	(279)	1,78,37,163	1,78,36,884	(7)	11,13,576	11,13,569	-	54,37,090	54,37,090	-	7,06,720	7,06,720	-	37,531	37,531	2,51,31,794
	(ii) Riders	7,630	-	7,630	-	655	655	-	-	-	-	-	-	53	-	53	8,338
	(iii) Health	-	-	-	-	-	-	-	-	-	-	-	-	1,974	-	1,974	1,974
	(iv) Survival	-	394	394	-	-	-	-	-	-	-	-	-	-	-	-	394
	(v) Others	5,888	98,967	1,04,855	136	11,841	11,977	-	-	-	-	-	-	-	84	84	1,16,916
	Sub Total (A)	**11,46,856**	**2,88,62,410**	**3,00,09,266**	**1,069**	**15,84,181**	**15,85,250**	**-**	**54,37,090**	**54,37,090**	**-**	**7,08,219**	**7,08,219**	**2,027**	**38,221**	**40,248**	**3,77,80,073**
2	**Amount Ceded in reinsurance**																
	(a) Claims by Death	5,53,919	-	5,53,919	1,135	-	1,135	-	-	-	-	-	-	-	-	-	5,55,054
	(b) Claims by Maturity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(c) Annuities / Pension payment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(d) Other benefits-Health	-	-	-	-	-	-	-	-	-	-	-	-	532	-	532	532
	Sub-Total (B)	**5,53,919**	**-**	**5,53,919**	**1,135**	**-**	**1,135**	**-**	**-**	**-**	**-**	**-**	**-**	**532**	**-**	**532**	**5,55,586**
	TOTAL (A) - (B)	**5,92,937**	**2,88,62,410**	**2,94,55,347**	**(66)**	**15,84,181**	**15,84,115**	**-**	**54,37,090**	**54,37,090**	**-**	**7,08,219**	**7,08,219**	**1,495**	**38,221**	**39,716**	**3,72,24,487**
	Benefits paid to claimants:																
	In India	5,92,937	2,88,62,410	2,94,55,347	(66)	15,84,181	15,84,115	-	54,37,090	54,37,090	-	7,08,219	7,08,219	1,495	38,221	39,716	3,72,24,487
	Outside India																
	TOTAL (UL2)	**5,92,937**	**2,88,62,410**	**2,94,55,347**	**(66)**	**15,84,181**	**15,84,115**	**-**	**54,37,090**	**54,37,090**	**-**	**7,08,219**	**7,08,219**	**1,495**	**38,221**	**39,716**	**3,72,24,487**

Annexure - 3
(Amount in thousands of Indian Rupees)

SCHEDULE–UL2 BENEFITS PAID [NET] FOR THE PERIOD ENDED 31ST MARCH 2020

Sr. No.	Particulars	Individual Life			Pension Individual			Group Life			Group Pension			Health Individual			Total Unit Linked
		Non-Unit	Unit	Linked Life	Non-Unit	Unit	Linked Pension	Non-Unit	Unit	Linked Group	Non-Unit	Unit	Linked Group	Non-Unit	Unit	Linked Health	
		(1)	(2)	(3)=(1)+(2)	(4)	(5)	(6)= (4)+ (5)	(7)	(8)	(9)=(7)+(8)	(10)	(11)	(12)= (10)+ (11)	(13)	(14)	(15)= (13)+ (14)	(16)= (3)+ (6)+ (9)+ (12)+ (15)
1	**Insurance Claims**																
	(a) Claims by Death	8,64,258	2,94,337	11,58,595	-	47,052	47,052	-	-	-	-	6,739	6,739	-	89	89	12,12,475
	(b) Claims by Maturity	(1)	1,29,94,292	1,29,94,291	-	4,33,891	4,33,891	-	-	-	-	-	-	-	-	-	1,34,28,182
	(c) Annuities / Pension payment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(d) Other benefits				-												
	(i) Surrender	341	1,95,64,662	1,95,65,003	19	12,94,750	12,94,769	-	48,92,416	48,92,416	-	4,09,773	4,09,773	-	36,968	36,968	2,61,98,929
	(ii) Riders	12,435	-	12,435	-	-	-	-	-	-	-	-	-	186	-	186	12,621
	(iii) Health	-	-	-	-	-	-	-	-	-	-	-	-	1,110	-	1,110	1,110
	(iv) Survival	-	1,370	1,370	-	-	-	-	-	-	-	-	-	-	-	-	1,370
	(v) Others	26,905	1,45,806	1,72,711	(528)	9,339	8,811	-	3	3	-	-	-	-	30	30	1,81,555
	Sub Total (A)	**9,03,938**	**3,30,00,467**	**3,39,04,405**	**(509)**	**17,85,032**	**17,84,523**	**-**	**48,92,419**	**48,92,419**	**-**	**4,16,512**	**4,16,512**	**1,296**	**37,087**	**38,383**	**4,10,36,242**
2	**Amount Ceded in reinsurance**																
	(a) Claims by Death	4,47,560	-	4,47,560	-	-	-	-	-	-	-	-	-	-	-	-	4,47,560
	(b) Claims by Maturity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(c) Annuities / Pension payment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(d) Other benefits-Health	-	-	-	-	-	-	-	-	-	-	-	-	482	-	482	482
	Sub Total (B)	**4,47,560**	**-**	**4,47,560**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**482**	**-**	**482**	**4,48,042**
	TOTAL (A) - (B)	**4,56,378**	**3,30,00,467**	**3,34,56,845**	**(509)**	**17,85,032**	**17,84,523**	**-**	**48,92,419**	**48,92,419**	**-**	**4,16,512**	**4,16,512**	**814**	**37,087**	**37,901**	**4,05,88,200**
	Benefits paid to claimants:																
	In India	4,56,378	3,30,00,467	3,34,56,845	(509)	17,85,032	17,84,523	-	48,92,419	48,92,419	-	4,16,512	4,16,512	814	37,087	37,901	4,05,88,200
	Outside India																
	TOTAL (UL2)	**4,56,378**	**3,30,00,467**	**3,34,56,845**	**(509)**	**17,85,032**	**17,84,523**	**-**	**48,92,419**	**48,92,419**	**-**	**4,16,512**	**4,16,512**	**814**	**37,087**	**37,901**	**4,05,88,200**

Appendix 1 to Annexure 3A

(Amount in thousands of Indian Rupees)

PERFORMANCE OF ULIP FUNDS (ABSOLUTE GROWTH - %) RETURNS AS ON 31ST MARCH 2021

INDIVIDUAL LIFE

Fund Name	Year of Inception	FY 2020-21	FY 2019-20	FY 2018-19	Since Inception
Ind. Assure Fund	12 Sep 05	6.79%	9.01%	7.83%	264.63%
Ind. Income Adv Fund	22 Aug 08	7.40%	12.29%	7.98%	222.79%
Ind. Protector	22 Mar 01	10.18%	7.19%	7.78%	411.16%
Ind. Builder	22 Mar 01	15.45%	3.90%	8.35%	584.24%
Ind. Balancer	18 Jul 05	19.96%	2.56%	9.06%	350.97%
Ind. Enhancer	22 Mar 01	22.86%	-2.48%	7.34%	675.94%
Ind. Creator	23 Feb 04	32.22%	-6.43%	9.61%	583.10%
Ind. Magnifier	12 Aug 04	57.63%	-21.62%	7.90%	626.28%
Ind. Maximiser	12 Jun 07	67.22%	-24.41%	9.59%	279.59%
Ind. Multiplier	30 Oct 07	81.98%	-32.41%	-2.07%	340.89%
Super 20	06 Jul 09	61.90%	-19.27%	16.34%	289.98%
Ind. Platinum Plus 1 %	17 Mar 08	NA	NA	4.37%	NA
Ind. Platinum Plus 2%%	08 Sep 08	NA	1.03%	4.09%	NA
Ind. Platinum Plus 3%%%	15 May 09	NA	3.33%	4.93%	NA
Ind. Platinum Plus 4%%%%	15 Sep 09	NA	3.94%	5.71%	NA
Ind. Platinum Premier	15 Feb 10	1.41%	3.98%	5.75%	114.75%
Ind. Platinum Advantage	20 Sep 10	2.39%	2.43%	7.17%	92.34%
Ind. Foresight FP	25 Feb 11	3.69%	2.84%	7.52%	91.26%
Ind. Foresight SP	25 Feb 11	3.95%	6.52%	7.83%	117.91%
Titanium Plus 1	16 Dec 09	-1.75%	4.12%	7.06%	116.41%
Titanium Plus 2 ##	16 Mar 10	0.41%	4.36%	7.23%	115.85%
Titanium Plus 3 ###	16 Jun 10	0.74%	4.70%	8.42%	98.90%
Ind. Liquid Plus	09 Mar 12	4.37%	6.30%	7.11%	85.00%
Ind. Pure Equity	09 Mar 12	65.31%	-20.48%	3.18%	280.15%
Ind. Value Momentum	09 Mar 12	71.50%	-32.93%	-8.99%	148.53%
IPP - Nourish	12 Mar 03	12.65%	7.78%	7.98%	338.67%
IPP - Growth	18 Mar 03	17.99%	4.98%	8.55%	482.15%
IPP - Enrich	12 Mar 03	25.95%	-1.88%	8.50%	597.26%
Discontinued Policy Fund	24 Jan 11	2.62%	4.61%	6.07%	94.45%
Income Advantage Guaranteed Fund	01 Jan 14	6.61%	11.46%	7.62%	82.18%
Maximiser Guaranteed Fund	01 Jan 14	64.74%	-23.54%	9.57%	130.14%
Linked Discontinued Policy Fund	01 Jan 14	3.63%	5.49%	6.34%	50.22%
Pension Discontinued Policy Fund	01 Jan 14	3.70%	5.30%	6.18%	49.69%
Asset Allocation Fund	24 Sep 15	19.16%	4.60%	7.99%	82.43%
Capped Nifty Index Fund	24 Sep 15	66.72%	-24.65%	12.71%	80.39%
Unclaim Fund	01 Apr 16	3.86%	5.81%	6.73%	33.36%
MNC Fund#	15 Feb 19	38.61%	-12.84%	-	23.34%

Appendix 1 to Annexure 3A
(Amount in thousands of Indian Rupees)

GROUP LIFE

Fund Name	Year of Inception	FY 2020-21	FY 2019-20	FY 2018-19	Since Inception
Gr. Fixed Interest Plan I	18 Nov 02	6.94%	12.03%	7.95%	366.46%
Gr. Gilt Plan I	28 Apr 04	5.25%	14.42%	7.73%	239.55%
Gr. Bond Plan I	28 Apr 04	7.69%	9.91%	6.78%	271.07%
Gr. Money Market Plan I	31 Mar 05	3.96%	5.99%	7.25%	260.02%
Gr. Short Term Debt Plan I	10 Dec 08	7.21%	8.92%	8.05%	169.61%
Gr. Capital Protection Plan I**	31 Mar 06	NA	NA	NA	NA
Gr. Floating Rate Plan I***	28 Apr 04	NA	NA	NA	NA
Gr. Secure Plan I	19 Jun 01	16.10%	3.31%	8.15%	588.64%
Gr. Stable Plan I	31 Aug 01	23.97%	-2.09%	8.87%	868.12%
Gr. Growth Plan I	31 Aug 01	33.62%	-7.20%	9.15%	1122.93%
Gr. Growth Advantage	18 Feb 08	39.35%	-10.61%	9.23%	343.49%
Gr. Income Advantage	23 Mar 10	6.90%	11.41%	7.68%	156.12%
Gr. Growth Maximsier****	23 Mar 10	NA	NA	NA	NA
Gr. Bond 2 ^	28 Nov 11	NA	NA	NA	NA
Gr. Fixed Interest 2	28 Nov 11	7.96%	10.98%	9.69%	149.06%
Gr. Growth 2	28 Nov 11	34.76%	-6.61%	9.64%	203.21%
Gr. Money Market 2	28 Nov 11	3.63%	5.71%	6.44%	92.57%
Gr. Secure 2 ^^	28 Nov 11	NA	NA	NA	NA
Gr. Short Term Debt 2	28 Nov 11	4.98%	8.62%	7.96%	120.10%
Gr. Stable 2	28 Nov 11	25.75%	-0.80%	9.78%	175.52%

**The Group Capital Protection Fund became a dormat fund on 12th August 2008 on account of no units.

***The Group Floating Fund became a dormat fund on 12th October 2009 on account of no units.

**** These funds do not have any units since their inception.

^The Group Bond 2 Fund became a dormat fund on 31st March 2012 on account of no units

^^ Secure 2 fund became a dormant fund on 23rd May 2014 on account of no units.

% Platinum Plus I fund has matured on 29th September 2018.

% %Platinum Plus II fund has matured on 26th August 2019. Fund performance is given as on 26th August 2019.

%%% Platinum Plus III fund has matured on 28th January 2020. Fund performance is given as on 28th January 2020

%%%% Platinum Plus IV fund has matured on 29th January 2020. Fund performance is given as on 29th January 2020

MNC Fund has not completed 3 year as on 31st March 2021

Titanium 2 fund has matured on 15th June 2020. Since inception fund performance and FY2020-21 performance is given as on maturity date.

###Titanium 3 fund has matured on 15th Sep 2020. Since inception fund performance and FY2020-21 performance is given as on maturity date.

Appendix 1A to Annexure 3A
(Amount in thousands of Indian Rupees)

RELATED PARTY TRANSACTIONS

Related Party : Aditya Birla Money Limited

Service : Brokerage for purchase / sale of securities

Basis of Payment : As per agreed % of trade value

Fund Name	SFIN	Current Year	Previous Year
Ind. Balancer	ULIF00931/05/05BSLBALANCE109	9	-
Ind. Asset Allocation	ULIF03430/10/14BSLIASTALC109	21	13
Ind. Capped Nifty Index	ULIF03530/10/14BSLICNFIDX109	6	-
Ind. Maximiser Guaranteed	ULIF03027/08/13BSLIMAXGT109	1	5
Ind. Pure Equity	ULIF02707/10/11BSLIPUREEQ109	362	243
Ind. Value Momentum	ULIF02907/10/11BSLIVALUEM109	1,113	720
Ind. Foresight- 5 Pay	ULIF02510/02/11BSLFSIT5P1109	-	137
Ind. Foresight- Single Pay	ULIF02610/02/11BSLFSITSP1109	-	7
Ind. Builder	ULIF00113/03/01BSLBUILDER109	37	-
Ind. Creator	ULIF00704/02/04BSLCREATOR109	228	131
Ind. Enhancer	ULIF00213/03/01BSLENHANCE109	568	386
Ind. Magnifier	ULIF00826/06/04BSLIIMAGNI109	991	318
Ind. Maximiser	ULIF01101/06/07BSLIINMAXI109	614	436
Ind. Multiplier	ULIF01217/10/07BSLINMULTI109	3,308	1,733
Ind. Protector	ULIF00313/03/01BSLPROTECT109	24	5
Ind. Pension Enrich	ULIF00404/03/03BSLIENRICH109	44	18
Ind. Pension Growth	ULIF00504/03/03BSLIGROWTH109	5	-
Ind. Pension Nourish	ULIF00604/03/03BSLNOURISH109	1	-
Ind. Platinum Plus- 3	ULIF01628/04/09BSLIIPLAT3109	-	-
Ind. Platinum Plus- 4	ULIF01816/09/09BSLIIPLAT4109	-	-
Ind. Platinum Advantage	ULIF02408/09/10BSLPLATADV109	-	24
Ind. Platinum Premier	ULIF02203/02/10BSLPLATPR1109	-	-
Ind. Super 20	ULIF01723/06/09BSLSUPER20109	240	295
Ind. Titanium- 1	ULIF01911/12/09BSLITITAN1109	-	-
MNC Fund	ULIF03722/06/18ABSLIMUMNC109	179	22
Gr. Growth II	ULGF01828/11/11BSLGROWTH2109	3	6
Gr. Stable II	ULGF02228/11/11BSLGSTABL2109	1	-
Gr. Growth Advantage	ULGF01026/11/07BSLIGGRADV109	8	17
Gr. Growth	ULGF00112/06/01BSLGGROWTH109	57	119
Gr. Secure	ULGF00212/06/01BSLGSECURE109	131	161
Gr. Stable	ULGF00312/06/01BSLGSTABLE109	54	112
		8,005	**4,908**

Appendix 1A to Annexure 3A
(Amount in thousands of Indian Rupees)

RELATED PARTY TRANSACTIONS

Related Party : Aditya Birla Finance Ltd.

Service : Purchase / sale of securities

Particulars	Purchase of Investments		Sale of Investments		Interest Received	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Ind. Enhancer	-	-	-	-	43,334	40,018
Gr. Bond	-	-	-	-	2,842	2,842
Gr. Short Term Debt	-	-	-	-	-	-
Gr. Secure	-	-	-	-	9,475	9,475
Discontinued Policy Fund	-	-	-	-	-	-
Gr. Growth	-	-	-	-	947	947
Ind. Assure	-	-	-	-	-	-
Gr. Stable	-	-	-	-	9,475	9,475
Ind. Asset Allocation	-	-	-	-	2,843	2,843
Ind. Builder	-	-	-	-	7,580	7,580
Ind. Creator	-	-	-	-	6,159	6,159
Ind. Income Advantage Guaranteed	-	-	-	-	947	4,263
Gr. Growth Advantage	-	-	-	-	948	948
Gr. Income Advantage	-	-	-	-	-	-

Appendix 1A to Annexure 3A

(Amount in thousands of Indian Rupees)

Related Party : GRASIM INDUSTRIES LIMITED

Service : Purchase / sale of securities

Partculars	Purchase of Investments		Sale/Redemption of Investments		Interest Received	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Gr. Growth II	-	-	-	-	-	-
Gr. Bond	-	-	-	50,000	-	4,292
Gr. Fixed Interest	-	44,880	-	50,000	3,533	4,418
Gr. Stable II	-	-	-	-	-	-
Ind. Assure	-	24,933	-	-	-	70
Ind. Asset Allocation	-	-	-	-	-	-
Ind. Capped Nifty Index	-	-	-	-	-	-
Ind. Pure Equity	-	-	-	-	-	-
Ind. Liquid Plus	-	-	-	85,000	-	7,297
Ind. Foresight- 5 Pay	-	-	-	91,000	-	7,812
Ind. Foresight- Single Pay	-	-	-	-	-	-
Gr. Growth Advantage	-	-	-	-	-	-
Gr. Growth	-	-	-	-	-	-
Gr. Secure	-	-	-	-	-	-
Gr. Stable	-	-	-	-	-	-
Gr. Money Market	-	-	-	59,000	-	5,065
Gr. Short Term Debt II	-	1,995	-	-	157	6
Gr. Short Term Debt	-	2,992	48	-	236	8
Ind. Balancer	-	-	-	-	-	-
Ind. Builder	-	-	-	-	-	-
Ind. Creator	-	-	-	-	3,925	-
Ind. Enhancer	-	-	-	-	-	-
Ind. Magnifier	-	-	-	-	-	-
Ind. Maximiser	-	-	-	-	-	-
Ind. Maximiser Guaranteed	-	-	-	-	-	-
Ind. Multiplier	-	-	-	-	-	-
Ind. Pension Enrich	-	-	-	-	-	-
Ind. Pension Growth	-	-	-	-	-	-
Ind. Pension Nourish	-	-	-	-	-	-
Ind. Platinum Plus- 2	-	-	-	-	-	-
Ind. Platinum Plus- 3	-	-	-	-	-	-
Ind. Platinum Plus- 4	-	-	-	-	-	-
Ind. Platinum Advantage	-	-	-	-	-	-
Ind. Platinum Plus- 1	-	-	-	-	-	-
Ind. Platinum Premier	-	-	-	1,65,000	-	14,165
Ind. Protector	-	-	-	-	-	-
Ind. Super 20	-	-	-	-	-	-
Ind. Titanium- 1	-	-	-	-	-	-
Ind. Titanium- 2	-	-	-	-	-	-
Ind. Income Advantage Guaranteed	-	24,933	-	-	-	70
Ind. Titanium- 3	-	-	-	-	-	-

Appendix 2 to Annexure 3A
(Amount in thousands of Indian Rupees)

INVESTMENT IN PROMOTER GROUP COMPANIES AS ON 31ST MARCH 2021

Name of the Company	Ind. Assure		Gr. Short Term Debt		Ind. Protector		Ind. Builder		Ind. Balancer		Ind. Capped Nifty Index	
	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund
ADITYA BIRLA CAPITAL LIMITED	-	-	-	-	-	-	-	-	-	-	-	-
ADITYA BIRLA FASHION & RETAIL LIMITED.	-	-	-	-	-	-	-	-	-	-	-	-
ADITYA BIRLA FINANCE LTD	-	-	-	-	-	-	83,977.44	3.05	-	-	-	-
GRASIM INDUSTRIES LTD	-	-	-	-	-	-	-	-	-	-	-	-
HINDALCO INDUSTRIES LTD	21,055.52	0.65	5,263.88	1.11	1,07,203.47	2.90	3,301.19	0.12	513.15	0.15	13,125.64	1.11
PILANI INVESTMENT & INDUSTRIES CORP LTD	1,26,139.43	3.91	4,853.20	1.02	-	-	-	-	-	-	-	-
ULTRATECH CEMENT LTD	-	-	5,088.43	1.07	5,390.36	0.15	8,287.68	0.30	1,078.07	0.31	22,855.13	1.94
VODAFONE IDEA LIMITED	-	-	-	-	-	-	-	-	-	-	-	-
Total Investment in Promoter Group Companies	1,47,194.95	4.56	15,205.50	3.20	1,12,593.83	3.04	95,566.30	3.47	1,591.23	0.45	35,980.77	3.05
Asset held	**32,24,786.05**		**4,75,000.64**		**37,02,966.96**		**27,54,411.30**		**3,50,081.27**		**11,80,901.64**	

Name of the Company	Ind. Creator		Ind. Magnifier		Ind. Maximiser		Ind. Multiplier		Group Growth Fund II		Gr. Short Term Debt II	
	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund
ADITYA BIRLA CAPITAL LIMITED	-	-	-	-	-	-	-	-	-	-	-	-
ADITYA BIRLA FASHION & RETAIL LIMITED	-	-	-	-	-	-	-	-	-	-	-	-
ADITYA BIRLA FINANCE LTD	68,231.67	1.32	-	-	-	-	-	-	-	-	-	-
GRASIM INDUSTRIES LTD	53,374.95	1.03	-	-	-	-	-	-	-	-	2,135.00	0.67
HINDALCO INDUSTRIES LTD	15,469.81	0.30	84,650.88	0.79	1,65,860.03	0.81	-	-	2,193.16	0.44	-	-
PILANI INVESTMENT & INDUSTRIES CORP LTD	-	-	-	-	-	-	-	-	-	-	-	-
ULTRATECH CEMENT LTD	49,052.28	0.95	1,50,862.70	1.40	2,93,842.00	1.44	-	-	3,463.31	0.70	8,141.48	2.56
VODAFONE IDEA LIMITED	-	-	-	-	-	-	1,27,326.25	0.72	-	-	-	-
Total Investment in Promoter Group Companies	1,86,128.71	3.60	2,35,513.58	2.18	4,59,702.03	2.25	1,27,326.25	0.72	5,656.47	1.14	10,276.48	3.23
Asset held	**51,68,077.60**		**1,07,82,729.22**		**2,04,50,801.25**		**1,78,01,400.55**		**4,96,408.33**		**3,17,686.60**	

Appendix 2 to Annexure 3A
(Amount in thousands of Indian Rupees)

Name of the Company	Ind. Enhancer		Gr. Growth		Ind. Asset Allocation		Individual Super 20 Fund		Ind. Income Advantage Guaranteed		Ind. Pure Equity	
	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund
ADITYA BIRLA CAPITAL LIMITED	74,617.50	0.11	-	-	-	-	-	-	-	-	-	-
ADITYA BIRLA FASHION & RETAIL LIMITED	3,81,215.04	0.58	-	-	-	-	-	-	29,433.20	2.17	-	-
ADITYA BIRLA FINANCE LTD	4,84,211.37	0.73	10,497.18	0.20	31,491.54	1.35	-	-	10,497.18	0.77	-	-
GRASIM INDUSTRIES LTD	-	-	-	-	-	-	-	-	-	-	-	-
HINDALCO INDUSTRIES LTD	9,91,800.29	1.50	24,628.15	0.47	-	-	-	-	-	-	-	-
PILANI INVESTMENT & INDUSTRIES CORP LTD	-	-	-	-	-	-	-	-	19,412.79	1.43	-	-
ULTRATECH CEMENT LTD	3,11,974.86	0.47	37,894.23	0.72	10,612.27	0.45	3,25,982.02	2.66	-	-	1,47,022.07	2.00
VODAFONE IDEA LIMITED	-	-	-	-	-	-	-	-	-	-	-	-
Total Investment in Promoter Group Companies	22,43,819.06	3.40	73,019.56	1.38	42,103.81	1.80	3,25,982.02	2.66	59,343.17	4.37	1,47,022.07	2.00
Asset held	**6,60,78,487.60**		**52,86,357.90**		**23,37,248.93**		**1,22,50,842.21**		**13,57,557.60**		**73,67,216.47**	

Name of the Company	Ind. Foresight FP		Gr. Stable		Ind. Maximiser Guaranteed		Gr. Growth Advantage		Gr. Secure		Ind. Liquid Plus	
	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund
ADITYA BIRLA CAPITAL LIMITED	-	-	-	-	-	-	-	-	-	-	-	-
ADITYA BIRLA FASHION & RETAIL LIMITED	-	-	-	-	-	-	-	-	-	-	-	-
ADITYA BIRLA FINANCE LTD	-	-	1,04,971.80	1.25	-	-	10,497.18	1.02	1,36,463.34	0.42	-	-
GRASIM INDUSTRIES LTD	-	-	-	-	-	-	-	-	3,202.50	0.01	-	-
HINDALCO INDUSTRIES LTD	-	-	26,347.38	0.31	745.22	0.94	4,932.17	0.48	7,53,969.83	2.32	-	-
PILANI INVESTMENT & INDUSTRIES CORP LTD	-	-	-	-	-	-	-	-	-	-	63,091.55	2.37
ULTRATECH CEMENT LTD	45,795.83	0.31	40,070.59	0.48	1,421.71	1.80	7,148.96	0.69	1,40,521.97	0.43	-	-
VODAFONE IDEA LIMITED	-	-	-	-	-	-	-	-	-	-	-	-
Total Investment in Promoter Group Companies	45,795.83	0.31	1,71,389.77	2.05	2,166.93	2.74	22,578.31	2.19	10,34,157.63	3.18	63,091.55	2.37
Asset held	**1,45,64,184.99**		**83,79,977.64**		**79,144.35**		**10,32,918.23**		**3,25,08,339.52**		**26,61,776.05**	

Appendix 2 to Annexure 3A
(Amount in thousands of Indian Rupees)

Name of the Company	Ind. Pension Enrich		Ind. Pension Nourish		Gr. Fixed Interest		Gr. Stable II		Gr. Bond		Gr. Money Market	
	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund	Amount	% to the Fund
ADITYA BIRLA CAPITAL LIMITED	-	-	-	-	-	-	-	-	-	-	-	-
ADITYA BIRLA FASHION & RETAIL LIMITED	-	-	-	-	1,47,166.00	0.75	-	-	23,546.56	0.40	-	-
ADITYA BIRLA FINANCE LTD	-	-	-	-	-	-	-	-	-	-	-	-
GRASIM INDUSTRIES LTD	-	-	-	-	48,037.46	0.25	-	-	-	-	-	-
HINDALCO INDUSTRIES LTD	2,588.65	0.20	45.76	0.06	3,41,089.71	1.74	81.71	0.31	63,000.30	1.07	-	-
PILANI INVESTMENT & INDUSTRIES CORP LTD	-	-	-	-	1,25,899.21	0.64	-	-	1,89,274.66	3.22	33,972.37	2.65
ULTRATECH CEMENT LTD	4,918.70	0.38	67.38	0.08	52,919.62	0.27	121.28	0.46	-	-	-	-
VODAFONE IDEA LIMITED	-	-	-	-	-	-	-	-	-	-	-	-
Total Investment in Promoter Group Companies	7,507.36	0.58	113.14	0.14	7,15,111.99	3.65	203.00	0.78	2,75,821.52	4.69	33,972.37	2.65
Asset held	**12,89,013.49**		**82,646.56**		**1,95,68,632.16**		**26,106.32**		**58,80,606.09**		**12,83,419.39**	

Name of the Company	Ind. Income Advantage		Ind. Pension Growth	
	Amount	% to the Fund	Amount	% to the Fund
ADITYA BIRLA CAPITAL LIMITED	-	-	-	-
ADITYA BIRLA FASHION & RETAIL LIMITED	52,979.76	0.65	-	-
ADITYA BIRLA FINANCE LTD	-	-	-	-
GRASIM INDUSTRIES LTD	-	-	-	-
HINDALCO INDUSTRIES LTD	-	-	271.29	0.11
PILANI INVESTMENT & INDUSTRIES CORP LTD	1,64,790.30	2.04	-	-
ULTRATECH CEMENT LTD	-	-	539.04	0.23
VODAFONE IDEA LIMITED	-	-	-	-
Total Investment in Promoter Group Companies	2,17,770.06	2.69	810.32	0.34
Asset held	**80,91,059.02**		**2,37,479.67**	

Appendix 3 to Annexure 3A
(Amount in thousands of Indian Rupees)

DISCLOSURE OF INVESTMENT - INDUSTRYWISE
IND. ASSURE FUND

As on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES			**6,48,349**	**20.11**	**4,68,327**	**24.75**
	5.08% HDB FINANCIAL SERVICES LTD NCD (MD 28/11/2023)Sr-160	Debt	1,48,879	4.62		
	PILANI INVESTMENT & INDUSTRIES CORP LTD CP (MD 17/08/2021)	Debt	1,06,770	3.31		
	8.18% EXIM BANK MD 07/12/2025 (Sr. S 08-2025)	Debt	86,399	2.68		
	6.35% DCB FD QTR COMP (MD 25/04/2022) (F.V. 2.5CR)	Debt	75,000	2.33		
	8.85% AXIS BANK NCD (MD 05/12/2024)	Debt	54,528	1.69		
	9.10% FULLERTON INDIA CREDIT CO.LTD.NCD(15/12/2021)S-68OPT-II	Debt	51,734	1.60		
	7.89% CAN FIN HOMES LTD. NCD MD (18/05/2022) SERIES 6	Debt	51,584	1.60		
	7.75% SUNDARAM HOME FINANCE LTD NCD SERIES 315 13/02/2023	Debt	31,407	0.97		
	10.90% AU SMALL FINANCE BANK LIMITED NCD (MD 30/05/2025)	Debt	22,679	0.70		
	PILANI INVESTMENT & INDUSTRIES CORP LTD CP (MD 31/08/2021)	Debt	19,369	0.60		
INFRASTRUCTURE FINANCE			**4,69,248**	**14.55**	**4,56,589**	**24.13**
	8.50% NABARD NCD SR 19F (MD 31/01/2023)	Debt	1,59,331	4.94		
	6.40% NABARD NCD (MD 31/07/2023)	Debt	1,02,493	3.18		
	8.20% POWER FINANCE CORPORATION LTD NCD (MD 27/05/2022)	Debt	52,002	1.61		
	7.10% POWER FINANCE CORPORATION LTD NCD (MD 08/08/2022)	Debt	51,414	1.59		
	7.24% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 21/10/2021)	Debt	50,883	1.58		
	8.25% Indian Railway Fin Corp NCD (MD 28/02/2024)	Debt	43,016	1.33		
	9.70% POWER FINANCE CORPN. LTD. NCD (MD 09/06/2021)	Debt	10,109	0.31		
Others (Other than G-Sec & incl NCA)			**8,78,186**	**27.23**	**8,01,587**	**42.36**
Gsec			**12,29,003**	**38.11**	**1,65,792**	**8.76**
Total AUM			**32,24,786**	**100.00**	**18,92,295**	**100.00**

Note:

The following Sectors were having exposure of more than 10% during previous year but less than 10% during the current year:

Sector	Market value	% holding
Electricity, Gas And Steam Supply	2,43,373	12.86

Appendix 3 to Annexure 3A
(Amount in thousands of Indian Rupees)

DISCLOSURE OF INVESTMENT - INDUSTRYWISE IND. INCOME ADV

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES			**9,73,042**	**12.03**	**NA**	**NA**
	7.65% AXIS BANK NCD (MD 30/01/2027)	Debt	2,64,743	3.27		
	6.80% SBI 15 YEAR BASEL 3 TIER 2 [Call 21/8/30](21/08/2035)	Debt	2,22,067	2.74		
	10.90% AU SMALL FINANCE BANK LIMITED NCD (MD 30/05/2025)	Debt	1,70,089	2.10		
	PILANI INVESTMENT & INDUSTRIES CORP LTD CP (MD 31/08/2021)	Debt	96,846	1.20		
	6.35% DCB FD QTR COMP (MD 25/04/2022) (F.V. 2.5CR)	Debt	75,000	0.93		
	PILANI INVESTMENT & INDUSTRIES CORP LTD CP (MD 17/08/2021)	Debt	67,945	0.84		
	8.12% EXPORT IMPORT BANK OF INDIA NCD (MD 25/04/2031) SR-T02	Debt	54,541	0.67		
	8.85% AXIS BANK NCD (MD 05/12/2024)	Debt	21,811	0.27		
INFRASTRUCTURE FINANCE			**10,21,627**	**12.63**	**NA**	**NA**
	7.75% POWER FINANCE CORPN. LTD. NCD (MD 11/06/2030)	Debt	2,71,419	3.35		
	6.90% RURAL ELECTRIFICATION CORPN.LTD.NCD(MD 31/01/2031)204A	Debt	2,50,971	3.10		
	7.93% POWER FINANCE CORPN. LTD. NCD (MD 31/12/2029)	Debt	1,17,651	1.45		
	7.79% POWER FINANCE CORPN. LTD. NCD (MD 22/07/2030)	Debt	95,736	1.18		
	8.40% IRFC NCD (MD 08/01/2029)	Debt	55,479	0.69		
	8.35% IRFC NCD (MD 13/03/2029)	Debt	55,428	0.69		
	8.50% NABARD NCD SR 19F (MD 31/01/2023)	Debt	53,110	0.66		
	7.05% POWER FINANCE CORPN. LTD. NCD (MD 09/08/2030) SR-205 A	Debt	50,682	0.63		
	8.20% POWER FINANCE CORPN. LTD. NCD (MD 10/03/2025)	Debt	32,091	0.40		
	9.37% POWER FINANCE CORPORATION LTD NCD (MD 19/08/2024)	Debt	22,398	0.28		
	8.25%RURAL ELECTRIFICATION CO.LTD GOI SERVICED(MD 26/03/2030	Debt	11,014	0.14		
	8.51% NABARD NCD (MD 19/12/2033) SERIES LTIF 3C	Debt	5,648	0.07		
Others (Other than G-Sec & incl NCA)			**22,58,397**	**27.91**	**39,05,114**	**53.60**
G-sec			**38,37,993**	**47.43**	**33,80,838**	**46.40**
Total AUM			**80,91,059**	**100.00**	**72,85,952**	**100.00**

Appendix 3 to Annexure 3A
(Amount in thousands of Indian Rupees)

DISCLOSURE OF INVESTMENT - INDUSTRYWISE
IND. PROTECTOR

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES			**3,95,358**	**10.68**	**4,52,088**	**12.94**
	8.85% AXIS BANK NCD (MD 05/12/2024)	Debt	54,528	1.47		
	8.88% EXPORT IMPORT BANK OF INDIA NCD (MD 18/10/2022)	Debt	52,903	1.43		
	8.042% BAJAJ FINANCE LIMITED NCD (OPTION I) (MD 10/05/2021)	Debt	50,228	1.36		
	7.60% AXIS BANK LTD NCD (MD 20/10/2023)	Debt	47,304	1.28		
	8.90% INDIABULLS HOUSING FINANCE LTD NCD SR. III B (MD 26/09	Debt	40,843	1.10		
	HDFC BANK LIMITED	Equity	31,621	0.85		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	23,063	0.62		
	ICICI BANK LIMITED	Equity	21,052	0.57		
	8.72% KOTAK MAHINDRA BANK LTD NCD (MD 14/01/2022)	Debt	20,703	0.56		
	KOTAK MAHINDRA BANK LIMITED	Equity	11,852	0.32		
	AXIS BANK LIMITED	Equity	8,899	0.24		
	STATE BANK OF INDIA	Equity	7,799	0.21		
	BAJAJ FINANCE LIMITED	Equity	7,364	0.20		
	INDUSIND BANK LIMITED	Equity	3,579	0.10		
	BAJAJ FINSERV LIMITED	Equity	2,997	0.08		
	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	Equity	2,896	0.08		
	ICICI LOMBARD GENERAL INSURANCE COMPANY LIMITED	Equity	2,308	0.06		
	DCB Bank Limited	Equity	2,000	0.05		
	SHRIRAM TRANSPORT FINANCE COMPANY LIMITED	Equity	1,877	0.05		
	SBI LIFE INSURANCE COMPANY LIMITED	Equity	1,542	0.04		
Others (Other than G-Sec & incl NCA)			**12,32,064**	**33.27**	**12,51,149**	**35.81**
G-Sec			**20,75,545**	**56.05**	**17,90,781**	**51.25**
Total AUM			**37,02,967**	**100.00**	**34,94,018**	**100.00**

Appendix 3 to Annexure 3A
(Amount in thousands of Indian Rupees)

DISCLOSURE OF INVESTMENT - INDUSTRYWISE IND. BUILDER

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES			5,33,071	19.35	4,86,264	18.91
	9.475% ADITYA BIRLA FINANCE LTD NCD G-8 (MD 18/03/2022)	Debt	83,978	3.05		
	8.12% EXPORT IMPORT BANK OF INDIA NCD (MD 25/04/2031) SR-T02	Debt	54,541	1.98		
	8.85% AXIS BANK NCD (MD 05/12/2024)	Debt	54,528	1.98		
	7.49% HDB FINANCIAL SERVICES LTD NCD (MD 18/11/2021)	Debt	51,028	1.85		
	8.042% BAJAJ FINANCE LIMITED NCD (OPTION I) (MD 10/05/2021)	Debt	50,228	1.82		
	HDFC BANK LIMITED	Equity	46,635	1.69		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	34,551	1.25		
	ICICI BANK LIMITED	Equity	31,234	1.13		
	8.90% INDIABULLS HOUSING FINANCE LTD NCD SR. III B (MD 26/09	Debt	25,527	0.93		
	8.72% KOTAK MAHINDRA BANK LTD NCD (MD 14/01/2022)	Debt	20,703	0.75		
	KOTAK MAHINDRA BANK LIMITED	Equity	17,611	0.64		
	AXIS BANK LIMITED	Equity	13,803	0.50		
	STATE BANK OF INDIA	Equity	11,522	0.42		
	BAJAJ FINANCE LIMITED	Equity	11,278	0.41		
	INDUSIND BANK LIMITED	Equity	5,335	0.19		
	BAJAJ FINSERV LIMITED	Equity	4,448	0.16		
	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	Equity	4,344	0.16		
	ICICI LOMBARD GENERAL INSURANCE COMPANY LIMITED	Equity	3,812	0.14		
	DCB Bank Limited	Equity	2,970	0.11		
	SHRIRAM TRANSPORT FINANCE COMPANY LIMITED	Equity	2,802	0.10		
	SBI LIFE INSURANCE COMPANY LIMITED	Equity	2,193	0.08		
Others (Other than G-Sec & incl NCA)			**9,58,917**	**34.81**	**8,58,651**	**33.39**
G-Sec			**12,62,423**	**45.83**	**12,26,607**	**47.70**
Total AUM			**27,54,411**	**100.00**	**25,71,522**	**100.00**

DISCLOSURE OF INVESTMENT - INDUSTRYWISE IND. BALANCER

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
HOUSING FINANCE SERVICES			52,475	14.99	NA	NA
	7.99% LIC HOUSING FINANCE LTD.NCD (MD 12/07/2029)[PUT120721]	Debt	34,858	9.96		
	7.40% HDFC LTD NCD (MD 28/02/2030)	Debt	17,617	5.03		
Others (Other than G-Sec & incl NCA)			**1,32,496**	**37.85**	**97,674**	**31.65**
G-Sec			**1,65,110**	**47.16**	**2,10,920**	**68.35**
Total AUM			**3,50,081**	**100.00**	**3,08,594**	**100.00**

Appendix 3 to Annexure 3A

(Amount in thousands of Indian Rupees)

DISCLOSURE OF INVESTMENT - INDUSTRYWISE IND. ENHANCER

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES			1,06,89,742	16.18	89,77,644	15.38
	HDFC BANK LIMITED	Equity	17,03,550	2.58		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	12,08,154	1.83		
	ICICI BANK LIMITED	Equity	11,25,894	1.70		
	KOTAK MAHINDRA BANK LIMITED	Equity	6,11,743	0.93		
	8.90% SBI 10 YEAR BASEL 3 COMPLIANT TIER 2 SR 1(02/11/28)	Debt	5,41,223	0.82		
	AXIS BANK LIMITED	Equity	5,00,183	0.76		
	STATE BANK OF INDIA	Equity	4,33,666	0.66		
	9.475% ADITYA BIRLA FINANCE LTD NCD G-8 (MD 18/03/2022)	Debt	3,83,147	0.58		
	BAJAJ FINANCE LIMITED	Equity	3,66,535	0.55		
	7.60% AXIS BANK LTD NCD (MD 20/10/2023)	Debt	2,62,797	0.40		
	7.57% HDB FIN.SER.LTD NCD SR2020A/1FX-148(MD 16/02/2023) Rels	Debt	2,61,848	0.40		
	6.45% CHOLAMANDALAM INVT AND FIN CO LTD NCD (MD 23/02/2024)	Debt	2,56,613	0.39		
	6.80% SBI 15 YEAR BASEL 3 TIER 2 [Call 21/8/30](21/08/2035)	Debt	2,46,741	0.37		
	BAJAJ HOUSING FINANCE LTD CP (MD 22/02/2022).	Debt	2,40,230	0.36		
	8.72% KOTAK MAHINDRA BANK LTD NCD (MD 14/01/2022)	Debt	2,27,730	0.34		
	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	Equity	1,60,161	0.24		
	7.60% ICICI Bank Ltd NCD (MD 07/10/2023)	Debt	1,57,576	0.24		
	INDUSIND BANK LIMITED	Equity	1,54,774	0.23		
	BAJAJ FINSERV LIMITED	Equity	1,30,913	0.20		
	9.15% ICICI Bank Ltd NCD (MD 31/12/2022)	Debt	1,27,326	0.19		
	8.90% INDIABULLS HOUSING FINANCE LTD NCD SR. III B (MD 26/09	Debt	1,22,530	0.19		
	SHRIRAM TRANSPORT FINANCE COMPANY LIMITED	Equity	1,16,970	0.18		
	7.89% CAN FIN HOMES LTD. NCD MD (18/05/2022) SERIES 6	Debt	1,09,359	0.17		
	SBI LIFE INSURANCE COMPANY LIMITED	Equity	1,02,196	0.15		
	8.75% ADITYA BIRLA FINANCE LTD NCD (MD 24/06/2021) C4 FY2016	Debt	1,01,064	0.15		
	SURYODAY SMALL FINANCE BANK	Equity	85,417	0.13		
	ICICI LOMBARD GENERAL INSURANCE COMPANY LIMITED	Equity	83,395	0.13		
	KARUR VYSYA BANK LIMITED	Equity	77,602	0.12		
	8.85% AXIS BANK NCD (MD 05/12/2024)	Debt	76,340	0.12		
	ADITYA BIRLA CAPITAL LIMITED	Equity	74,617	0.11		

Appendix 3 to Annexure 3A
(Amount in thousands of Indian Rupees)

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
	8.83% EXPORT IMPORT BANK OF INDIA NCD (MD 09/01/2023)	Debt	74,595	0.11		
	UJJIVAN SMALL FINANCE BANK LTD	Equity	61,817	0.09		
	9.15% EXPORT IMPORT BANK OF INDIA NCD (MD 05/09/2022)	Debt	59,214	0.09		
	9.75% CHOLAMANDALAM INVT AND FIN CO LTD NCD (MD 23/08/2028)	Debt	58,129	0.09		
	8.12% EXPORT IMPORT BANK OF INDIA NCD (MD 25/04/2031) SR-T02	Debt	56,723	0.09		
	9.50% GRUH FINANCE LTD NCD (MD 30/10/28) F 016	Debt	56,474	0.09		
	9.70% HDB FIN.SER.LTD NCD T-II S-2014I/1/7SUB(MD 20/06/2024)	Debt	56,211	0.09		
	9.20% CHOLAMANDALAM INVT AND FIN CO LTD NCD (MD 09/11/2023)	Debt	54,266	0.08		
	9.15% AXIS BANK NCD (MD 31/12/2022)	Debt	53,498	0.08		
	10.90% AU SMALL FINANCE BANK LIMITED NCD (MD 30/05/2025)	Debt	34,018	0.05		
	8.45% BAJAJ FINANCE LIMITED SUB TIER II NCD (MD 29/09/2026)	Debt	32,756	0.05		
	7.75% SUNDARAM HOME FINANCE LTD NCD SERIES 315 13/02/2023	Debt	20,938	0.03		
	9.00% EXPORT IMPORT BANK OF INDIA NCD (MD 07/02/2022)	Debt	20,809	0.03		
INFRASTRUCTURE FINANCE			**95,78,917**	**14.50**	**NA**	**NA**
	7.00% INDIA INFRADEBT LTD NCD (MD 12/11/2025)	Debt	6,36,200	0.96		
	6.40% NABARD NCD (MD 31/07/2023)	Debt	5,12,465	0.78		
	7.75% POWER FINANCE CORPN. LTD. NCD (MD 11/06/2030)	Debt	5,02,548	0.76		
	5.53% NABARD NCD SR 21H (MD 22/02/2024)	Debt	5,01,895	0.76		
	8.30% REC Limited NCD 2029 (MD 25/06/2029)	Debt	4,43,292	0.67		
	7.23% POWER FINANCE CORPN. LTD. NCD (MD 05/01/2027) (SR:155	Debt	4,15,432	0.63		
	7.34% POWER FINANCE CORPN. LTD. NCD (MD 29/09/2035)	Debt	3,31,274	0.50		
	8.30% RURAL ELECTRIFICATION CRPLTDNCD GOI S-VIIIMD 25/03/202	Debt	3,02,214	0.46		
	9.39% POWER FINANCE CORPORATION LTD NCD (MD 27/08/2029)	Debt	3,01,694	0.46		
	8.45% IRFC NCD (MD 04/12/2028)	Debt	2,77,842	0.42		
	8.03% Power Finance Corporation Ltd NCD (MD 02/05/2026) (PUT	Debt	2,69,870	0.41		
	8.27% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 06/02/2025)	Debt	2,68,664	0.41		
	9.02% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 19/11/2022)	Debt	2,65,858	0.40		
	8.50% NABARD NCD SR 19F (MD 31/01/2023)	Debt	2,65,552	0.40		
	7.41% POWER FINANCE CORPN. LTD. NCD (MD 15/05/2030)	Debt	2,59,447	0.39		
	8.39% NABARD NCD (MD 19/07/2021) SERIES 19D	Debt	2,53,214	0.38		

Appendix 3 to Annexure 3A

(Amount in thousands of Indian Rupees)

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
	5.44% NABARD NCD SR 21F (MD 05/02/2024)	Debt	2,50,342	0.38		
	5.14% NABARD NCD SR 21D (MD 31/01/2024).	Debt	2,48,414	0.38		
	8.63% L AND T INFRA DEBT FUND LTD NCD (MD 07/01/2026) SERIES	Debt	2,19,890	0.33		
	8.57% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 21/12/2024)	Debt	2,19,212	0.33		
	10.70% IRFC NCD (MD 11/09/2023)	Debt	1,97,809	0.30		
	8.25% Indian Railway Fin Corp NCD (MD 28/02/2024)	Debt	1,72,064	0.26		
	8.48% POWER FINANCE CORPN. LTD. NCD (09/12/2024) SERIES 124	Debt	1,61,387	0.24		
	7.68% POWER FINANCE CORPORATION LTD (MD 15/07/2030) SR 201	Debt	1,58,445	0.24		
	7.55% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 11/05/2030	Debt	1,57,011	0.24		
	8.25%RURAL ELECTRIFICATION CO.LTD GOI SERVICED(MD 26/03/2030	Debt	1,54,190	0.23		
	7.93% POWER FINANCE CORPN. LTD. NCD (MD 31/12/2029)	Debt	1,49,737	0.23		
	8.82% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 12/04/2023)	Debt	1,18,225	0.18		
	8.30% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 10/04/2025)	Debt	1,13,903	0.17		
	8.51% NABARD NCD (MD 19/12/2033) SERIES LTIF 3C	Debt	1,09,568	0.17		
	8.23% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 23/01/2025)	Debt	1,07,608	0.16		
	7.44% POWER FINANCE CORPN. LTD. NCD (MD 11/06/2027)	Debt	1,03,045	0.16		
	8.07% ENERGY EFFICIENCY SERVICES LTD NCD STRPP B (MD 20/09/2	Debt	1,01,368	0.15		
	9.75% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 11/11/2021)	Debt	82,681	0.13		
	7.41% POWER FINANCE CORPN. LTD. NCD (MD 25/02/2030)	Debt	72,582	0.11		
	8.49% L AND T INFRA DEBT FUND LTD NCD (MD 28/01/2025)	Debt	67,334	0.10		
	8.85% POWER FINANCE CORPN. LTD. NCD (MD 25/05/2029)	Debt	57,069	0.09		
	8.67% POWER FINANCE CORPORATION Ltd NCD BS-179(MD18/11/2028)	Debt	56,625	0.09		
	8.37% RURAL ELECTRIFICATION CORPN. LTD. NCD(MD 07/12/2028)	Debt	55,752	0.08		
	8.55% RURAL ELECTRIFICATION CORPN. LTD.NCD (MD 09/08/2028)	Debt	55,663	0.08		
	9.30% INDIA INFRADEBT LTD NCD (MD 19/06/2024) SERIES I	Debt	55,630	0.08		
	8.65% INDIA INFRADEBT LTD NCD (MD 21/03/2026) SERIES II	Debt	55,019	0.08		
	8.60% Power Finance Corporation Ltd NCD (MD 07/08/2024)	Debt	54,793	0.08		
	9.70% POWER FINANCE CORPN. LTD. NCD (MD 09/06/2021)	Debt	50,545	0.08		
	9.18% POWER FINANCE CORPORATION Ltd NCD (MD 15/04/2021)	Debt	50,099	0.08		

Appendix 3 to Annexure 3A

(Amount in thousands of Indian Rupees)

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
	POWER FINANCE CORPORATION LIMITED	Equity	40,950	0.06		
	8.94% POWER FINANCE CORPORATION LTD (MD 25/03/2028)	Debt	36,176	0.05		
	9.48% REC LTD. NCD (MD 10/08/2021)	Debt	32,597	0.05		
	9.35% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 15/06/2022)	Debt	31,587	0.05		
	8.55% POWER FINANCE CORPN. LTD. NCD (09/12/2021) SERIES 124	Debt	30,885	0.05		
	7.85% POWER FINANCE CORPN. LTD. NCDPFC-BS-177(MD 03/04/2028)	Debt	21,562	0.03		
	9.57% IRFC NCD (MD 31/05/2021)	Debt	20,196	0.03		
	POWER FINANCE CORPORATION LTD TX SR-19 ZCB (MD 30/12/2022)	Debt	19,789	0.03		
	8.84% POWER FINANCE CORPORATION Ltd. NCD (MD 04/03/2023)	Debt	16,069	0.02		
	9.37% POWER FINANCE CORPORATION LTD NCD (MD 19/08/2024)	Debt	11,199	0.02		
	8.98% POWER FINANCE CORPN LTD. NCD (MD 08/10/24) PUT (08/10/1	Debt	11,108	0.02		
	7.79% REC Limited NCD 2030 (MD 21/05/2030)	Debt	10,627	0.02		
	7.20% POWER FINANCE CORPN. LTD. NCD (MD 10/08/2035)	Debt	10,226	0.02		
	8.51% INDIA INFRADEBT LTD NCD (MD 10/05/2021) SR I	Debt	10,051	0.02		
	9.36% POWER FINANCE CORPN. LTD. NCD (MD 01/08/2021)	Debt	9,154	0.01		
	8.70% POWER FINANCE CORPORATION LTD. NCD (MD 14/05/2025)	Debt	3,270	0.00		
Others (Other than G-Sec & incl NCA)			**2,40,11,974**	**36.34**	**2,96,13,561**	**50.72**
G-Sec			**2,17,97,855**	**32.99**	**1,97,98,428**	**33.91**
Total AUM			**6,60,78,488**	**100.00**	**5,83,89,633**	**100.00**

Appendix 3 to Annexure 3A
(Amount in thousands of Indian Rupees)

DISCLOSURE OF INVESTMENT - INDUSTRYWISE
IND. CREATOR

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES			10,88,264	21.06	9,81,585	23.22
	HDFC BANK LIMITED	Equity	2,21,962	4.29		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	1,56,289	3.02		
	ICICI BANK LIMITED	Equity	1,48,706	2.88		
	KOTAK MAHINDRA BANK LIMITED	Equity	75,493	1.46		
	9.475% ADITYA BIRLA FINANCE LTD NCD G-8 (MD 18/03/2022)	Debt	68,232	1.32		
	STATE BANK OF INDIA	Equity	57,935	1.12		
	AXIS BANK LIMITED	Equity	52,602	1.02		
	8.72% KOTAK MAHINDRA BANK LTD NCD (MD 14/01/2022)	Debt	51,757	1.00		
	BAJAJ FINANCE LIMITED	Equity	47,688	0.92		
	6.67% HDFC LIFE INSURANCE CO LTD CALL(29/07/25) MD(29/07/30)	Debt	44,463	0.86		
	8.90% INDIABULLS HOUSING FINANCE LTD NCD SR. III B (MD 26/09	Debt	40,843	0.79		
	INDUSIND BANK LIMITED	Equity	24,090	0.47		
	DCB Bank Limited	Equity	23,705	0.46		
	ICICI LOMBARD GENERAL INSURANCE COMPANY LIMITED	Equity	19,592	0.38		
	SBI LIFE INSURANCE COMPANY LIMITED	Equity	14,631	0.28		
	BAJAJ FINSERV LIMITED	Equity	13,923	0.27		
	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	Equity	13,325	0.26		
	SHRIRAM TRANSPORT FINANCE COMPANY LIMITED	Equity	13,028	0.25		
MANUFACTURE OF COKE AND REFINED PETROLEUM PRODUCTS			6,50,528	12.59	4,32,611	10.24
	5.50% INDIAN OIL CORPN. LTD. NCD (MD 20/10/2025)	Debt	2,74,793	5.32		
	RELIANCE INDUSTRIES LIMITED	Equity	2,29,147	4.43		
	8.02% BPCL Ltd NCD (MD 11/03/2024)	Debt	64,200	1.24		
	7.69% BPCL Ltd NCD (MD 16/01/2023)-2018–Series I	Debt	62,835	1.22		
	BHARAT PETROLEUM CORPORATION LIMITED	Equity	19,553	0.38		
Others (Other than G-Sec & incl NCA)			22,31,423	43.18	15,52,936	36.74
G-Sec			11,97,863	23.18	12,59,561	29.80
Total AUM			51,68,078	100.00	42,26,693	100.00

Appendix 3 to Annexure 3A

(Amount in thousands of Indian Rupees)

DISCLOSURE OF INVESTMENT – INDUSTRY-WISE IND. MAGNIFIER

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
COMPUTER PROGRAMMING, CONSULTANCY AND RELATED ACTIVITIES			**13,87,131**	**12.86**	**9,34,847**	**12.28**
	INFOSYS LIMITED	Equity	7,26,021	6.73		
	TATA CONSULTANCY SERVICES LIMITED	Equity	4,00,933	3.72		
	HCL TECHNOLOGIES LIMITED	Equity	1,72,376	1.60		
	WIPRO LIMITED	Equity	87,800	0.81		
FINANCIAL AND INSURANCE ACTIVITIES			**26,40,877**	**24.49**	**16,51,924**	**21.70**
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	5,92,404	5.49		
	HDFC BANK LIMITED	Equity	5,77,415	5.36		
	ICICI BANK LIMITED	Equity	4,64,240	4.31		
	STATE BANK OF INDIA	Equity	2,14,097	1.99		
	KOTAK MAHINDRA BANK LIMITED	Equity	1,84,873	1.71		
	BAJAJ FINANCE LIMITED	Equity	1,71,387	1.59		
	AXIS BANK LIMITED	Equity	1,33,583	1.24		
	HDFC LTD CP (MD 28/10/2021)	Debt	88,015	0.82		
	INDUSIND BANK LIMITED	Equity	69,694	0.65		
	SHRIRAM TRANSPORT FINANCE COMPANY LIMITED	Equity	50,264	0.47		
	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	Equity	48,734	0.45		
	DCB Bank Limited	Equity	46,170	0.43		
Others (Other than G-Sec & incl NCA)			**63,22,873**	**58.64**	**40,47,156**	**53.18**
G-Sec			**4,31,849**	**4.01**	**9,76,953**	**12.84**
Total AUM			**1,07,82,729**	**100.00**	**76,10,880**	**100.00**

Appendix 3 to Annexure 3A
(Amount in thousands of Indian Rupees)

DISCLOSURE OF INVESTMENT - INDUSTRYWISE IND. MAXIMISER

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES			50,10,066	24.50	33,22,789	23.81
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	12,74,044	6.23		
	HDFC BANK LIMITED	Equity	11,90,615	5.82		
	ICICI BANK LIMITED	Equity	8,12,478	3.97		
	STATE BANK OF INDIA	Equity	4,12,919	2.02		
	BAJAJ FINANCE LIMITED	Equity	3,80,419	1.86		
	KOTAK MAHINDRA BANK LIMITED	Equity	3,32,246	1.62		
	AXIS BANK LIMITED	Equity	2,41,169	1.18		
	SHRIRAM TRANSPORT FINANCE COMPANY LIMITED	Equity	1,49,270	0.73		
	INDUSIND BANK LIMITED	Equity	1,17,388	0.57		
	SBI LIFE INSURANCE COMPANY LIMITED	Equity	99,518	0.49		
COMPUTER PROGRAMMING, CONSULTANCY AND RELATED ACTIVITIES			28,00,392	13.69	16,47,624	11.80
	INFOSYS LIMITED	Equity	14,38,511	7.03		
	TATA CONSULTANCY SERVICES LIMITED	Equity	8,50,774	4.16		
	HCL TECHNOLOGIES LIMITED	Equity	3,45,058	1.69		
	WIPRO LIMITED	Equity	1,66,049	0.81		
Others (Other than G-Sec & incl NCA)			1,24,68,406	60.97	88,27,697	63.25
G-Sec			1,71,937	0.84	1,59,044	1.14
Total AUM			2,04,50,801	100.00	1,39,57,154	100.00

Note:

The following Sectors were having exposure of more than 10% during previous year but less than 10% during the current year:

Sector	Market value	% holding
MANUFACTURE OF COKE AND REFINED PETROLEUM PRODUCTS	15,04,737	10.78

Appendix 3 to Annexure 3A
(Amount in thousands of Indian Rupees)

DISCLOSURE OF INVESTMENT - INDUSTRYWISE IND. MULTIPLIER

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES			**35,58,012**	**19.99**	**14,58,531**	**17.12**
	SHRIRAM TRANSPORT FINANCE COMPANY LIMITED	Equity	6,37,375	3.58		
	AU SMALL FINANCE BANK LIMITED	Equity	3,74,227	2.10		
	DCB Bank Limited	Equity	3,45,053	1.94		
	STATE BANK OF INDIA	Equity	3,16,027	1.78		
	MAHINDRA N MAHINDRA FINANCIAL SERVICES LIMITED	Equity	3,08,367	1.73		
	FEDRAL BANK LIMITED	Equity	2,68,079	1.51		
	CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED	Equity	2,67,800	1.50		
	MAX FINANCIAL SERVICES LIMITED	Equity	2,61,496	1.47		
	CITY UNION BANK	Equity	2,36,830	1.33		
	LIC HOUSING FINANCE LIMITED	Equity	2,21,168	1.24		
	RBL BANK LIMITED	Equity	2,16,645	1.22		
	SOUTH INDIAN BANK LIMITED	Equity	1,04,946	0.59		
Others (Other than G-Sec & incl NCA)			**1,39,16,259**	**78.18**	**66,57,712**	**78.16**
G-Sec			**3,27,129**	**1.84**	**4,02,035**	**4.72**
Total AUM			**1,78,01,401**	**100.00**	**85,18,278**	**100.00**

Appendix 3 to Annexure 3A
(Amount in thousands of Indian Rupees)

DISCLOSURE OF INVESTMENT - INDUSTRYWISE IND. SUPER 20

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES			**29,30,452**	**23.92**	**18,77,078**	**23.47**
	HDFC BANK LIMITED	Equity	9,05,973	7.40		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	8,71,587	7.11		
	ICICI BANK LIMITED	Equity	6,30,903	5.15		
	STATE BANK OF INDIA	Equity	3,22,322	2.63		
	KOTAK MAHINDRA BANK LIMITED	Equity	1,99,667	1.63		
EXCHANGE TRADED FUNDS			**17,69,811**	**14.45**	**NA**	**NA**
	NIPPON INDIA ETF BANK BEES	Equity	6,63,731	5.42		
	SBI-ETF NIFTY BANK	Equity	4,13,658	3.38		
	ICICI PRUDENTIAL BANK ETF	Equity	4,03,210	3.29		
	ICICI PEUDENTIAL ETF IT	Equity	2,89,212	2.36		
COMPUTER PROGRAMMING, CONSULTANCY AND RELATED ACTIVITIES			**18,29,556**	**14.93**	**11,67,988**	**14.60**
	INFOSYS LIMITED	Equity	11,02,528	9.00		
	TATA CONSULTANCY SERVICES LIMITED	Equity	7,27,028	5.93		
Others (Other than G-Sec & incl NCA)			**54,86,759**	**44.79**	**49,09,075**	**61.37**
G-Sec			**2,34,264**	**1.91**	**44,598**	**0.56**
Total AUM			**1,22,50,842**	**100.00**	**79,98,740**	**100.00**

Note:

The following Sectors were having exposure of more than 10% during previous year but less than 10% during the current year:

Sector	Market value	% holding
MANUFACTURE OF CHEMICAL PRODUCTS	8,00,650	10.01
MANUFACTURE OF COKE AND REFINED PETROLEUM PRODUCTS	8,05,444	10.07

DISCLOSURE OF INVESTMENT - INDUSTRYWISE IND. PLATINUM ADVANTAGE

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
Others (Other than G-Sec & incl NCA)			**46,283**	**1.45**	**29,32,868**	**52.24**
G-Sec			**31,42,933**	**98.55**	**26,81,238**	**47.76**
Total AUM			**31,89,216**	**100.00**	**56,14,106**	**100.00**

Note:

The following Sectors were having exposure of more than 10% during previous year but less than 10% during the current year:

Sector	Market value	% holding
ELECTRICITY, GAS AND STEAM SUPPLY	8,23,493	14.67
INFRASTRUCTURE FINANCE	9,19,820	16.38
HOUSING FINANCE SERVICES	5,61,967	10.01

Appendix 3 to Annexure 3A
(Amount in thousands of Indian Rupees)

DISCLOSURE OF INVESTMENT - INDUSTRYWISE IND. PLATINUM PREMIER

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
Others (Other than G-Sec & incl NCA)			43	14.77	13,04,045	57.26
G-Sec			250	85.23	9,73,473	42.74
Total AUM			293	100.00	22,77,518	100.00

Note:

The following Sectors were having exposure of more than 10% during previous year but less than 10% during the current year:

Sector	Market value	% holding
ELECTRICITY, GAS AND STEAM SUPPLY	2,57,885	11.32

DISCLOSURE OF INVESTMENT - INDUSTRYWISE IND. FORESIGHT FP

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY			14,83,378	10.19	21,81,959	12.69
	8.54% NHPC LTD NCD (MD 26/11/2021) (SR S2)	Debt	3,59,758	2.47		
	8.49% NHPC LTD NCD (MD 26/11/2021) (SR S1)	Debt	2,05,513	1.41		
	8.10% NTPC LTD NCD (MD 27/05/2021) SR 61 STRPP A	Debt	1,51,003	1.04		
	8.93% POWER GRID CORPORATION OF INDIA LTD NCD (MD 20/10/2021	Debt	1,07,789	0.74		
	5.45% NTPC Ltd NCD (MD 15/10/2025)	Debt	77,806	0.53		
	9.18% NUCLEAR POWER CORPORATION OF INDIA LIMITED (A) (MD 23/	Debt	55,239	0.38		
	9.25% POWER GRID CORPORATION NCD (MD 26/12/2022)	Debt	53,552	0.37		
	8.85% POWER GRID CORPN. OF INDIA LTD. NCD (MD 19/10/2022)	Debt	52,886	0.36		
	8.50% NHPC LTD NCD SR-T STRRP D (MD 14/07/2022)	Debt	52,195	0.36		
	7.93% POWER GRID CORPORATION NCD (MD 20/05/2022) [F]	Debt	51,862	0.36		
	8.85% POWER GRID CORPN. OF INDIA LTD. NCD (MD 19/10/2021)	Debt	51,302	0.35		
	9.30% POWER GRID CORPN. OF INDIA LTD. NCD (MD 28/06/2021)	Debt	50,644	0.35		
	8.40% POWER GRID CORPORATION NCD (MD 27/05/2021) [C]	Debt	50,356	0.35		
	NTPC LTD CP (MD 22/04/2021)	Debt	49,902	0.34		
	9.35% POWER GRID CORPORATION NCD (MD 29/08/2021)	Debt	45,801	0.31		
	8.40% POWER GRID CORPORATION NCD (MD 27/05/2023) [E]	Debt	25,692	0.18		

Appendix 3 to Annexure 3A

(Amount in thousands of Indian Rupees)

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
	10.10% Power Grid Corporation Ltd NCD (MD 12/06/2021)	Debt	22,775	0.16		
	10.10% Power Grid Corporation NCD (12/06/2022)	Debt	10,617	0.07		
	8.49% NTPC LTD BONUS NCD PART REDEMPTION MD (25/03/2025) (FV	Debt	8,686	0.06		
INFRASTRUCTURE FINANCE			**28,35,656**	**19.47**	**33,56,423**	**19.52**
	9.57% IRFC NCD (MD 31/05/2021)	Debt	7,85,643	5.39		
	8.44% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 04/12/2021)	Debt	4,16,732	2.86		
	8.55% POWER FINANCE CORPN. LTD. NCD (09/12/2021) SERIES 124	Debt	4,01,506	2.76		
	8.39% NABARD NCD (MD 19/07/2021) SERIES 19D	Debt	2,32,957	1.60		
	9.61% POWER FINANCE CORPORATION LTD (MD 29/06/2021)	Debt	1,64,228	1.13		
	9.36% POWER FINANCE CORPN. LTD. NCD (MD 01/08/2021)	Debt	1,43,420	0.98		
	9.02% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 19/11/2022)	Debt	1,27,612	0.88		
	9.30% L AND T INFRA DEBT FUND NCD OPT:2 (MD 26/06/2024)	Debt	1,11,319	0.76		
	8.64% IRFC NCD (MD 17/05/2021) (SERIES 52 B)	Debt	1,00,628	0.69		
	NABARD CD (MD 27/07/2021)	Debt	69,143	0.47		
	9.35% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 15/06/2022)	Debt	58,963	0.40		
	9.27% IRFC NCD (MD 10/05/2021)	Debt	45,267	0.31		
	9.18% POWER FINANCE CORPORATION Ltd NCD (MD 15/04/2021)	Debt	45,089	0.31		
	7.10% POWER FINANCE CORPORATION LTD NCD (MD 08/08/2022)	Debt	30,849	0.21		
	6.70% IRFC NCD (MD 24/11/2021)	Debt	30,493	0.21		
	9.75% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 11/11/2021)	Debt	22,737	0.16		
	9.70% POWER FINANCE CORPN. LTD. NCD (MD 09/06/2021)	Debt	20,218	0.14		
	9.37% POWER FINANCE CORPORATION LTD NCD (MD 19/08/2024)	Debt	15,679	0.11		
	8.49% L AND T INFRA DEBT FUND LTD NCD (MD 28/01/2025)	Debt	8,080	0.06		
	9.48% REC LTD. NCD (MD 10/08/2021)	Debt	5,093	0.03		
Others (Other than G-Sec & incl NCA)			**29,84,308**	**20.49**	**58,20,958**	**33.85**
G-Sec			**72,60,843**	**49.85**	**58,36,153**	**33.94**
Total AUM			**1,45,64,185**	**100.00**	**1,71,95,493**	**100.00**

Appendix 3 to Annexure 3A
(Amount in thousands of Indian Rupees)

DISCLOSURE OF INVESTMENT - INDUSTRYWISE IND. FORESIGHT SP

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
INFRASTRUCTURE FINANCE			1,52,785	27.81	1,97,770	34.17
	8.44% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 04/12/2021)	Debt	46,303	8.43		
	9.36% POWER FINANCE CORPN. LTD. NCD (MD 01/08/2021)	Debt	35,601	6.48		
	9.57% IRFC NCD (MD 31/05/2021)	Debt	30,295	5.51		
	6.70% IRFC NCD (MD 24/11/2021)	Debt	20,329	3.70		
	8.39% NABARD NCD (MD 19/07/2021) SERIES 19D	Debt	20,257	3.69		
ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY			98,351	17.90	1,01,432	17.52
	8.54% NHPC LTD NCD (MD 26/11/2021) (SR S2)	Debt	51,394	9.35		
	8.93% POWER GRID CORPORATION OF INDIA LTD NCD (MD 20/10/2021	Debt	46,195	8.41		
	8.49% NTPC LTD BONUS NCD PART REDEMPTION MD (25/03/2025) (FV	Debt	762	0.14		
Others (Other than G-Sec & incl NCA)			88,325	16.08	1,10,410	19.08
G-Sec			2,09,928	38.21	1,69,186	29.23
Total AUM			5,49,389	100.00	5,78,798	100.00

DISCLOSURE OF INVESTMENT - INDUSTRYWISE TITANIUM 1

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
Others (Other than G-Sec & incl NCA)			48	100.00	48	100.00
Total AUM			48	100.00	48	100.00

DISCLOSURE OF INVESTMENT - INDUSTRYWISE PURE EQUITY

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
Others (Other than G-Sec & incl NCA)			65,88,603	89.43	30,36,626	86.16
G-Sec			7,78,613	10.57	4,87,781	13.84
Total AUM			73,67,216	100.00	35,24,407	100.00

Note:

The following Sectors were having exposure of more than 10% during previous year but less than 10% during the current year:

Sector	Market value	% holding
MANUFACTURE OF CHEMICALS AND CHEMICAL PRODUCTS	5,42,358	15.39
MANUFACTURE OF COKE,PETROLEUM	3,66,607	10.40

Appendix 3 to Annexure 3A
(Amount in thousands of Indian Rupees)

DISCLOSURE OF INVESTMENT - INDUSTRYWISE VALUE MOMENTUM

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
MANUFACTURE OF CHEMICALS AND CHEMICAL PRODUCTS			**7,70,656**	**14.65**	**NA**	**NA**
	COROMANDEL INTERNATIONAL LIMITED	Equity	2,57,135	4.89		
	HINDUSTAN UNILEVER LIMITED	Equity	1,70,035	3.23		
	BAJAJ CONSUMER CARE LTD	Equity	1,11,579	2.12		
	TATA CHEMICALS LIMITED	Equity	73,360	1.39		
	RALLIS INDIA LIMITED	Equity	58,537	1.11		
	CHAMBAL FERTILISERS N CHEMICALS LIMITED	Equity	51,012	0.97		
	COLGATE PALMOLIVE INDIA LIMITED	Equity	48,998	0.93		
FINANCIAL AND INSURANCE ACTIVITIES			**8,43,163**	**16.03**	**5,44,214**	**18.43**
	SURYODAY SMALL FINANCE BANK	Equity	2,42,669	4.61		
	ICICI SECURITIES LIMITED	Equity	1,76,060	3.35		
	FEDRAL BANK LIMITED	Equity	1,22,033	2.32		
	LIC HOUSING FINANCE LIMITED	Equity	70,186	1.33		
	CRISIL LIMITED	Equity	63,201	1.20		
	JM FINANCIAL LTD	Equity	61,798	1.17		
	CENTRAL DEPOSITORY SERVICES LIMITED	Equity	58,684	1.12		
	MUTHOOT FINANCE LIMITED	Equity	48,532	0.92		
COMPUTER PROGRAMMING, CONSULTANCY AND RELATED ACTIVITIES			**6,95,637**	**13.22**	**3,26,701**	**11.06**
	INFOSYS LIMITED	Equity	3,81,221	7.25		
	TATA CONSULTANCY SERVICES LIMITED	Equity	2,35,161	4.47		
	SONATA SOFTWARE LIMITED	Equity	47,865	0.91		
	L&T TECHNOLOGY SERVICES LIMITED	Equity	31,390	0.60		
Others (Other than G-Sec & incl NCA)			**28,63,489**	**54.43**	**19,67,852**	**66.64**
G-Sec			**88,068**	**1.67**	**1,14,046**	**3.86**
Total AUM			**52,61,013**	**100.00**	**29,52,813**	**100.00**

Note:

The following Sectors were having exposure of more than 10% during previous year but less than 10% during the current year:

Sector	Market value	% holding
ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY	4,48,770	15.20

Appendix 3 to Annexure 3A

(Amount in thousands of Indian Rupees)

DISCLOSURE OF INVESTMENT - INDUSTRYWISE
LIQUID PLUS

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES			**5,98,598**	**22.49**	**5,49,646**	**23.18**
	BAJAJ HOUSING FINANCE LTD CP (MD 22/02/2022).	Debt	1,39,334	5.23		
	SBI Cards and Payment Services Ltd CP 361D (MD 08/10/2021)	Debt	1,22,437	4.60		
	KOTAK MAHINDRA INVESTMENTS LTD CP (MD 20/01/2022)	Debt	96,455	3.62		
	7.49% HDB FINANCIAL SERVICES LTD NCD (MD 18/11/2021)	Debt	74,501	2.80		
	PILANI INVESTMENT & INDUSTRIES CORP LTD CP (MD 17/08/2021)	Debt	63,092	2.37		
	SIDBI BANK CD (MD 25/03/2022)	Debt	48,090	1.81		
	HDFC LTD CP (MD 28/10/2021)	Debt	34,228	1.29		
	8.80% TATA CAPITAL FINANCIAL SERVICES LTD NCD MD 27/09/2021	Debt	20,461	0.77		
INFRASTRUCTURE FINANCE			**5,15,163**	**19.35**	**5,07,816**	**21.42**
	NABARD CD (MD 08/02/2022)	Debt	1,93,380	7.27		
	8.18% POWER FINANCE CORPN. LTD. NCD (MD 19/03/2022)	Debt	1,81,609	6.82		
	8.15% REC LTD NCD (MD 18/06/2021)	Debt	90,820	3.41		
	POWER FINANCE CORPN. LTD. CP (MD 30/07/2021)	Debt	49,354	1.85		
Others (Other than G-Sec & incl NCA)			**6,18,326**	**23.23**	**10,55,044**	**44.50**
G-Sec			**9,29,689**	**34.93**	**2,58,401**	**10.90**
Total AUM			**26,61,776**	**100.00**	**23,70,907**	**100.00**

Note:

The following Sectors were having exposure of more than 10% during previous year but less than 10% during the current year:

Sector	Market value	% holding
HOUSING FINANCE SERVICES	2,53,610	10.70

Appendix 3 to Annexure 3A
(Amount in thousands of Indian Rupees)

DISCLOSURE OF INVESTMENT - INDUSTRYWISE
IND. PENSION GROWTH FUND

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES			**33,457**	**14.09**	**NA**	**NA**
	8.375% EXIM BANK MD 24/07/2025 (Sr. S 02-2025)	Debt	18,386	7.74		
	HDFC BANK LIMITED	Equity	3,600	1.52		
	ICICI BANK LIMITED	Equity	2,961	1.25		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	2,798	1.18		
	KOTAK MAHINDRA BANK LIMITED	Equity	1,280	0.54		
	STATE BANK OF INDIA	Equity	1,104	0.46		
	AXIS BANK LIMITED	Equity	1,102	0.46		
	BAJAJ FINANCE LIMITED	Equity	772	0.33		
	BAJAJ FINSERV LIMITED	Equity	387	0.16		
	INDUSIND BANK LIMITED	Equity	334	0.14		
	SHRIRAM TRANSPORT FINANCE COMPANY LIMITED	Equity	256	0.11		
	SBI LIFE INSURANCE COMPANY LIMITED	Equity	247	0.10		
	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	Equity	230	0.10		
HOUSING FINANCE SERVICES			**35,152**	**14.80**	**25,103**	**11.27**
	7.99% LIC HOUSING FINANCE LTD.NCD (MD 12/07/2029)[PUT120721]	Debt	19,608	8.26		
	7.40% HDFC LTD NCD (MD 28/02/2030)	Debt	15,544	6.55		
Others (Other than G-Sec & incl NCA)			**61,320**	**25.82**	**92,083**	**41.33**
G-Sec			**1,07,551**	**45.29**	**1,05,630**	**47.41**
Total AUM			**2,37,480**	**100.00**	**2,22,816**	**100.00**

Note:

The following Sectors were having exposure of more than 10% during previous year but less than 10% during the current year:

Sector	Market value	% holding
INFRASTRUCTURE FINANCE	32,522	14.60

Appendix 3 to Annexure 3A

(Amount in thousands of Indian Rupees)

DISCLOSURE OF INVESTMENT - INDUSTRYWISE
IND. PENSION ENRICH FUND

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES			2,31,470	17.96	2,06,044	18.03
	8.12% EXPORT IMPORT BANK OF INDIA NCD (MD 25/04/2031) SR-T02	Debt	52,360	4.06		
	HDFC BANK LIMITED	Equity	36,260	2.81		
	ICICI BANK LIMITED	Equity	28,117	2.18		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	26,657	2.07		
	8.90% INDIABULLS HOUSING FINANCE LTD NCD SR. III B (MD 26/09	Debt	15,316	1.19		
	KOTAK MAHINDRA BANK LIMITED	Equity	12,178	0.94		
	AXIS BANK LIMITED	Equity	10,469	0.81		
	STATE BANK OF INDIA	Equity	10,393	0.81		
	8.72% KOTAK MAHINDRA BANK LTD NCD (MD 14/01/2022)	Debt	10,351	0.80		
	9.15% EXPORT IMPORT BANK OF INDIA NCD (MD 05/09/2022)	Debt	8,459	0.66		
	BAJAJ FINANCE LIMITED	Equity	7,519	0.58		
	BAJAJ FINSERV LIMITED	Equity	3,287	0.26		
	INDUSIND BANK LIMITED	Equity	3,188	0.25		
	SHRIRAM TRANSPORT FINANCE COMPANY LIMITED	Equity	2,389	0.19		
	SBI LIFE INSURANCE COMPANY LIMITED	Equity	2,334	0.18		
	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	Equity	2,193	0.17		
ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY			1,50,766	11.70	1,38,753	12.14
	9.25% POWER GRID CORPORATION LTD NCD (MD 09/03/2027)	Debt	1,13,703	8.82		
	8.05% NTPC LTD NCD (MD 05/05/2026)-Series 60	Debt	21,601	1.68		
	GUJARAT GAS COMPANY LIMITED	Equity	3,841	0.30		
	TATA POWER COMPANY LIMITED	Equity	3,732	0.29		
	POWER GRID CORPORATION OF INDIA LIMITED	Equity	3,071	0.24		
	NTPC LIMITED	Equity	2,739	0.21		
	GAIL (INDIA) LIMITED	Equity	2,079	0.16		
Others (Other than G-Sec & incl NCA)			4,60,112	35.69	4,40,218	38.51
G-Sec			4,46,665	34.65	3,58,019	31.32
Total AUM			12,89,013	100.00	11,43,034	100.00

Appendix 3 to Annexure 3A

(Amount in thousands of Indian Rupees)

DISCLOSURE OF INVESTMENT - INDUSTRYWISE
IND. PENSION NOURISH FUND

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES			**10,226**	**12.37**	**NA**	**NA**
	8.18% EXIM BANK MD 07/12/2025 (Sr. S 08-2025)	Debt	5,400	6.53		
	9.15% EXPORT IMPORT BANK OF INDIA NCD (MD 05/09/2022)	Debt	2,115	2.56		
	HDFC BANK LIMITED	Equity	657	0.80		
	ICICI BANK LIMITED	Equity	519	0.63		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	490	0.59		
	KOTAK MAHINDRA BANK LIMITED	Equity	228	0.28		
	STATE BANK OF INDIA	Equity	192	0.23		
	AXIS BANK LIMITED	Equity	188	0.23		
	BAJAJ FINANCE LIMITED	Equity	154	0.19		
	BAJAJ FINSERV LIMITED	Equity	97	0.12		
	INDUSIND BANK LIMITED	Equity	57	0.07		
	SBI LIFE INSURANCE COMPANY LIMITED	Equity	44	0.05		
	SHRIRAM TRANSPORT FINANCE COMPANY LIMITED	Equity	43	0.05		
	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	Equity	42	0.05		
INFRASTRUCTURE FINANCE			**19,468**	**23.56**	**NA**	**NA**
	8.30% RURAL ELECTRIFICATION CRPLTDNCD GOI S-VIIIMD 25/03/202	Debt	7,749	9.38		
	7.00% INDIA INFRADEBT LTD NCD (MD 12/11/2025)	Debt	4,131	5.00		
	10.70% IRFC NCD (MD 11/09/2023)	Debt	3,372	4.08		
	7.68% POWER FINANCE CORPORATION LTD (MD 15/07/2030) SR 201	Debt	2,113	2.56		
	7.44% POWER FINANCE CORPN. LTD. NCD (MD 11/06/2027)	Debt	2,103	2.54		
HOUSING FINANCE SERVICES			**10,112**	**12.23**	**NA**	**NA**
	8.55% HDFC Ltd. NCD (MD 27/03/2029)	Debt	6,721	8.13		
	8.70% LIC Housing Finance NCD (MD 23/03/2029)	Debt	3,391	4.10		
Others (Other than G-Sec & incl NCA)			**19,120**	**23.13**	**42,639**	**53.23**
G-Sec			**23,721**	**28.70**	**37,471**	**46.77**
Total AUM			**82,647**	**100.00**	**80,110**	**100.00**

Appendix 3 to Annexure 3A
(Amount in thousands of Indian Rupees)

DISCLOSURE OF INVESTMENT - INDUSTRYWISE
IND. INCOME ADVANTAGE GUARANTEED

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES			1,98,019	14.59	3,02,082	19.28
	10.90% AU SMALL FINANCE BANK LIMITED NCD (MD 30/05/2025)	Debt	56,696	4.18		
	6.67% HDFC LIFE INSURANCE CO LTD CALL(29/07/25) MD(29/07/30)	Debt	39,523	2.91		
	8.72% KOTAK MAHINDRA BANK LTD NCD (MD 14/01/2022)	Debt	31,054	2.29		
	6.80% SBI 15 YEAR BASEL 3 TIER 2 [Call 21/8/30](21/08/2035)	Debt	24,674	1.82		
	PILANI INVESTMENT & INDUSTRIES CORP LTD CP (MD 17/08/2021)	Debt	19,413	1.43		
	8.85% AXIS BANK NCD (MD 05/12/2024)	Debt	10,906	0.80		
	9.475% ADITYA BIRLA FINANCE LTD NCD G-8 (MD 18/03/2022)	Debt	10,497	0.77		
	7.60% AXIS BANK LTD NCD (MD 20/10/2023)	Debt	5,256	0.39		
INFRASTRUCTURE FINANCE			2,92,497	21.55	NA	NA
	8.30% RURAL ELECTRIFICATION CRPLTDNCD GOI S-VIIIMD 25/03/202	Debt	1,10,701	8.15		
	8.51% NABARD NCD (MD 19/12/2033) SERIES LTIF 3C	Debt	67,774	4.99		
	7.68% POWER FINANCE CORPORATION LTD (MD 15/07/2030) SR 201	Debt	29,576	2.18		
	8.20% POWER FINANCE CORPN. LTD. NCD (MD 10/03/2025)	Debt	21,394	1.58		
	8.49% L AND T INFRA DEBT FUND LTD NCD (MD 28/01/2025)	Debt	10,774	0.79		
	8.84% POWER FINANCE CORPORATION Ltd NCD (MD 04/03/2023)	Debt	10,713	0.79		
	7.34% POWER FINANCE CORPN. LTD. NCD (MD 29/09/2035)	Debt	10,352	0.76		
	7.00% INDIA INFRADEBT LTD NCD (MD 12/11/2025)	Debt	10,328	0.76		
	9.36% POWER FINANCE CORPN. LTD. NCD (MD 01/08/2021)	Debt	10,172	0.75		
	10.70% IRFC NCD (MD 11/09/2023)	Debt	5,620	0.41		
	9.48% REC LTD. NCD (MD 10/08/2021)	Debt	5,093	0.38		
Others (Other than G-Sec & incl NCA)			3,71,639	27.38	5,94,792	37.97
G-Sec			4,95,403	36.49	6,69,655	42.75
Total AUM			13,57,558	100.00	15,66,529	100.00

Appendix 3 to Annexure 3A
(Amount in thousands of Indian Rupees)

DISCLOSURE OF INVESTMENT - INDUSTRYWISE
IND. MAXIMISER GUARANTEED

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES			**18,872**	**23.84**	**13,425**	**22.91**
	HDFC BANK LIMITED	Equity	4,738	5.99		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	4,661	5.89		
	ICICI BANK LIMITED	Equity	3,228	4.08		
	STATE BANK OF INDIA	Equity	1,532	1.94		
	KOTAK MAHINDRA BANK LIMITED	Equity	1,508	1.90		
	AXIS BANK LIMITED	Equity	1,382	1.75		
	BAJAJ FINANCE LIMITED	Equity	824	1.04		
	SHRIRAM TRANSPORT FINANCE COMPANY LIMITED	Equity	512	0.65		
	INDUSIND BANK LIMITED	Equity	487	0.62		
EXCHANGE TRADED FUNDS			**8,351**	**10.55**	**NA**	**NA**
	NIPPON INDIA ETF BANK BEES	Equity	6,699	8.46		
	ICICI PRUDENTIAL BANK ETF	Equity	1,652	2.09		
COMPUTER PROGRAMMING, CONSULTANCY AND RELATED ACTIVITIES			**11,743**	**14.84**	**7,270**	**12.41**
	INFOSYS LIMITED	Equity	6,331	8.00		
	TATA CONSULTANCY SERVICES LIMITED	Equity	3,788	4.79		
	HCL TECHNOLOGIES LIMITED	Equity	1,624	2.05		
Others (Other than G-Sec & incl NCA)			**39,928**	**50.45**	**35,755**	**61.02**
G-Sec			**250**	**0.32**	2,150	3.67
Total AUM			**79,144**	**100.00**	**58,600**	**100.00**

Note:

The following Sectors were having exposure of more than 10% during previous year but less than 10% during the current year:

Sector	Market value	% holding
MANUFACTURE OF COKE AND REFINED PETROLEUM PRODUCTS	6,273	10.70

Appendix 3 to Annexure 3A

(Amount in thousands of Indian Rupees)

DISCLOSURE OF INVESTMENT - INDUSTRYWISE GR. FIXED INTEREST

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
INFRASTRUCTURE FINANCE			**25,88,091**	**13.23**	**NA**	**NA**
	8.30% RURAL ELECTRIFICATION CRPLTDNCD GOI S-VIIIMD 25/03/202	Debt	6,64,206	3.39		
	8.30% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 10/04/2025)	Debt	3,22,365	1.65		
	7.75% POWER FINANCE CORPN. LTD. NCD (MD 11/06/2030)	Debt	2,65,057	1.35		
	7.54% IRFC NCD (MD 31/10/2027)	Debt	2,63,481	1.35		
	7.68% POWER FINANCE CORPORATION LTD (MD 15/07/2030) SR 201	Debt	1,90,133	0.97		
	8.85% POWER FINANCE CORPN. LTD. NCD (MD 25/05/2029)	Debt	1,71,207	0.87		
	8.65% POWER FINANCE CORPN. LTD. NCD (MD 28/12/2024)	Debt	1,51,325	0.77		
	9.37% POWER FINANCE CORPORATION LTD NCD (MD 19/08/2024)	Debt	1,11,992	0.57		
	8.98% POWER FINANCE CORPN LTD NCD (MD 08/10/24) PUT (08/10/1	Debt	1,11,078	0.57		
	7.43% NABARD GOI FULLY SERVICED NCD (MD 31/01/2030)	Debt	1,04,620	0.53		
	7.50% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 28/02/2030)	Debt	1,04,279	0.53		
	6.50% POWER FINANCE CORPN. LTD. NCD (MD 17/09/2025)	Debt	81,026	0.41		
	8.75% POWER FINANCE CORPN. LTD. NCD (MD 15/06/2025) SR-66 B	Debt	36,083	0.18		
	10.70% IRFC NCD (MD 11/09/2023)	Debt	11,239	0.06		
Others (Other than G-Sec & incl NCA)			82,17,627	41.99	94,10,000	63.87
G-Sec			**87,62,914**	**44.78**	**53,23,063**	**36.13**
Total AUM			**1,95,68,632**	**100.00**	**1,47,33,063**	**100.00**

Note:

The following Sectors were having exposure of more than 10% during previous year but less than 10% during the current year:

Sector	Market value	% holding
HOUSING FINANCE SERVICES	18,69,620	12.69
FINANCIAL AND INSURANCE ACTIVITIES	16,12,799	10.95

DISCLOSURE OF INVESTMENT - INDUSTRYWISE GR. GILT

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
Others (Other than G-Sec & incl NCA)			4,173	2.05	6,900	1.98
G-Sec			1,99,324	97.95	3,42,056	98.02
Total AUM			**2,03,497**	**100.00**	**3,48,956**	**100.00**

Appendix 3 to Annexure 3A

(Amount in thousands of Indian Rupees)

DISCLOSURE OF INVESTMENT - INDUSTRYWISE GR. BOND

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES			10,22,421	17.39	13,73,025	20.39
	PILANI INVESTMENT & INDUSTRIES CORP LTD CP (MD 17/08/2021)	Debt	1,89,275	3.22		
	TATA IND LTD. ZERO COUPON (6.69% XIRR) NCD (MD 16/01/2026)	Debt	1,64,244	2.79		
	8.44% HDFC BANK LTD. INFRA BOND NCD (MD 28/12/2028)	Debt	1,11,148	1.89		
	9.15% AXIS BANK NCD (MD 31/12/2022)	Debt	1,06,997	1.82		
	7.65% AXIS BANK NCD (MD 30/01/2027)	Debt	1,05,897	1.80		
	5.08% HDB FINANCIAL SERVICES LTD NCD (MD 28/11/2023)Sr-160	Debt	99,253	1.69		
	9.15% ICICI Bank Ltd NCD (MD 31/12/2022)	Debt	74,898	1.27		
	9.40% EXPORT IMPORT BANK OF INDIA NCD (MD 14/08/2023)	Debt	54,592	0.93		
	7.75% SUNDARAM HOME FINANCE LTD NCD SERIES 315 13/02/2023	Debt	52,344	0.89		
	8.83% EXPORT IMPORT BANK OF INDIA NCD (MD 09/01/2023)	Debt	42,625	0.72		
	9.15% EXPORT IMPORT BANK OF INDIA NCD (MD 05/09/2022)	Debt	21,148	0.36		
HOUSING FINANCE SERVICES			6,59,456	11.21	NA	NA
	8.80% LIC HOUSING FINANCE LTD NCD (MD 25/01/2029)	Debt	1,70,094	2.89		
	7.50% HDFC LTD. NCD MD (08/01/2025) SERIES W-006	Debt	1,56,580	2.66		
	8.43% HDFC LTD NCD-N-010(MD 04/03/2025)	Debt	1,07,722	1.83		
	8.58 HDFC LTD. NCD (MD 18/03/2022)	Debt	81,233	1.38		
	8.70% LIC Housing Finance NCD (MD 23/03/2029)	Debt	56,515	0.96		
	9.05 HDFC LTD. NCD (MD 20/11/2023) SERIES U-004	Debt	32,626	0.55		
	7.99% HDFC LTD NCD (MD 11/07/24) SERIES V-006	Debt	32,284	0.55		
	8.55% HDFC Ltd NCD (MD 27/03/2029)	Debt	22,402	0.38		
ELECTRICITY, GAS, STEAM AND AIR CONDITIONING SUPPLY			10,47,075	17.81	NA	NA
	5.45% NTPC Ltd NCD (MD 15/10/2025)	Debt	3,01,500	5.13		
	NTPC LTD CP (MD 22/04/2021)	Debt	2,69,469	4.58		
	8.40% POWER GRID CORPORATION NCD (MD 27/05/2027) [I]	Debt	1,09,882	1.87		
	8.54% NUCLEAR POWER CORPORATION OF INDIA LIMITED (MD 15/03/2	Debt	1,06,885	1.82		
	8.40% NUCLEAR POWER CORP OF INDIA LTD (B) (MD 28/11/2026) Se	Debt	54,926	0.93		
	8.40% NUCLEAR POWER CORP OF INDIA LTD (A) (MD 28/11/2025) Se	Debt	54,686	0.93		

Appendix 3 to Annexure 3A

(Amount in thousands of Indian Rupees)

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
	9.30% POWER GRID CORPORATION NCD (MD 28/06/2026) [K]	Debt	35,409	0.60		
	8.40% POWER GRID CORPORATION NCD (MD 27/05/2024) [F]	Debt	34,727	0.59		
	8.64 % POWER GRID CORPORATION MD(08/07/24)	Debt	27,373	0.47		
	8.64 % POWER GRID CORPORATION MD(08/07/25)	Debt	21,811	0.37		
	9.47% Power Grid Corporation Ltd NCD (MD 31/03/2022)	Debt	19,691	0.33		
	7.89% POWER GRID CORPORATION NCD (L-VIII) (MD 09/03/2027)	Debt	10,716	0.18		
INFRASTRUCTURE FINANCE			**16,41,864**	**27.92**	**21,77,169**	**32.34**
	8.85% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 16/04/2029)	Debt	2,85,052	4.85		
	7.69% NABARD NCD (MD 29/05/2024) SERIES 20C	Debt	2,39,677	4.08		
	8.30% REC Limited NCD 2029 (MD 25/06/2029)	Debt	2,27,187	3.86		
	10.70% IRFC NCD (MD 11/09/2023)	Debt	2,24,783	3.82		
	8.18% NABARD NCD (MD 26/12/2028)	Debt	1,65,686	2.82		
	7.79% POWER FINANCE CORPN. LTD. NCD (MD 22/07/2030)	Debt	1,59,561	2.71		
	7.00% INDIA INFRADEBT LTD NCD (MD 12/11/2025)	Debt	1,54,919	2.63		
	8.83% IRFC NCD (MD 25/03/2023)	Debt	53,666	0.91		
	7.63% POWER FINANCE CORPN. LTD. NCD (SERIES: 150 OPTION: B)	Debt	52,695	0.90		
	7.40% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 26/11/2024)	Debt	52,011	0.88		
	7.10% POWER FINANCE CORPORATION LTD NCD (MD 08/08/2022)	Debt	15,424	0.26		
	8.42% NABARD GOI FULLY SERVICED NCD (MD 13/02/2029)	Debt	11,203	0.19		
MANUFACTURE OF COKE AND REFINED PETROLEUM PRODUCTS			**7,26,464**	**12.35**	**NA**	**NA**
	6.39% INDIAN OIL CORPN. LTD. NCD (MD 06/03/2025)	Debt	5,54,418	9.43		
	8.95% Reliance Industries Ltd NCD(MD 09/11/2028)PPD SERIES H	Debt	1,13,962	1.94		
	7.69% BPCL Ltd NCD (MD 16/01/2023)-2018–Series I	Debt	52,362	0.89		
	9.05% Reliance Industries Ltd NCD (MD 17/10/2028)	Debt	5,722	0.10		
Others (Other than G-Sec & incl NCA)			**6,93,959**	**11.80**	**25,03,075**	**37.18**
G-Sec			**89,367**	**1.52**	**6,79,674**	**10.09**
Total AUM			**58,80,606**	**100.00**	**67,32,943**	**100.00**

Appendix 3 to Annexure 3A
(Amount in thousands of Indian Rupees)

DISCLOSURE OF INVESTMENT - INDUSTRYWISE GR. MONEY MARKET

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES			2,22,630	17.35	3,60,783	21.99
	BAJAJ HOUSING FINANCE LTD CP (MD 22/02/2022).	Debt	1,00,897	7.86		
	4.60% ICICI BANK FD QTR COMP (MD 12/07/2021) FV 2.5CR	Debt	50,000	3.90		
	7.49% HDB FINANCIAL SERVICES LTD NCD (MD 18/11/2021)	Debt	37,761	2.94		
	PILANI INVESTMENT & INDUSTRIES CORP LTD CP (MD 17/08/2021)	Debt	33,972	2.65		
INFRASTRUCTURE FINANCE			2,68,932	20.95	3,23,060	19.69
	8.68% IRFC NCD (MD 29/11/2021)	Debt	1,03,031	8.03		
	8.18% POWER FINANCE CORPN. LTD. NCD (MD 19/03/2022)	Debt	77,832	6.06		
	NABARD CD (MD 08/02/2022)	Debt	48,345	3.77		
	NABARD CD (MD 27/07/2021)	Debt	29,633	2.31		
	8.15% REC LTD NCD (MD 18/06/2021)	Debt	10,091	0.79		
Others (Other than G-Sec & incl NCA)			1,25,001	9.74	6,74,784	41.12
G-Sec			6,66,856	51.96	2,82,239	17.20
Total AUM			12,83,419	100.00	16,40,866	100.00

Appendix 3 to Annexure 3A

(Amount in thousands of Indian Rupees)

DISCLOSURE OF INVESTMENT - INDUSTRYWISE GR. SHORT-TERM DEBT

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES			60,133	12.66	70,246	22.23
	9.10%FULLERTON INDIA CREDIT CO.LTD.NCD(15/12/2021)S-68OPT-II	Debt	20,693	4.36		
	HDB FINANCIAL SERVICES LIMITED SERIES 124 ZCB MD 29/10/2021	Debt	19,266	4.06		
	7.49% HDB FINANCIAL SERVICES LTD NCD (MD 18/11/2021)	Debt	10,206	2.15		
	8.80% TATA CAPITAL FINANCIAL SERVICES LTD NCD MD 27/09/2021	Debt	5,115	1.08		
	PILANI INVESTMENT & INDUSTRIES CORP LTD CP (MD 17/08/2021)	Debt	4,853	1.02		
INFRASTRUCTURE FINANCE			1,13,060	23.80	53,357	16.89
	10.70% IRFC NCD (MD 11/09/2023)	Debt	44,957	9.46		
	7.85% NABARD NCD (MD 23/05/2022)	Debt	25,906	5.45		
	7.69% NABARD NCD (MD 29/05/2024) SERIES 20C	Debt	18,109	3.81		
	7.00% INDIA INFRADEBT LTD NCD (MD 12/11/2025)	Debt	15,492	3.26		
	8.30% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 10/04/2025)	Debt	8,596	1.81		
HOUSING FINANCE COMPANIES			47,693	10.04	NA	NA
	7.50% HDFC LTD. NCD MD (08/01/2025) SERIES W-006	Debt	17,746	3.74		
	7.33% LIC HOUSING FINANCE LTD NCD (MD 12/02/2025)	Debt	10,393	2.19		
	6.99% HDFC LTD NCD (MD 25/11/2021)	Debt	10,181	2.14		
	8.58 HDFC LTD. NCD (MD 18/03/2022)	Debt	9,373	1.97		
Others (Other than G-Sec & incl NCA)			1,21,886	25.66	1,15,847	36.66
G-Sec			1,32,229	27.84	76,547	24.22
Total AUM			4,75,001	100.00	3,15,997	100.00

Appendix 3 to Annexure 3A
(Amount in thousands of Indian Rupees)

DISCLOSURE OF INVESTMENT - INDUSTRYWISE GR. GROWTH ADVANTAGE FUND

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES			**2,42,246**	**23.45**	**1,59,583**	**21.41**
	HDFC BANK LIMITED	Equity	51,611	5.00		
	SURYODAY SMALL FINANCE BANK	Equity	49,354	4.78		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	37,991	3.68		
	ICICI BANK LIMITED	Equity	33,686	3.26		
	AXIS BANK LIMITED	Equity	13,818	1.34		
	STATE BANK OF INDIA	Equity	12,741	1.23		
	KOTAK MAHINDRA BANK LIMITED	Equity	11,482	1.11		
	BAJAJ FINANCE LIMITED	Equity	10,712	1.04		
	9.475% ADITYA BIRLA FINANCE LTD NCD G-8 (MD 18/03/2022)	Debt	10,497	1.02		
	SHRIRAM TRANSPORT FINANCE COMPANY LIMITED	Equity	3,911	0.38		
	INDUSIND BANK LIMITED	Equity	3,818	0.37		
	SBI LIFE INSURANCE COMPANY LIMITED	Equity	2,625	0.25		
INFRASTRUCTURE FINANCE			**1,56,850**	**15.19**	**NA**	**NA**
	8.30% REC Limited NCD 2029 (MD 25/06/2029)	Debt	83,117	8.05		
	7.43% NABARD GOI FULLY SERVICED NCD (MD 31/01/2030)	Debt	62,772	6.08		
	8.57% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 21/12/2024)	Debt	10,961	1.06		
Others (Other than G-Sec & incl NCA)			**4,22,841**	**40.94**	**4,03,862**	**54.17**
G-Sec			**2,10,981**	**20.43**	**1,82,085**	**24.42**
Total AUM			**10,32,918**	**100.00**	**7,45,530**	**100.00**

DISCLOSURE OF INVESTMENT - INDUSTRYWISE GR. INC. ADVANTAGE

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
INFRASTRUCTURE FINANCE			**85,484**	**18.54**	**79,239**	**18.26**
	9.37% POWER FINANCE CORPORATION LTD NCD (MD 19/08/2024)	Debt	22,398	4.86		
	8.30% RURAL ELECTRIFICATION CRPLTDNCD GOI S-VIIIMD 25/03/202	Debt	22,140	4.80		
	8.50% NABARD NCD SR 19F (MD 31/01/2023)	Debt	21,244	4.61		
	8.30% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 10/04/2025)	Debt	10,746	2.33		
	9.34% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 25/08/2024)	Debt	8,956	1.94		
Others (Other than G-Sec & incl NCA)			**1,72,345**	**37.38**	**1,40,147**	**32.30**
G-Sec			**2,03,284**	**44.09**	**2,14,518**	**49.44**
Total AUM			**4,61,113**	**100.00**	**4,33,904**	**100.00**

Appendix 3 to Annexure 3A

(Amount in thousands of Indian Rupees)

DISCLOSURE OF INVESTMENT - INDUSTRYWISE GR. SECURE

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
INFRASTRUCTURE FINANCE			42,44,659	13.06	29,97,425	11.68
	8.30% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 10/04/2025)	Debt	4,08,330	1.26		
	7.43% NABARD GOI FULLY SERVICED NCD (MD 31/01/2030)	Debt	3,92,324	1.21		
	8.30% IRFC NCD (MD 25/03/2029)	Debt	2,76,457	0.85		
	8.42% NABARD GOI FULLY SERVICED NCD (MD 13/02/2029)	Debt	2,68,874	0.83		
	7.68% POWER FINANCE CORPORATION LTD (MD 15/07/2030) SR 201	Debt	2,64,074	0.81		
	7.54% IRFC NCD (MD 31/10/2027)	Debt	2,63,481	0.81		
	8.50% NABARD NCD SR 19F (MD 31/01/2023)	Debt	2,44,308	0.75		
	8.40% IRFC NCD (MD 08/01/2029)	Debt	2,21,916	0.68		
	8.15% NABARD GOI NCD (MD 28/03/2029) SMB-G SA-5	Debt	2,19,108	0.67		
	9.37% POWER FINANCE CORPORATION LTD NCD (MD 19/08/2024)	Debt	1,67,988	0.52		
	8.39% POWER FINANCE CORPN. LTD. NCD (MD 19/04/2025)	Debt	1,61,739	0.50		
	7.49% IRFC NCD (MD 28/05/2027) SR-120	Debt	1,58,121	0.49		
	7.04% POWER FINANCE CORPN. LTD. NCD (MD 16/12/2030)	Debt	1,52,029	0.47		
	8.85% POWER FINANCE CORPN. LTD. NCD (MD 25/05/2029)	Debt	1,14,138	0.35		
	8.65% INDIA INFRADEBT LTD NCD (MD 21/03/2026) SERIES II	Debt	1,10,037	0.34		
	8.50% INDIA INFRADEBT LTD NCD (MD 13/08/2025)	Debt	1,08,789	0.33		
	7.03% RURAL ELECTRIFICATION CORPN. LTD. NCD Series 150 (MD 0	Debt	1,02,900	0.32		
	8.30% REC Limited NCD 2029 (MD 25/06/2029)	Debt	77,576	0.24		
	9.30% INDIA INFRADEBT LTD NCD (MD 19/06/2024) SERIES I	Debt	55,630	0.17		
	8.24% NABARD GOI NCD (MD 22/03/2029) SERIES PB5SA4	Debt	55,166	0.17		
	7.50% IRFC NCD (MD 09/09/2029)-142 SR	Debt	52,980	0.16		
	8.55% POWER FINANCE CORPN. LTD. NCD (09/12/2021) SERIES 124	Debt	51,475	0.16		
	6.39% NABARD NCD SR PMAY-G PD1 (MD 19/11/2030)	Debt	48,818	0.15		
	6.50% POWER FINANCE CORPN. LTD. NCD (MD 17/09/2025)	Debt	48,616	0.15		
	8.65% POWER FINANCE CORPN. LTD. NCD (MD 28/12/2024)	Debt	43,236	0.13		
	7.63% POWER FINANCE CORPN. LTD. NCD (SERIES: 150 OPTION: B)	Debt	42,156	0.13		
	9.57% IRFC NCD (MD 31/05/2021)	Debt	32,314	0.10		
	9.75% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 11/11/2021)	Debt	27,905	0.09		
	9.34% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 25/08/2024)	Debt	22,389	0.07		
	8.84% POWER FINANCE CORPORATION Ltd NCD (MD 04/03/2023)	Debt	16,069	0.05		

Appendix 3 to Annexure 3A
(Amount in thousands of Indian Rupees)

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
	7.20% POWER FINANCE CORPN. LTD. NCD (MD 10/08/2035)	Debt	15,339	0.05		
	9.02% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 19/11/2022)	Debt	9,571	0.03		
	8.57% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 21/12/2024)	Debt	5,480	0.02		
	7.69% NABARD NCD (MD 29/05/2024) SERIES 20C	Debt	5,326	0.02		
FINANCIAL AND INSURANCE ACTIVITIES			**35,44,311**	**10.90**	**59,12,110**	**23.05**
	HDFC BANK LIMITED	Equity	5,62,492	1.73		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	4,14,450	1.27		
	ICICI BANK LIMITED	Equity	3,92,796	1.21		
	7.10%ICICI BASEL III TIER II CALL 17/02/2025 (MD 17/02/2030)	Debt	2,54,162	0.78		
	TATA IND LTD. ZERO COUPON (6.69% XIRR) NCD (MD 16/01/2026)	Debt	1,95,040	0.60		
	8.92% TATA CAPITAL FINANCIAL SERVICES LIMITED. SUB DEBT NCD	Debt	1,66,616	0.51		
	KOTAK MAHINDRA BANK LIMITED	Equity	1,66,517	0.51		
	AXIS BANK LIMITED	Equity	1,63,815	0.50		
	STATE BANK OF INDIA	Equity	1,54,440	0.48		
	8.042% BAJAJ FINANCE LIMITED NCD (OPTION I) (MD 10/05/2021)	Debt	1,50,683	0.46		
	9.475% ADITYA BIRLA FINANCE LTD NCD G-8 (MD 18/03/2022)	Debt	1,36,463	0.42		
	BAJAJ FINANCE LIMITED	Equity	1,27,685	0.39		
	9.15% ICICI Bank Ltd NCD (MD 31/12/2022)	Debt	1,06,997	0.33		
	8.80% TATA CAPITAL FINANCIAL SERVICES LTD NCD MD 27/09/2021	Debt	97,187	0.30		
	6.67% HDFC LIFE INSURANCE CO LTD CALL(29/07/25) MD(29/07/30)	Debt	93,867	0.29		
	9.75% CHOLAMANDALAM INVT AND FIN CO LTD NCD (MD 23/08/2028)	Debt	58,129	0.18		
	9.15% AXIS BANK NCD (MD 31/12/2022)	Debt	53,498	0.16		
	9.10%FULLERTON INDIA CREDIT CO.LTD.NCD(15/12/2021)S-68OPT-II	Debt	51,734	0.16		
	SHRIRAM TRANSPORT FINANCE COMPANY LIMITED	Equity	43,579	0.13		
	8.44% HDFC BANK LTD. INFRA BOND NCD (MD 28/12/2028)	Debt	38,902	0.12		
	INDUSIND BANK LIMITED	Equity	36,556	0.11		
	7.75% POWER FINANCE CORPN. LTD. NCD (MD 22/03/2027)	Debt	32,136	0.10		
	SBI LIFE INSURANCE COMPANY LIMITED	Equity	29,649	0.09		
	9.15% EXPORT IMPORT BANK OF INDIA NCD (MD 05/09/2022)	Debt	16,918	0.05		
Others (Other than G-Sec & incl NCA)			1,10,40,751	33.96	95,02,220	37.04
G-Sec			1,36,78,619	42.08	72,41,381	28.23
Total AUM			3,25,08,340	100.00	2,56,53,136	100.00

Note:

The following Sectors were having exposure of more than 10% during previous year but less than 10% during the current year:

Sector	Market value	% holding
HOUSING FINANCE SERVICES	26,40,528	10.29

Appendix 3 to Annexure 3A
(Amount in thousands of Indian Rupees)

DISCLOSURE OF INVESTMENT - INDUSTRYWISE
GR. STABLE

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES			12,87,871	15.37	10,85,353	18.10
	HDFC BANK LIMITED	Equity	2,56,738	3.06		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	1,85,352	2.21		
	ICICI BANK LIMITED	Equity	1,82,574	2.18		
	7.10%ICICI BASEL III TIER II CALL 17/02/2025 (MD 17/02/2030)	Debt	1,52,497	1.82		
	9.475% ADITYA BIRLA FINANCE LTD NCD G-8 (MD 18/03/2022)	Debt	1,04,972	1.25		
	KOTAK MAHINDRA BANK LIMITED	Equity	75,309	0.90		
	AXIS BANK LIMITED	Equity	71,667	0.86		
	STATE BANK OF INDIA	Equity	68,019	0.81		
	BAJAJ FINANCE LIMITED	Equity	56,751	0.68		
	8.80% TATA CAPITAL FINANCIAL SERVICES LTD NCD MD 27/09/2021	Debt	51,151	0.61		
	9.10%FULLERTON INDIA CREDIT CO.LTD.NCD(15/12/2021)S-68OPT-II	Debt	20,693	0.25		
	SHRIRAM TRANSPORT FINANCE COMPANY LIMITED	Equity	20,638	0.25		
	INDUSIND BANK LIMITED	Equity	17,505	0.21		
	SBI LIFE INSURANCE COMPANY LIMITED	Equity	13,794	0.16		
	8.90% INDIABULLS HOUSING FINANCE LTD NCD SR. III B (MD 26/09	Debt	10,211	0.12		
Others (Other than G-Sec & incl NCA)			33,80,090	40.34	25,88,150	43.16
G-Sec			37,12,017	44.30	23,23,584	38.75
Total AUM			**83,79,978**	**100.00**	59,97,087	100.00

Appendix 3 to Annexure 3A

(Amount in thousands of Indian Rupees)

DISCLOSURE OF INVESTMENT - INDUSTRYWISE GR. GROWTH

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES			10,61,993	20.09	13,37,434	23.05
	HDFC BANK LIMITED	Equity	2,28,953	4.33		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	1,68,492	3.19		
	ICICI BANK LIMITED	Equity	1,65,599	3.13		
	7.75% POWER FINANCE CORPN. LTD. NCD (MD 22/03/2027)	Debt	74,983	1.42		
	KOTAK MAHINDRA BANK LIMITED	Equity	71,663	1.36		
	AXIS BANK LIMITED	Equity	65,597	1.24		
	STATE BANK OF INDIA	Equity	61,460	1.16		
	7.89% CAN FIN HOMES LTD. NCD MD (18/05/2022) SERIES 6	Debt	51,584	0.98		
	BAJAJ FINANCE LIMITED	Equity	51,133	0.97		
	8.45% BAJAJ FINANCE LIMITED SUB TIER II NCD (MD 29/09/2026)	Debt	26,205	0.50		
	SHRIRAM TRANSPORT FINANCE COMPANY LIMITED	Equity	19,557	0.37		
	INDUSIND BANK LIMITED	Equity	15,777	0.30		
	6.67% HDFC LIFE INSURANCE CO LTD CALL(29/07/25) MD(29/07/30)	Debt	14,821	0.28		
	SBI LIFE INSURANCE COMPANY LIMITED	Equity	13,116	0.25		
	8.85% BAJAJ FINANCE LIMITED NCD - Series 172 (MD 15/07/2026)	Debt	12,209	0.23		
	9.475% ADITYA BIRLA FINANCE LTD NCD G-8 (MD 18/03/2022)	Debt	10,497	0.20		
	9.10%FULLERTON INDIA CREDIT CO.LTD.NCD(15/12/2021)S-68OPT-II	Debt	10,347	0.20		
INFRASTRUCTURE FINANCE			5,63,797	10.67	NA	NA
	8.65% POWER FINANCE CORPN. LTD. NCD (MD 28/12/2024)	Debt	1,31,869	2.49		
	8.18% NABARD NCD (MD 26/12/2028)	Debt	1,10,457	2.09		
	9.34% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 25/08/2024)	Debt	1,04,109	1.97		
	7.40% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 26/11/2024)	Debt	1,04,022	1.97		
	8.57% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 21/12/2024)	Debt	38,362	0.73		
	9.02% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 19/11/2022)	Debt	38,284	0.72		
	7.43% NABARD GOI FULLY SERVICED NCD (MD 31/01/2030)	Debt	26,155	0.49		
	7.63% POWER FINANCE CORPN. LTD. NCD (SERIES: 150 OPTION: B)	Debt	10,539	0.20		
Others (Other than G-Sec & incl NCA)			22,86,923	43.26	29,55,023	50.92
G-Sec			13,73,645	25.98	15,10,736	26.03
Total AUM			52,86,358	100.00	58,03,193	100.00

Appendix 3 to Annexure 3A
(Amount in thousands of Indian Rupees)

DISCLOSURE OF INVESTMENT - INDUSTRYWISE GR. SHORT-TERM DEBT 2

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
INFRASTRUCTURE FINANCE			72,933	22.96	55,271	17.95
	7.85% NABARD NCD (MD 23/05/2022)	Debt	25,906	8.15		
	6.50% POWER FINANCE CORPN. LTD. NCD (MD 17/09/2025)	Debt	22,282	7.01		
	10.70% IRFC NCD (MD 11/09/2023)	Debt	11,239	3.54		
	9.75% RURAL ELECTRIFICATION CORPN. LTD. NCD (MD 11/11/2021)	Debt	5,168	1.63		
	7.10% POWER FINANCE CORPORATION LTD NCD (MD 08/08/2022)	Debt	5,142	1.62		
	7.69% NABARD NCD (MD 29/05/2024) SERIES 20C	Debt	3,196	1.01		
Others (Other than G-Sec & incl NCA)			1,01,907	32.08	92,513	30.04
G-Sec			1,42,847	44.96	1,60,194	52.01
Total AUM			3,17,687	100.00	3,07,978	100.00

Note:

The following Sectors were having exposure of more than 10% during previous year but less than 10% during the current year:

Sector	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES	31,064	10.09

DISCLOSURE OF INVESTMENT - INDUSTRYWISE GR. FIXED INTEREST 2

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
Others (Other than G-Sec & incl NCA)			107	0.41	103	0.32
G-Sec			25,753	99.59	32,402	99.68
Total AUM			25,860	100.00	32,505	100.00

Appendix 3 to Annexure 3A
(Amount in thousands of Indian Rupees)

DISCLOSURE OF INVESTMENT - INDUSTRYWISE GR. STABLE 2

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES			2,981	11.42	2,895	11.38
	HDFC BANK LIMITED	Equity	801	3.07		
	ICICI BANK LIMITED	Equity	580	2.22		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	570	2.18		
	KOTAK MAHINDRA BANK LIMITED	Equity	246	0.94		
	AXIS BANK LIMITED	Equity	229	0.88		
	STATE BANK OF INDIA	Equity	203	0.78		
	BAJAJ FINANCE LIMITED	Equity	180	0.69		
	SHRIRAM TRANSPORT FINANCE COMPANY LIMITED	Equity	71	0.27		
	INDUSIND BANK LIMITED	Equity	57	0.22		
	SBI LIFE INSURANCE COMPANY LIMITED	Equity	44	0.17		
Others (Other than G-Sec & incl NCA)			7,318	28.03	6,689	26.28
G-Sec			15,807	60.55	15,865	62.34
Total AUM			**26,106**	**100.00**	25,449	100.00

DISCLOSURE OF INVESTMENT - INDUSTRYWISE GR. GROWTH II

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES			80,714	16.26	62,322	16.67
	HDFC BANK LIMITED	Equity	21,798	4.39		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	15,750	3.17		
	ICICI BANK LIMITED	Equity	15,673	3.16		
	KOTAK MAHINDRA BANK LIMITED	Equity	6,696	1.35		
	AXIS BANK LIMITED	Equity	6,274	1.26		
	STATE BANK OF INDIA	Equity	5,549	1.12		
	BAJAJ FINANCE LIMITED	Equity	4,635	0.93		
	SHRIRAM TRANSPORT FINANCE COMPANY LIMITED	Equity	1,735	0.35		
	INDUSIND BANK LIMITED	Equity	1,432	0.29		
	SBI LIFE INSURANCE COMPANY LIMITED	Equity	1,172	0.24		
Others (Other than G-Sec & incl NCA)			2,37,100	47.76	1,72,175	46.06
G-Sec			1,78,594	35.98	1,39,295	37.27
Total AUM			**4,96,408**	**100.00**	3,73,792	100.00

Appendix 3 to Annexure 3A

(Amount in thousands of Indian Rupees)

DISCLOSURE OF INVESTMENT - INDUSTRYWISE DISCONTINUED POLICY FUND

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
Others (Other than G-Sec & incl NCA)			62	11.17	47	1.00
G-Sec			487	88.83	4,700	99.00
Total AUM			549	100.00	4,747	100.00

DISCLOSURE OF INVESTMENT - INDUSTRYWISE GROUP MONEY MARKET FUND -2

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
Others (Other than G-Sec & incl NCA)			60	1.78	138	4.21
G-Sec			3,311	98.22	3,138	95.79
Total AUM			3,371	100.00	3,276	100.00

DISCLOSURE OF INVESTMENT - INDUSTRYWISE LINKED DISCONTINUED POLICY FUND

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
INFRASTRUCTURE FINANCE			9,39,812	11.03	NA	NA
	POWER FINANCE CORPN. LTD. CP (MD 30/07/2021)	Debt	3,94,836	4.63		
	NABARD CD (MD 17/06/2021)	Debt	2,48,066	2.91		
	NABARD CD (MD 10/06/2021)	Debt	1,48,747	1.75		
	NABARD CD (MD 27/07/2021)	Debt	1,48,163	1.74		
Others (Other than G-Sec & incl NCA)			7,72,959	9.07	5,71,712	10.10
G-Sec			68,09,756	79.90	50,86,212	89.90
Total AUM			85,22,527	100.00	56,57,924	100.00

DISCLOSURE OF INVESTMENT - INDUSTRYWISE PENSION DISCONTINUED POLICY FUND

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
Others (Other than G-Sec & incl NCA)			79,648	10.29	86,465	9.99
G-Sec			6,94,745	89.71	7,79,086	90.01
Total AUM			7,74,393	100.00	8,65,551	100.00

Appendix 3 to Annexure 3A

(Amount in thousands of Indian Rupees)

DISCLOSURE OF INVESTMENT - INDUSTRYWISE IND. ASSET ALLOCATION

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES			**3,46,913**	**14.84**	**2,65,235**	**16.20**
	7.89% CAN FIN HOMES LTD. NCD MD (18/05/2022) SERIES 6	Debt	1,03,168	4.41		
	HDFC BANK LIMITED	Equity	47,816	2.05		
	ICICI BANK LIMITED	Equity	35,282	1.51		
	9.475% ADITYA BIRLA FINANCE LTD NCD G-8 (MD 18/03/2022)	Debt	31,491	1.35		
	TATA IND LTD. ZERO COUPON (6.69% XIRR) NCD (MD 16/01/2026)	Debt	30,796	1.32		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	28,988	1.24		
	KOTAK MAHINDRA BANK LIMITED	Equity	19,704	0.84		
	8.18% EXIM BANK MD 07/12/2025 (Sr. S 08-2025)	Debt	16,200	0.69		
	AXIS BANK LIMITED	Equity	13,039	0.56		
	STATE BANK OF INDIA	Equity	9,302	0.40		
	BAJAJ FINANCE LIMITED	Equity	9,012	0.39		
	9.15% EXPORT IMPORT BANK OF INDIA NCD (MD 05/09/2022)	Debt	2,115	0.09		
Others (Other than G-Sec & incl NCA)			8,97,775	38.41	4,87,802	29.80
G-Sec			10,92,561	46.75	8,83,801	53.99
Total AUM			**23,37,249**	**100.00**	**16,36,838**	**100.00**

Appendix 3 to Annexure 3A
(Amount in thousands of Indian Rupees)

DISCLOSURE OF INVESTMENT - INDUSTRYWISE IND. CAPPED NIFTY INDEX

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
FINANCIAL AND INSURANCE ACTIVITIES			**2,74,645**	**23.26**	1,39,650	20.43
	HDFC BANK LIMITED	Equity	74,654	6.32		
	HOUSING DEVELOPMENT FINANCE CORPORATION	Equity	51,329	4.35		
	ICICI BANK LIMITED	Equity	45,696	3.87		
	KOTAK MAHINDRA BANK LIMITED	Equity	28,698	2.43		
	AXIS BANK LIMITED	Equity	19,975	1.69		
	BAJAJ FINANCE LIMITED	Equity	15,578	1.32		
	STATE BANK OF INDIA	Equity	15,363	1.30		
	BAJAJ FINSERV LIMITED	Equity	6,720	0.57		
	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	Equity	6,230	0.53		
	INDUSIND BANK LIMITED	Equity	6,060	0.51		
	SBI LIFE INSURANCE COMPANY LIMITED	Equity	4,130	0.35		
	YES BANK LIMITED	Equity	212	0.02		
COMPUTER PROGRAMMING, CONSULTANCY AND RELATED ACTIVITIES			**1,67,834**	**14.21**	1,02,325	14.97
	INFOSYS LIMITED	Equity	79,123	6.70		
	TATA CONSULTANCY SERVICES LIMITED	Equity	52,797	4.47		
	HCL TECHNOLOGIES LIMITED	Equity	16,968	1.44		
	TECH MAHINDRA LIMITED	Equity	9,602	0.81		
	WIPRO LIMITED	Equity	9,344	0.79		
Others (Other than G-Sec & incl NCA)			7,30,626	61.87	4,19,247	61.34
G-Sec			7,797	0.66	22,299	3.26
Total AUM			**11,80,902**	**100.00**	6,83,521	100.00

Note:

The following Sectors were having exposure of more than 10% during previous year but less than 10% during the current year:

Sector	Market value	% holding
MANUFACTURE OF COKE,PETROLEUM	78,824	11.53

Appendix 3 to Annexure 3A
(Amount in thousands of Indian Rupees)

DISCLOSURE OF INVESTMENT - INDUSTRYWISE MNC FUND

as on 31st March 2021

Industry	Security	Nature of security	Current Year		Previous Year	
			Market value	% holding	Market value	% holding
MANUFACTURE OF CHEMICAL PRODUCTS			2,80,972	13.92	1,37,649	14.10
	HINDUSTAN UNILEVER LIMITED	Equity	78,041	3.87		
	COLGATE PALMOLIVE INDIA LIMITED	Equity	52,823	2.62		
	BASF INDIA LIMITED	Equity	51,930	2.57		
	KANSAI NEROLAC PAINTS LIMITED	Equity	32,796	1.62		
	GILLETTE INDIA LTD	Equity	23,919	1.18		
	BAYER CROPSCIENCE LIMITED	Equity	22,922	1.14		
	AKZO NOBEL INDIA LIMITED	Equity	18,541	0.92		
MANUFACTURE OF ELECTRICAL EQUIPMENT			2,09,469	10.38	NA	NA
	GE POWER INDIA LIMITED	Equity	78,258	3.88		
	WHIRLPOOL OF INDIA LIMITED	Equity	45,113	2.23		
	SIEMENS LIMITED	Equity	43,980	2.18		
	ABB INDIA LIMITED	Equity	42,118	2.09		
Others (Other than G-Sec & incl NCA)			12,27,014	60.79	6,45,982	66.15
G-Sec			3,01,039	14.91	1,92,843	19.75
Total AUM			20,18,494	100.00	9,76,474	100.00

Appendix 4 to Annexure 3A

(Amount in thousands of Indian Rupees)

NAV HIGHEST, LOWEST AND CLOSING AS ON 31 MAR 21

Individual Life

Fund Name	Highest		Lowest		Closing	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Ind. Assure	36.6089	34.1435	33.9994	31.3180	36.4618	34.1435
Ind. Income Advantage	32.6011	30.2052	29.4376	26.6000	32.2788	30.0537
Ind. Protector	51.4572	47.3895	45.9499	43.1272	51.1160	46.3942
Ind. Builder	68.7526	62.4208	58.5062	56.7681	68.4241	59.2648
Ind. Balancer	45.2647	39.9010	37.1110	36.3810	45.0974	37.5947
Ind. Enhancer	78.1178	69.5672	61.9908	60.2268	77.5941	63.1570
Ind. Creator	69.3309	59.7863	50.0649	48.2708	68.3098	51.6632
Ind. Magnifier	74.9306	62.0890	43.8186	41.7024	72.6284	46.0756
Ind. Maximiser	39.4650	31.7135	21.5371	20.2523	37.9588	22.7005
Ind. Multiplier	45.9227	36.0400	23.3528	22.2165	44.0886	24.2267
Super 20	40.9623	32.1794	22.7374	21.3599	38.9975	24.0869
Ind. Platinum Plus 1 %	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
Ind. Platinum Plus 2%%	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
Ind. Platinum Plus 3%%%	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
Ind. Platinum Plus 4%%%%	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
Ind. Platinum Premier	21.4747	21.1763	21.1794	20.3544	21.4747	21.1763
Ind. Platinum Advantage	19.2340	19.1485	18.7852	18.2288	19.2340	18.7849
Ind. Foresight FP	19.1257	18.9519	18.4053	17.7793	19.1255	18.4455
Ind. Foresight SP	21.7935	20.9633	20.9172	19.5793	21.7912	20.9633
Titanium Plus 1	22.0264	22.0424	21.6412	21.0815	21.6412	22.0275
Titanium Plus 2 ##	21.5845	21.4979	10.0000	20.5996	10.0000	21.4953
Titanium Plus 3 ###	19.8962	19.7438	10.0000	18.5947	10.0000	19.7438
Ind. Liquid Plus	18.5014	17.7258	17.7285	16.6775	18.5003	17.7258
Ind. Pure Equity	38.6889	30.0694	22.3053	20.9261	38.0145	22.9963
Ind. Value Momentum	25.6302	21.8505	14.2733	13.1391	24.8532	14.4914
IPP - Nourish	44.1293	39.7611	38.4448	35.9794	43.8666	38.9396
IPP - Growth	58.2890	51.4927	48.6345	46.6847	58.2152	49.3378
IPP - Enrich	70.3133	61.3534	54.0785	52.1892	69.7256	55.3593
Discontinued Policy Fund	19.4449	18.9492	11.5460	18.1173	19.4449	18.9490
Income Advantage Guaranteed Fund	18.3881	17.0998	16.8358	15.2218	18.2181	17.0883
Maximiser Guaranteed Fund	23.9414	19.2343	13.2703	12.4842	23.0135	13.9699
Linked Discontinued Policy Fund	15.0223	14.4958	14.4975	13.7443	15.0223	14.4958
Pension Discontinued Policy Fund	14.9694	14.4354	14.4366	13.7116	14.9694	14.4354
Asset Allocation Fund	18.3913	15.9882	15.0910	14.4887	18.2434	15.3095
Capped Nifty Index Fund	18.5425	14.9918	10.2799	9.6097	18.0391	10.8197
Unclaim Fund	13.3383	12.8420	12.8436	12.1390	13.3383	12.8420
MNC Fund	12.3672	11.0769	8.6679	8.1466	12.3335	8.8979

Appendix 4 to Annexure 3A

(Amount in thousands of Indian Rupees)

Group Life

Fund Name	Highest		Lowest		Closing	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Gr. Fixed Interest Plan I	47.1444	43.7168	42.9504	38.7048	46.6463	43.6188
Gr. Gilt Plan I	34.5499	32.5887	31.4686	28.0515	33.9554	32.2613
Gr. Bond Plan I	38.8959	36.1190	35.6896	32.7728	38.8959	36.1190
Gr. Money Market Plan I	36.0041	34.6327	34.6366	32.6819	36.002	34.6317
Gr. Short Term Debt Plan I	27.0256	25.1473	25.0499	23.0759	26.961	25.1473
Gr. Capital Protection Plan I**	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
Gr. Floating Rate Plan I***	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
Gr. Secure Plan I	69.0962	62.5747	58.5709	56.9299	68.8641	59.3138
Gr. Stable Plan I	97.7107	86.3341	76.5054	73.9562	96.812	78.0947
Gr. Growth Plan I	124.0987	106.5517	89.0388	85.4293	122.2927	91.5256
Gr. Growth Advantage	45.2712	38.3376	30.7882	29.4085	44.3485	31.8252
Gr. Income Advantage	25.798	23.9753	23.6734	21.3896	25.6121	23.9582
Gr. Growth Maximsier****	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
Gr. Bond 2 ^	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
Gr. Fixed Interest 2	25.2411	23.2863	22.9603	20.5557	24.9055	23.0697
Gr. Growth 2	30.739	26.1693	21.9008	21.0962	30.3211	22.4996
Gr. Money Market 2	19.2574	18.5827	18.5856	17.5820	19.2566	18.5822
Gr. Secure 2 ^^	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
Gr. Short Term Debt 2	22.0097	20.9664	20.8734	19.2950	22.0097	20.9664
Gr. Stable 2	27.8321	24.1414	21.4917	20.9031	27.5523	21.9103

**The Group Capital Protection Fund became a dormat fund on 12th August 2008 on account of no units.

***The Group Floating Fund became a dormat fund on 12th October 2009 on account of no units.

**** These funds do not have any units since their inception.

^The Group Bond 2 Fund became a dormat fund on 31st March 2012 on account of no units.

% Platinum Plus I fund has matured on 29th September 2018.

% %Platinum Plus II fund has matured on 26th August 2019. Fund performance is given as on 26th August 2019.

%%% Platinum Plus III fund has matured on 28th January 2020. Fund performance is given as on 28th January 2020

%%%% Platinum Plus IV fund has matured on 29th January 2020. Fund performance is given as on 29th January 2020

Titanium II fund has matured on 15th June 2020. Since inception fund performance and FY2020-21 performance is given as on maturity date.

###Titanium III fund has matured on 15th Sep 2020. Since inception fund performance and FY2020-21 performance is given as on maturity date.

Appendix 5 and 6 to Annexure 3A
(Amount in thousands of Indian Rupees)

STATEMENT SHOWING RATIO OF GROSS INCOME (INCLUDING UNREALISED GAIN/LOSS) TO AVERAGE DAILY NET ASSETS AND ANNUALISED EXPENSE RATIO TO AVERAGE DAILY ASSETS OF THE FUND

As on 31st March 2021

Fund name	SFIN	Gross Income Ratio	Expense Ratio
Ind. Balancer	ULIF00931/05/05BSLBALANCE109	19.50%	1.47%
Ind. Asset Allocation	ULIF03430/10/14BSLIASTALC109	17.79%	1.48%
Ind. Capped Nifty Index	ULIF03530/10/14BSLICNFIDX109	50.38%	1.48%
Discontinued Policy	ULIF02301/07/10BSLIDISCPF109	3.25%	0.60%
Life Discontinued	ULIF03205/07/13BSLILDIS109	4.10%	0.59%
Pension Discontinued	ULIF03305/07/13BSLIPNDIS109	4.23%	0.59%
Ind. Income Advantage Guaranteed	ULIF03127/08/13BSLIINADGT109	8.10%	1.48%
Ind. Maximiser Guaranteed	ULIF03027/08/13BSLIMAXGT109	50.63%	1.88%
Ind. Pure Equity	ULIF02707/10/11BSLIPUREEQ109	48.07%	1.59%
Ind. Value Momentum	ULIF02907/10/11BSLIVALUEM109	52.99%	1.59%
Ind. Liquid Plus	ULIF02807/10/11BSLLIQPLUS109	5.42%	1.18%
Ind. Foresight- 5 Pay	ULIF02510/02/11BSLFSIT5P1109	5.74%	2.06%
Ind. Foresight- Single Pay	ULIF02610/02/11BSLFSITSP1109	5.78%	1.89%
Ind. Income Advantage	ULIF01507/08/08BSLIINCADV109	8.21%	1.18%
Ind. Assure	ULIF01008/07/05BSLIASSURE109	7.33%	1.18%
Ind. Builder	ULIF00113/03/01BSLBUILDER109	15.40%	1.18%
Ind. Creator	ULIF00704/02/04BSLCREATOR109	28.80%	1.48%
Ind. Enhancer	ULIF00213/03/01BSLENHANCE109	21.78%	1.47%
Ind. Magnifier	ULIF00826/06/04BSLIIMAGNI109	45.79%	1.59%
Ind. Maximiser	ULIF01101/06/07BSLIINMAXI109	51.19%	1.58%
Ind. Multiplier	ULIF01217/10/07BSLINMULTI109	57.53%	1.59%
Ind. Protector	ULIF00313/03/01BSLPROTECT109	10.78%	1.18%
Ind. Pension Enrich	ULIF00404/03/03BSLIENRICH109	24.22%	1.48%
Ind. Pension Growth	ULIF00504/03/03BSLIGROWTH109	17.64%	1.18%
Ind. Pension Nourish	ULIF00604/03/03BSLNOURISH109	13.04%	1.18%
Ind. Platinum Plus- 2	ULIF01425/02/08BSLIIPLAT2109	0.00%	0.00%
Ind. Platinum Plus- 3	ULIF01628/04/09BSLIIPLAT3109	0.00%	0.00%
Ind. Platinum Plus- 4	ULIF01816/09/09BSLIIPLAT4109	0.00%	0.00%
Ind. Platinum Advantage	ULIF02408/09/10BSLPLATADV109	4.25%	1.77%
Ind. Platinum Plus- 1	ULIF01325/02/08BSLIIPLAT1109	0.00%	0.00%
Ind. Platinum Premier	ULIF02203/02/10BSLPLATPR1109	3.77%	1.77%
Ind. Super 20	ULIF01723/06/09BSLSUPER20109	47.83%	1.58%
Ind. Titanium- 1	ULIF01911/12/09BSLITITAN1109	0.00%	2.09%
Ind. Titanium- 2	ULIF02011/12/09BSLITITAN2109	4.24%	1.74%
Ind. Titanium- 3	ULIF02111/12/09BSLITITAN3109	3.61%	1.77%
MNC Fund	ULIF03722/06/18ABSLIMUMNC109	33.05%	1.59%
Gr. Fixed Interest II	ULGF01728/11/11BSLGFXINT2109	8.33%	0.00%
Gr. Money Market II	ULGF01928/11/11BSLGRMMKT2109	3.55%	0.00%
Gr. Growth II	ULGF01828/11/11BSLGROWTH2109	28.85%	0.00%
Gr. Short Term Debt II	ULGF02128/11/11BSLGSHTDB2109	4.84%	0.00%
Gr. Stable II	ULGF02228/11/11BSLGSTABL2109	22.86%	0.00%
Gr. Growth Advantage	ULGF01026/11/07BSLIGGRADV109	34.04%	1.18%
Gr. Bond	ULGF00530/05/03BSLIGRBOND109	8.43%	1.18%
Gr. Short Term Debt	ULGF01322/09/08BSLGSHTDBT109	7.76%	1.18%
Gr. Fixed Interest	ULGF00416/07/02BSLGFIXINT109	7.45%	1.18%
Gr. Gilt	ULGF00630/05/03BSLIGRGILT109	7.52%	1.18%
Gr. Growth	ULGF00112/06/01BSLGGROWTH109	30.94%	1.18%
Gr. Income Advantage	ULGF01425/02/10BSLGINCADV109	7.79%	1.18%
Gr. Money Market	ULGF00824/08/04BSLIGRMMKT109	5.10%	1.18%
Gr. Secure	ULGF00212/06/01BSLGSECURE109	15.68%	1.18%
Gr. Stable	ULGF00312/06/01BSLGSTABLE109	21.94%	1.18%

Appendix 7 to Annexure 3A
(Amount in thousands of Indian Rupees)

FUND-WISE DISCLOSURE OF APPRECIATION AND/OR (DEPRECIATION) IN VALUE OF INVESTMENT SEGREGATED CLASS-WISE

as on 31st March 2021

Particulars	Ind. Assure		Ind. Income Advantage		Ind. Protector		Ind. Builder		Ind. Balancer		Ind. Enhancer		Ind. Creator		Ind. Magnifier		Ind. Maximiser	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF01008/ 07/ 05BSLIASSURE109		ULIF01507/ 08/ 08BSLIINCADV109		ULIF00313/ 03/ 01BSLPROTECT109		ULIF00113/ 03/ 01BSLBUILDER109		ULIF00931/ 05/ 05BSLBALANCE109		ULIF00213/ 03/ 01BSLENHANCE109		ULIF00704/ 02/ 04BSLCREATOR109		ULIF00826/ 06/ 04BSLIIMAGNI109		ULIF01101/ 06/ 07BSLIINMAXI109	
Approved Investments																		
Government Bonds	(4,520)	1,841	(43,183)	83,570	76,121	97,602	42,482	65,431	(1,141)	11,295	7,45,756	11,14,422	9,650	58,578	1,285	(158)	-	-
Corporate Bonds	14,619	16,986	1,24,351	1,01,321	98,798	90,455	13,917	15,112	2,276	484	7,23,853	6,25,268	4,213	10,387	(417)	1,020	-	-
Infrastructure Bonds	19,715	19,754	1,06,990	1,17,112	15,916	26,013	19,905	24,529	2,354	2,245	5,88,792	4,95,036	10,047	20,922	917	(171)	-	-
Equity Shares	-	-	-	-	1,17,037	12,910	1,73,679	16,871	27,928	5,314	51,75,531	(5,55,759)	7,60,016	3,190	24,26,162	(2,49,684)	37,17,594	(20,91,173)
Money Market	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	4,157	-	-	-	-	-	-
Preference Shares	-	-	-	-	-	-	-	-	-	-	4,429	6,010	-	-	-	-	-	-
Total	**29,814**	**38,581**	**1,88,158**	**3,02,003**	**3,07,872**	**2,26,980**	**2,49,983**	**1,21,943**	**31,417**	**19,338**	**72,38,361**	**16,89,134**	**7,83,926**	**93,077**	**24,27,947**	**(2,48,993)**	**37,17,594**	**(20,91,173)**
Other Investments		-		-		-		-		-		-		-		-		-
Corporate Bonds	7,035	6,650	28,801	30,215	-	336	-	336	-	-	8,033	14,836	-	101	-	-	-	-
Infrastructure Bonds	-	366	3,087	4,631	-	-	-	-	-	-	1,358	1,687	-	-	-	-	-	-
Equity Shares	-	-	-	-	4,207	(5,910)	6,148	(9,598)	1,015	(1,014)	1,50,670	(8,23,685)	29,250	(51,880)	1,41,106	(23,311)	1,17,199	(2,89,498)
Money Market	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	(2,87,971)	-	-	55,798	(2,95,442)	1,63,802	(6,67,230)
Preference Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**7,035**	**7,016**	**31,888**	**34,846**	**4,207**	**(5,574)**	**6,148**	**(9,262)**	**1,015**	**(1,014)**	**1,60,061**	**(10,95,133)**	**29,250**	**(51,779)**	**1,96,904**	**(3,18,753)**	**2,81,001**	**(9,56,728)**
GRAND TOTAL	**36,849**	**45,597**	**2,20,046**	**3,36,849**	**3,12,079**	**2,21,406**	**2,56,131**	**1,12,681**	**32,432**	**18,324**	**73,98,422**	**5,94,001**	**8,13,176**	**41,298**	**26,24,851**	**(5,67,746)**	**39,98,595**	**(30,47,901)**

Particulars	Ind. Multiplier		Ind. Super 20		Ind. Platinum Plus- 1		Ind. Platinum Plus- 2		Ind. Platinum Plus- 3		Ind. Platinum Plus- 4		Ind. Platinum Advantage		Ind. Platinum Premier		Ind. Foresight- 5 Pay	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF01217/ 10/ 07BSLINMULTI109		ULIF01723/ 06/ 09BSLSUPER20109		ULIF01325/ 02/ 08BSLIIPLAT1109		ULIF01425/ 02/ 08BSLIIPLAT2109		ULIF01628/ 04/ 09BSLIIPLAT3109		ULIF01816/ 09/ 09BSLIIPLAT4109		ULIF02408/ 09/ 10BSLPLATADV109		ULIF02203/ 02/ 10BSLPLATPR1109		ULIF02510/ 02/ 11BSLFSIT5P1109	
Approved Investments																		
Government Bonds	-	-	-	-	-	-	-	-	-	-	-	-	(6,098)	(7,933)	-	571	61,854	98,683
Corporate Bonds	-	-	-	-	-	-	-	-	-	-	-	-	216	6,133	-	(458)	14,450	25,758
Infrastructure Bonds	-	-	-	-	-	-	-	-	-	-	-	-	9,428	19,359	-	9,038	(2,574)	68,253
Equity Shares	21,46,237	(22,38,309)	25,75,775	(4,15,731)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Money Market	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,805	-	5,945
Preference Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**21,46,237**	**(22,38,309)**	**25,75,775**	**(4,15,731)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3,546**	**17,559**	**-**	**11,956**	**73,730**	**1,98,639**
Other Investments		-		-		-		-		-		-		-		-		-
Corporate Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Shares	3,08,779	(5,70,650)	57,192	(14,494)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Money Market	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mutual Funds	(21,180)	-	1,59,251	(3,69,576)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Preference Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**2,87,599**	**(5,70,650)**	**2,16,443**	**(3,84,070)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
GRAND TOTAL	**24,33,836**	**(28,08,959)**	**27,92,218**	**(7,99,801)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3,546**	**17,559**	**-**	**11,956**	**73,730**	**1,98,639**

Appendix 7 to Annexure 3A
(Amount in thousands of Indian Rupees)

Particulars	Ind. Foresight- Single Pay		Ind. Titanium- 1		Ind. Titanium- 2		Ind. Titanium- 3		Ind. Pure Equity		Ind. Value Momentum		Ind. Liquid Plus		Ind. Pension Growth		Ind. Pension Enrich	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF02610/ 02/ 11BSLFSITSP1109		ULIF01911/ 12/ 09BSLITITAN1109		ULIF02011/ 12/ 09BSLITITAN2109		ULIF02111/ 12/ 09BSLITITAN3109		ULIF02707/ 10/ 11BSLIPUREEQ109		ULIF02907/ 10/ 11BSLIVALUEM109		ULIF02807/ 10/ 11BSLLIQPLUS109		ULIF00504/ 03/ 03BSLIGROWTH109		ULIF00404/ 03/ 03BSLIENRICH109	
Approved Investments																		
Government Bonds	2,545	2,264	-	-	-	(94)	-	(91)	-	-	-	-	(9,340)	-	1,936	6,036	25,377	26,501
Corporate Bonds	122	529	-	-	-	-	-	12	-	-	-	-	(1,638)	(1,372)	1,052	1,167	5,843	5,835
Infrastructure Bonds	669	4,637	-	-	-	-	-	3	-	-	-	-	(4,349)	(3,067)	1,336	3,461	17,561	14,726
Equity Shares	-	-	-	-	-	-	-	-	14,81,372	(2,95,091)	7,55,312	(9,56,726)	-	-	14,717	6,383	1,21,013	8,315
Money Market	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	180	-	-	-	-
Preference Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**3,336**	**7,430**	**-**	**-**	**-**	**(94)**	**-**	**(76)**	**14,81,372**	**(2,95,091)**	**7,55,312**	**(9,56,726)**	**(15,327)**	**(4,259)**	**19,041**	**17,047**	**1,69,794**	**55,377**
Other Investments		-		-		-		-		-		-		-		-		-
Corporate Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporate Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Shares	-	-	-	-	-	-	-	-	1,13,012	(1,40,002)	(17,314)	(83,748)	-	-	640	(299)	7,520	(9,875)
Money Market	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Preference Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,13,012**	**(1,40,002)**	**(17,314)**	**(83,748)**	**-**	**-**	**640**	**(299)**	**7,520**	**(9,875)**
GRAND TOTAL	**3,336**	**7,430**	**-**	**-**	**-**	**(94)**	**-**	**(76)**	**15,94,384**	**(4,35,093)**	**7,37,998**	**(10,40,474)**	**(15,327)**	**(4,259)**	**19,681**	**16,748**	**1,77,314**	**45,502**

Particulars	Ind. Pension Nourish		Ind. Income Advantage Guaranteed		Ind. Maximiser Guaranteed		Gr. Fixed Interest		Gr. Gilt		Gr. Bond		Gr. Money Market		Gr. Short Term Debt		Gr. Growth Advantage	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF00604/ 03/ 03BSLNOURISH109		ULIF03127/ 08/ 13BSLIINADGT109		ULIF03027/ 08/ 13BSLIMAXGT109		ULGF00416/ 07/ 02BSLGFIXINT109		ULGF00630/ 05/ 03BSLIGRGILT109		ULGF00530/ 05/ 03BSLIGRBOND109		ULGF00824/ 08/ 04BSLIGRMMKT109		ULGF01322/ 09/ 08BSLGSHTDBT109		ULGF01026/ 11/ 07BSLIGGRADV109	
Approved Investments																		
Government Bonds	1,288	2,536	13,664	25,637	-	-	2,04,242	2,31,612	14,953	26,644	-	-	(8,901)	-	-	-	2,562	4,653
Corporate Bonds	769	475	8,875	20,904	-	-	3,44,454	2,72,418	-	-	54,563	69,420	(385)	(150)	3,895	4,870	4,990	4,207
Infrastructure Bonds	1,952	1,887	25,028	22,640	-	-	2,34,639	1,82,999	-	-	1,00,330	1,11,961	(2,051)	(1,208)	1,545	3,477	3,671	2,593
Equity Shares	2,406	444	-	-	19,659	(5,455)	-	-	-	-	-	-	-	-	-	-	86,118	(65,139)
Money Market	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	934	-	-	-	2,406	-	370	-	-	-	-
Preference Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**6,415**	**5,342**	**47,567**	**69,181**	**19,659**	**(5,455)**	**7,83,335**	**6,87,963**	**14,953**	**26,644**	**1,54,893**	**1,83,787**	**(11,337)**	**(988)**	**5,440**	**8,347**	**97,341**	**(53,686)**
Other Investments		-		-		-		-		-		-		-		-		-
Corporate Bonds	-	-	14,537	15,266	-	-	33,482	37,302	-	-	-	1,611	-	-	-	-	-	-
Infrastructure Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Shares	112	(127)	-	-	705	(844)	-	-	-	-	-	-	-	-	-	-	(1,862)	(13,626)
Money Market	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	578	(2,840)	-	-	-	-	-	-	-	-	-	-	-	-
Preference Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**112**	**(127)**	**14,537**	**15,266**	**1,283**	**(3,684)**	**33,482**	**37,302**	**-**	**-**	**-**	**1,611**	**-**	**-**	**-**	**-**	**(1,862)**	**(13,626)**
GRAND TOTAL	**6,527**	**5,215**	**62,104**	**84,447**	**20,942**	**(9,139)**	**8,16,817**	**7,25,265**	**14,953**	**26,644**	**1,54,893**	**1,85,398**	**(11,337)**	**(988)**	**5,440**	**8,347**	**95,479**	**(67,312)**

Appendix 7 to Annexure 3A
(Amount in thousands of Indian Rupees)

Particulars	Gr. Income Advantage		Gr. Secure		Gr. Stable		Gr. Growth		Gr. Fixed Interest II		Gr. Money Market II		Gr. Short Term Debt II		Gr. Stable II		Gr. Growth II	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULGF01425/ 02/ 10BSLGINCADV109		ULGF00212/ 06/ 01BSLGSECURE109		ULGF00312/ 06/ 01BSLGSTABLE109		ULGF00112/ 06/ 01BSLGGROWTH109		ULGF01728/ 11/ 11BSLGFXINT2109		ULGF01928/ 11/ 11BSLGRMMKT2109		ULGF02128/ 11/ 11BSLGSHTDB2109		ULGF02228/ 11/ 11BSLGSTABL2109		ULGF01828/ 11/ 11BSLGROWTH2109	
Approved Investments																		
Government Bonds	14,365	19,452	2,42,915	3,98,727	98,571	1,46,201	54,646	1,05,521	3,033	3,566	(26)	(29)	-	-	355	663	7,254	6,927
Corporate Bonds	6,998	6,366	2,35,222	2,34,518	75,517	65,138	31,425	35,086	-	-	-	-	1,288	1,304	-	-	472	268
Infrastructure Bonds	8,078	8,219	1,64,464	1,34,038	11,342	6,907	18,343	20,966	-	-	-	-	3,225	2,990	28	47	763	1,071
Equity Shares	-	-	12,69,612	(7,35,906)	6,09,830	(2,97,354)	4,93,067	(4,59,399)	-	-	-	-	-	-	1,955	(1,267)	52,931	(24,406)
Money Market	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	7,308	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Preference Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**29,441**	**34,037**	**19,19,521**	**31,377**	**7,95,260**	**(79,108)**	**5,97,481**	**(2,97,826)**	**3,033**	**3,566**	**(26)**	**(29)**	**4,513**	**4,294**	**2,338**	**(557)**	**61,420**	**(16,140)**
Other Investments		-		-		-		-		-		-		-		-		-
Corporate Bonds	-	-	-	(496)	-	51	-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Shares	-	-	66,107	(1,30,344)	36,335	(51,471)	27,675	(77,694)	-	-	-	-	-	-	102	(226)	2,567	(4,818)
Money Market	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Preference Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**66,107**	**(1,30,840)**	**36,335**	**(51,420)**	**27,675**	**(77,694)**	**-**	**-**	**-**	**-**	**-**	**-**	**102**	**(226)**	**2,567**	**(4,818)**
GRAND TOTAL	**29,441**	**34,037**	**19,85,628**	**(99,463)**	**8,31,595**	**(1,30,528)**	**6,25,156**	**(3,75,520)**	**3,033**	**3,566**	**(26)**	**(29)**	**4,513**	**4,294**	**2,440**	**(783)**	**63,987**	**(20,958)**

Appendix 7 to Annexure 3A

(Amount in thousands of Indian Rupees)

Particulars	Pension Discontinued		Life Discontinued		Discontinued Policy		Ind. Asset Allocation		Ind. Capped Nifty Index		MNC		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
SFIN	ULIF03305/ 07/ 13BSLIPNDIS109		ULIF03205/ 07/ 13BSLILDIS109		ULIF02301/ 07/ 10BSLIDISCPF109		ULIF03430/ 10/ 14BSLIASTALC109		ULIF03530/ 10/ 14BSLICNFIDX109		ULIF03722/ 06/ 18ABSLIMUMNC109			
Approved Investments														
Government Bonds	(1,668)	-	(7,727)	-	-	-	8,181	24,322	-	-	-	-	15,50,431	25,54,950
Corporate Bonds	-	-	-	-	-	-	7,368	7,144	-	-	-	-	17,77,106	16,20,605
Infrastructure Bonds	-	-	-	-	-	-	12,427	14,776	-	-	-	-	13,70,491	13,35,213
Equity Shares	-	-	-	-	-	-	1,59,053	(22,652)	2,98,278	(1,02,446)	2,99,112	(1,08,647)	2,27,84,394	(85,71,717)
Money Market	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	7,308	16,797
Preference Shares	-	-	-	-	-	-	-	-	-	-	-	-	4,429	6,010
Total	**(1,668)**	**-**	**(7,727)**	**-**	**-**	**-**	**1,87,029**	**23,590**	**2,98,278**	**(1,02,446)**	**2,99,112**	**(1,08,647)**	**2,74,94,159**	**(30,38,142)**
Other Investments														
Corporate Bonds	-	-	-	-	-	-	-	-	-	-	-	-	91,888	1,06,208
Infrastructure Bonds	-	-	-	-	-	-	-	-	-	-	-	-	4,445	6,684
Equity Shares	-	-	-	-	-	-	7,638	(6,114)	10,132	(14,690)	39,073	(23,372)	11,08,008	(23,47,290)
Money Market	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	3,58,249	(16,23,059)
Preference Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**7,638**	**(6,114)**	**10,132**	**(14,690)**	**39,073**	**(23,372)**	**15,62,590**	**(38,57,457)**
GRAND TOTAL	**(1,668)**	**-**	**(7,727)**	**-**	**-**	**-**	**1,94,667**	**17,476**	**3,08,410**	**(1,17,136)**	**3,38,185**	**(1,32,019)**	**2,90,56,749**	**(68,95,599)**

There is no unit balance as of 31st March 2021 and neither there was any movement in Gr. Capital Protection, Gr. Floating Rate, Gr. Growth Maximsier, Gr. Secure- II & Gr. Bond II for the period starting from 01st April 2014 till 31st March 2021.

Annexure - 4 *

(Amount in thousands of Indian Rupees)

Sr. No.	Particulars	FY 2020-21	FY 2019-20	FY 2018-19	FY 2017-18	FY 2016-17
	POLICYHOLDERS' A/C					
1	Gross Premium Income	**9,77,52,242**	8,00,99,740	7,51,12,612	5,90,30,033	5,72,39,551
2	Net Premium Income#	**9,48,22,799**	7,75,78,025	7,28,56,254	5,72,14,532	5,53,35,476
3	Income from investments(Net)@	**7,75,02,103**	39,82,650	3,10,83,204	3,01,03,552	4,33,75,850
4	Other Income	**5,51,736**	4,50,810	4,33,357	3,49,536	3,32,166
5	Total Income	**17,28,76,638**	8,20,11,485	10,43,72,815	8,76,67,620	9,90,43,492
6	Commissions	**54,28,235**	48,24,376	44,90,706	26,88,174	25,50,599
7	Brokerage	**-**	-	-	-	-
8	Operating Expenses related to insurance Business **	**1,43,94,888**	1,34,03,455	1,18,14,856	92,94,666	86,90,764
9	Total Expenses	**1,98,23,123**	1,82,27,831	1,63,05,562	1,19,82,840	1,12,41,363
10	Payment to Policy holders	**4,79,13,020**	5,54,98,705	5,25,16,478	5,05,76,246	4,65,36,840
11	Increase in Actuarial Liability	**10,49,27,302**	77,98,255	3,47,77,724	2,34,84,960	3,95,45,399
12	Provision for Tax	**3,90,463**	3,35,674	2,40,365	-	-
13	Surplus/(Deficit) from operations	**(1,77,270)**	1,51,020	5,32,686	16,23,574	17,19,890
	SHAREHOLDERS' A/C					
14	Total Income under Shareholders' Account	**18,60,859**	18,34,038	21,43,929	16,16,828	14,90,776
15	Total Expenses under Shareholder's Account	**5,04,109**	9,40,762	14,20,503	15,72,086	19,82,473
16	Profit/(loss) Before Tax	**11,79,480**	10,44,296	12,56,183	16,68,317	12,28,193
17	Profit/(loss) After Tax	**10,64,604**	10,44,296	12,56,183	16,68,317	12,28,193
18	Profit/(loss) carried to Balance Sheet	**8,29,266**	(85,338)	(11,29,634)	(23,85,817)	(40,54,134)
19	(A) Policyholders' account:					
	Total funds (incl Funds for Future Appropriation)	**50,86,12,739**	39,88,63,365	39,24,26,856	35,75,49,754	33,37,98,588
	Total Investments (including policy loans)	**50,38,54,837**	38,98,69,808	38,47,47,547	35,08,60,875	32,97,26,521
	Yield on investments					
	- Linked Fund (%) $	**28.24%**	-3.12%	9.05%	9.47%	16.77%
	- Non Par Non-Linked Fund (%)	**9.20%**	7.40%	8.65%	9.05%	10.00%
	- Par Non-Linked Fund (%)	**11.37%**	5.17%	7.84%	8.32%	9.47%
	(B) Shareholders' account:					
	Total funds (including unrealised gain)	**2,39,82,314**	2,19,97,808	2,09,97,855	2,01,29,988	1,80,46,578
	Total investments	**2,44,45,514**	2,30,54,405	2,08,17,297	1,85,48,763	1,60,39,133
	Yield on investments (%)	**10.80%**	8.51%	9.34%	9.47%	9.44%
20	Yield on total investments	**19.39%**	0.99%	8.90%	9.48%	14.92%
21	Paid up equity capital	**1,90,12,080**	1,90,12,080	1,90,12,080	1,90,12,080	1,90,12,080
22	Net worth	**2,39,82,314**	2,19,97,808	2,09,97,855	2,01,29,988	1,80,46,578
23	Total Assets	**53,25,95,053**	42,08,61,173	41,34,24,711	37,76,79,742	35,18,45,166
24	Earnings per share (share of FV of ₹10 each)	**0.56**	0.55	0.66	0.88	0.65
25	Book value per share (share of FV of ₹10 each)	**12.61**	11.57	11.04	10.59	9.49

* Refer Schedule 16 note 30.

** Inclusive Goods and Service tax on charges,Provision for doubtful debts , Diminution in value of investments and provision for standard assets.

\# Net of Reinsurance.

@ Net of Losses.

$ Yield on Linked policyholders investments includes unrealised gains on investments.

Annexure 5

(Amount in thousands of Indian Rupees)

ANALYTICAL RATIOS

Sr. No	Ratios for Life Insurers	Audited Year ended 31 Mar 21	Audited Year ended 31 Mar 20
1	New business premium income growth (segment-wise)		
	(New business premium for current year less new business premium for previous year divided by new business premium for previous year)		
	a) Linked Life	1.21%	-11.88%
	b) Linked group Life	-8.27%	11.32%
	c) Linked Pension individual	162.54%	65.51%
	d) Linked group Pension	-58.37%	772.01%
	e) Linked Health Individual	0.00%	0.00%
	f) Non-Linked Life	39.05%	24.03%
	e) Non-Linked group Life	85.57%	-40.74%
	h) Non Linked group Life variable	131.41%	-14.29%
	i) Non- Linked Pension Individual	0.00%	0.00%
	j) Non-Linked Annuity Individual	42.75%	-5.91%
	k) Non-Linked group Pension	1741.31%	-97.18%
	l) Non-Linked group Pension Variable	32.67%	130.73%
	m) Non-Linked Health	-55.02%	-44.58%
	n) Non-Linked Par Life	-34.72%	-18.87%
2	Net Retention Ratio (Net premium divided by gross premium)	97.00%	96.85%
3	Expense of Management to gross Direct Premium Ratio (Expenses of Management = Gross Commission + Operating Expenses related to Insurance Business by total gross premium net of service tax / GST)	19.07%	21.58%
4	Commission Ratio (gross Commission paid to gross Premium)	5.55%	6.02%
5	Ratio of Policyholders' Liabilities to Shareholders' Funds (Policyholders' Liabilities = Policy Liabilities + Funds for Future Appropriations + Provision for Linked Liabilities +Credit/(Debit) fair value change account (Linked & Non Linked)	2114.53%	1813.20%
	(Shareholders' Funds = Share Capital + Reserves & Surplus + Credit / (Debit) fair value account + Credit / (Debit) balance in Profit & Loss account.)		
6	Growth Rate of Shareholders' Funds (Current year shareholders' funds less previous year shareholders' funds divided by previous year shareholders' funds) X 100	9.02%	4.76%
7	Ratio of Surplus / (Deficit) to Policyholders Liabilities (Surplus or deficit as per revenue account divided by policyholders' liability as described in ratio 5 above)	0.23%	0.51%
8	Change in Net Worth (₹in '000) (Current year shareholders' funds less previous year shareholders' funds as described in ratio 5 above)	19,84,506	9,99,953
9	Profit after Tax / Total Income (Total Income = Total Income under Policyholders' account excluding shareholders' contribution + Total Income under Shareholders' Account excluding policyholders' contribution)	0.61%	1.24%
10	(Total Real Estate + Loans) / Cash & Invested Assets Loan amount is as shown in Balance Sheet divided by Cash (cash and bank balance as shown in the balance sheet) and Invested assets (investments of shareholders' funds + investments of policyholders' funds + assets held to cover linked liabilities)	0.41%	0.40%
11	Total Investments / (Capital + Surplus) Total Investments = Sum of investments of shareholders' funds (schedule 8), investments of policyholders' funds (schedule 8A) and assets held to cover linked liabilities (schedule 8B).	2193.91%	1869.56%
12	Total Affiliated Investments / (Capital + Surplus)* (Total Affiliated Investments is investments made to related parties divided by Capital and reserves and surplus as shown in Balance Sheet)	49.35%	56.22%

Annexure 5

(Amount in thousands of Indian Rupees)

Sr. No	Ratios for Life Insurers	Audited Year ended 31 Mar 21	Audited Year ended 31 Mar 20
13	Investment Yield (gross and net)		
	A. With Unrealised gains		
	Shareholders' Funds	10.95%	13.45%
	Policyholders' Funds :		
	Non- Linked Participating	11.29%	12.83%
	Non- Linked Non Participating	8.66%	13.76%
	Linked Non Participating	26.19%	-4.59%
	B. Without Unrealized gains		
	Shareholders' Funds	8.17%	8.51%
	Policyholders' Funds :		
	Non- Linked Participating	7.91%	7.87%
	Non- Linked Non Participating	7.84%	8.27%
	Linked Non Participating	9.97%	6.40%
14	**Conservation Ratio**		
	(Renewal Premium for current year net of service tax / GST divided by first year premium + single premium + renewal premium net of service tax / GST for previous year)		
	Non Participating Linked - Individual Life	80.83%	73.24%
	Non Participating Linked - Group Life	0.00%	0.00%
	Non Participating Linked - Individual Pension	58.32%	64.15%
	Non Participating Linked - Group Pension	29.27%	72.01%
	Non Participating Linked - Individual Health	78.55%	83.14%
	Non Participating Non Linked - Individual Life	87.27%	85.56%
	Non Participating Non Linked - Group Life	36.68%	21.57%
	Non Participating Non Linked - Group Life Variable	0.00%	0.00%
	Non Participating Non Linked - Individual Pension*	98.97%	68.50%
	Non Participating Non Linked - Individual Annuity	0.00%	0.00%
	Non Participating Non Linked - Group Pension	5.67%	0.16%
	Non Participating Non Linked - Group Pension Variable	5.26%	9.59%
	Non Participating Non Linked - Individual Health	72.58%	56.61%
	Participating Non Linked - Individual Life	86.98%	87.21%
15	**Persistency Ratio#**		
	Persistency rate based on premium		
	For 13th month	84.00%	83.45%
	For 25th month	72.00%	67.89%
	For 37th month	60.00%	57.21%
	For 49th Month	55.00%	53.92%
	For 61st month	51.00%	48.62%
	Persistency rate based on count		
	For 13th month	73.00%	71.99%
	For 25th month	61.00%	55.97%
	For 37th month	48.00%	46.71%
	For 49th Month	43.00%	42.13%
	For 61st month	39.00%	37.34%
16	**NPA Ratio**		
	Gross NPA Ratio	Nil	Nil
	Net NPA Ratio	Nil	Nil
17	**Solvency Ratio**	1.80	1.78

*The ratio after considering the policyholders' funds for the Current year is 0.02 (Previous Year: 0.03).

As per the certificate received from the appointed actuary.

Last year ratios have been revised to reflect the calculation as per recent circular.

Management Report for the period ended 31st March 2021

(Currency: In thousands of Indian Rupees unless otherwise stated)

In accordance with the Insurance Regulatory and Development Authority of India ('IRDAI') (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, read with circular no IRDA/F&A/CIR/CPM/056/03/2016 dated 4th April, 2016 the following Management Report is submitted by the management on behalf of Board of Directors for the financial year ended 31st March 2021

1. CERTIFICATE OF REGISTRATION

The Certificate of Registration under Section 3 of the Insurance Act, 1938 was granted by Insurance Regulatory and Development Authority of India (IRDAI) on 31st January 2001. We confirm that the Company has paid renewal fee to IRDAI as required under Section 3A of the Insurance Act, 1938. In terms of Insurance Laws (Amendment) Act, 2015 and IRDAI circular dated 7th April 2015, the requirement of renewal certificate is done away.

2. STATUTORY DUES

We hereby certify that all the material dues payable, other than those which are being contested with the statutory authorities, have been duly paid.

3. SHAREHOLDING PATTERN

We confirm that the shareholding pattern and transfer of shares of the Company, effected during the year is in accordance with the requirements of the Insurance Act, 1938, Insurance Laws (Amendment) Act, 2015 and the Insurance Regulatory and Development Authority (Registration of Indian Insurance Companies) Regulations, 2000.

4. INVESTMENT OF FUNDS

The Company has not, directly or indirectly, invested policyholders fund outside India.

5. SOLVENCY MARGIN

The Company has maintained adequate assets to cover both its liabilities and the minimum solvency margin, as stipulated in Section 64 VA of the Insurance Act, 1938. (as amended by the Insurance Laws (Amendment) Act, 2015) and the IRDA (Assets, Liabilities and Solvency Margin of Insurers) Regulations, 2016.

6. VALUATION OF ASSETS

We hereby certify that all assets of the Company have been reviewed on the date of the Balance Sheet and to the best of our knowledge and belief the assets set forth in the Balance Sheet are shown in aggregate at amounts not exceeding their realisable or market value under the several headings – "Loans", "Investments" (other than as mentioned hereunder), "Agents balances", "Outstanding Premiums", "Interest, Dividends and Rents outstanding", "Interest, Dividends and Rents accruing but not due", "Amounts due from other persons or Bodies carrying on insurance business", "Sundry Debtors", "Bills Receivable", "Cash" and the several items specified under "Other Accounts".

Market values of fixed income investments made in the shareholders' funds and non-linked policyholders funds which are valued at amortized cost as per the IRDA regulations, is higher by their carrying amounts by ₹15,292,793 (previous year higher by ₹14,484,689) in aggregate as at 31st March 2021, details below:

Particulars	Current Year		
	Market Value	Amortized Cost	Difference
Shareholder's Fund	2,37,60,595	2,20,12,376	17,48,219
Non-Linked Fund	22,47,04,890	21,11,60,316	1,35,44,574
Total	**24,84,65,485**	**23,31,72,692**	**1,52,92,793**

Particulars	Previous Year		
	Market Value	Amortized Cost	Difference
Shareholder's Fund	2,14,08,305	1,98,84,316	15,23,989
Non-Linked Fund	16,19,83,219	14,90,22,519	1,29,60,700
Total	**18,33,91,524**	**16,89,06,834**	**1,44,84,689**

7. INVESTMENT PATTERN

We hereby confirm and certify that, no part of Life Insurance Fund has been directly or indirectly applied in contravention of provisions of the Insurance Act, 1938 (4 of 1938) (as amended by the Insurance Laws (Amendment) Act, 2015), IRDA (Investment) Regulations, 2000 as amended and applicable circulars and guidelines relating to the application and investment of the life insurance funds.

We hereby confirm and certify that, no part of Life Insurance Fund has been directly or indirectly applied in contravention of provisions of the Insurance Act, 1938 (4 of 1938) (as amended by the Insurance Laws (Amendment) Act, 2015), IRDAI (Investment) Regulations, 2016 and applicable Guideline/Circulars/Notices or Orders relating to the application and investment of the life insurance funds.

8. RISK MINIMISATION STRATEGIES

Company has an Enterprise Risk Management (ERM) framework covering procedures to identify, assess and mitigate the key business risks. Aligned with the business planning process, ERM framework covers all business risks including strategic risk, operational risks, investment risks and insurance risks. The key business risks identified by the Board's Risk Management Committee are monitored by the Risk Management team and thereafter reported separately to its Risk Management Committee.

Company has in place an Operational Risk Management framework to manage risk that may arise from inadequate or failed internal processes, people, systems, or external events. To manage and control operational risk, we use various tools including self-assessments, operational risk event management, continuous control monitoring and key risk indicators.

As a process, Key Risk Indicators are identified for each risk category and these are monitored on a periodic basis by the Risk Management function. The Company also assesses and monitors fraud risks to design and implement controls in required process areas.

Further, the possible financial effect of adverse mortality and morbidity experience has been reduced by entering into reinsurance agreements with RGA International, RGA India, Munich Re International, Munich Re India, GIC Re India and Swiss Re international for individual, health and group life business. All reinsurers are specialist reinsurance companies with excellent reputation and significant financial strength. The Company also has a separate agreement with Sirius Re and GIC Re to cover the catastrophic risks under individual and group business.

Company has also set up systems to continuously monitor its experience with regard to other parameters that affect the value of benefits offered in the products. Such parameters include policy lapses, premium persistency, maintenance expenses and investment returns. The operating expenses are monitored very closely. Many products offered by the Company also have an investment guarantee. Company has set aside additional reserves to cover this risk.

Company's investment team operates under the close supervision of Investment Committee and Asset Liability Management Committee appointed by the Board of Directors. The investments are made in line with the investment policy adopted by the Company.

Company has a robust Business Continuity Plan and Information Technology Disaster Recovery Plan in place to manage any business / technology interruption risk. Business Continuity Management System is certified against the global standard ISO 22301. It also has Business Continuity Policy to have a planned response in the event of any contingency ensuring recovery of critical activities at agreed levels within agreed timeframe thereby complying with various regulatory requirements and minimising the potential business impact to the Company.

Information Security risks are governed through Information Security Management System aligned and certified against ISO 27001:2013 which is a global benchmark. The Company has a comprehensive Information Security and Cyber security policy designed to comply with ISO 27001:2013, IRDAI Cyber guidelines 2017, privacy and/or data protection legislations as specified in Indian Information Technology Act, 2008 and Notification dated 11th April 2011 on protection of sensitive personal information and it provides direction to Information Security staff, Management and Employees regarding their roles and responsibilities towards Information Security.

9. COUNTRY RISK

The Company is operating in India only and hence has no exposure to any other country risk.

10. AGEING OF CLAIMS

The average claims settlement time from the date of receipt of complete requirements from the claimant to dispatch of claim payment for the current year and previous four financial years are given below:

Period	Average claim settlement time (In days)
2020-21	4
2019-20	2
2018-19	3
2017-18	3
2016-17	5

Ageing of claims outstanding

For Non Linked Business

Period	Claims registered and not settled				Claims registered and settled			
	Current Year		Previous Year		Current Year		Previous Year	
	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount
Less than 30 Days	3	8,922	66	53,326	-	-	-	-
30 days to 6 months	12	34,964	62	53,859	-	-	-	-
6 months to 1 year	1	1,000	26	7,659	-	-	-	-
1 year to 5 years	1	5,438	-	-	-	-	-	-
5 years and above	-	-	-	-	-	-	-	-
Total for the Period	**17**	**50,324**	**154**	**114,843**	**-**	**-**	**-**	**-**

For Linked Business

Period	Claims registered and not settled				Claims registered and settled			
	Current Year		Previous Year		Current Year		Previous Year	
	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount	No. of Claims	Amount
Less than 30 Days	-	-	2	3,087	-	-	-	-
30 days to 6 months	1	3,000	1	2,475	-	-	-	-
6 months to 1 year	-	-	-	-	-	-	-	-
1 year to 5 years	-	-	-	-	-	-	-	-
5 years and above	-	-	-	-	-	-	-	-
Total for the Period	**1**	**3,000**	**3**	**5,562**	**-**	**-**	**-**	**-**

11. VALUATION OF INVESTMENTS

The investments of Shareholders Funds and Non Linked Policyholders Funds are valued as under:

1. Debt Securities including government securities, redeemable preference shares and money market instruments are valued on the basis of the yield based amortised value derived through effective interest rate method for these assets.

2. Additional Tier 1 (BASEL III) bonds are valued through CRISIL Bond Valuer.

3. The Investment in Units of REIT / InvITs are valued at Market Value (last Quoted price should not be later than 30 days). Where Market Quote is not available for the last 30 days, the Units are valued as per the latest NAV (not more than 6 months old) of the Units published by the trust. However, if the latest NAV (not more than 6 months old) is not available then it is valued at Cost.

4. Equities are valued on the last quoted closing price of the security on the National Stock Exchange of India Limited (NSE). In case the shares are not traded on NSE, valuation is done on closing price at Bombay Stock Exchange (BSE). ETFs shall be valued at the Net Asset Value (per Unit) as on the previous business day. If the NAV per unit for the previous business day is not available, value available as of the earliest previous day shall be taken for pricing. Equity,

Exchange traded funds shares acquired through primary markets and awaiting listing are valued at Cost. Investment in Unlisted equity shares would be valued at historical Cost with provision for diminution in value of securities. Redeemable Preference Shares are valued at historical cost, subject to amortization of premium or discount which is the difference between the purchase price and the redemption amount on effective interest rate over the remaining period to maturity of these securities.

5. Social Venture Fund and Venture Capital Funds are valued at cost initially and on the basis of latest available valuation provided by an independent valuer appointed by the Manager of the Fund. The same price will be continued till next valuation is provided. However, if valuation as per independent valuer is not available then Valuation is carried out at either unaudited NAV or cost whichever is lower.

6. Mutual Funds are valued on previous day's NAV per unit published by the respective mutual funds.

The investments of linked funds of policyholders are valued as under:

1. G-sec, SDL valued, at the fair valuation price provided in the CRISIL price file with effect from the trade date. Debt Securities having residual maturity of more than 182 days, would be valued effective trade date through CRISIL Bond Valuer. Additional Tier 1 (BASEL III) bonds are valued through CRISIL Bond Valuer. Debt securities with a residual maturity of less than or equal to 182 days are amortised over the remaining days to maturity through CRISIL Bond Valuer.

2. Securities with call option are valued at the lower of the value as obtained by valuing the security up to final maturity date or the call option date. In case there are multiple call options, the security is valued at the lowest value obtained by valuing the security at various call dates or up to the final maturity date. Securities with put option are valued at the higher of the value as obtained by valuing the security up to final maturity date or the put option date. In case there are multiple put options, the security is valued at the highest value obtained by valuing the security at various put dates or up to the final maturity date. The securities with both put and call option on the same day would be deemed to mature on the put/call date. All new purchases of Non-SLR Debt securities shall be marked to market appropriately from the date of purchase i.e. for securities with maturity more than 182 days to be valued thru CRISIL Bond Valuer (CBV) at the market yield on the basis of the matrix provided by CRISIL and for securities with residual maturity of less than or equal to 182 days by amortising the difference between purchase price and redemption value over the remaining days to maturity through CBV. The same will follow for Deemed maturity securities.

3. Equities and Preference are valued on the last quoted closing price of the security on the National Stock Exchange of India Limited (NSE). In case the shares are not traded on NSE, valuation is done on closing price at Bombay Stock Exchange (BSE).ETFs shall be valued at the Net Asset Value (per Unit) as on the previous business day. If the NAV per unit for the previous business day is not available, value available as of the earliest previous day shall be taken for pricing. Equity, Exchange traded funds shares acquired through primary markets and awaiting listing are valued at Cost. Investment in Unlisted equity shares would be valued at historical Cost with provision for diminution in value of securities.

4. The Investment in Units of REIT / InvITs are valued at Market Value (last Quoted price should not be later than 30 days). Where Market Quote is not available for the last 30 days, the Units are valued as per the latest NAV (not more than 6 months old) of the Units published by the trust. However, if the latest NAV (not more than 6 months old) is not available then it is valued at Cost.

5. Money Market Instruments (including T Bills) are valued on the basis of the amortised value derived through effective interest rate method.

6. Mutual Funds are valued on previous day's NAV per unit published by the respective mutual funds.

12. REVIEW OF ASSET QUALITY AND PERFORMANCE OF INVESTMENTS

Shareholders' Fund

The company has invested more than 35.29% of the Shareholder funds in sovereign rated instrument like Government securities, Government Guaranteed Bonds and Tri Part Repo (TREPS). Around 40.71% of the funds have been invested in AAA/AA+ rated securities (which include Infrastructure & Housing bonds). No funds are invested in the Fixed Deposits and liquid schemes mutual funds.

The Company has invested approx 1.63% of the Shareholder funds in unlisted equity shares.

Policyholders' Fund

The policyholders' funds are invested in accordance with regulatory norms, Investment policy, fund objective of unit linked funds and risk profile of the respective fund In fixed income segment, majority of the investment is made in the government securities having sovereign rating & debt securities issued by reputed corporate having rating AAA/A1+.The equity selection is made after appropriate research and analysis of the investee company as well as the industry to which it belongs. To meet the liquidity requirement a part is invested into the liquid mutual fund schemes and other money market instruments of high credit rating. The investments are also made keeping in mind the asset-liability requirement of the respective funds.

13. DIRECTORS RESPONSIBILITY STATEMENT

The Board of Directors of the Company also state that:

- The financial statements have been prepared in accordance with applicable accounting standards, the regulations stipulated by the IRDAI and the provisions of the Insurance Act, 1938 and the Companies Act, 2013 and disclosures have been made, wherever the same is required. There is no material departure from the said standards, principles and policies;
- The Company has adopted accounting policies and applied them consistently and has made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at 31st March 2021, and, of the operating profit of the Company for the year ended on 31st March 2021;
- Proper and sufficient care has been taken to maintain adequate accounting records in accordance with the applicable provisions of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015, Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The financial statements of the Company are prepared on a going concern basis; and
- The Company has appointed internal auditor and the scope of work of auditor is commensurate with the size and nature of the Company's business. The management certifies that adequate internal control systems and procedures were in existence for this financial year.
- The directors had laid down internal financial controls to be followed by the Company and that such internal controls are adequate and were operating effectively.
- The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Management Report (Contd.)

14. SCHEDULE OF PAYMENTS MADE TO INDIVIDUALS, FIRMS, COMPANIES AND ORGANISATION IN WHICH DIRECTORS OF THE COMPANY ARE INTERESTED:

Sr. No.	Name of Director	Entity in Which Director in interested	Interested as	Amount Paid (in '000) Current Year March'2021	Amount Paid (in '000) Previous Year March'2020
1	Mr. Kumar Mangalam Birla	Aditya Birla Management Corporation Private Limited	Director	11,576	11,094
		Aditya Birla Sun Life Asset Management Company Limited	Director	89,328	70,930
		Grasim Industries Limited	Director	59,659	6,84,050
		Ultra Tech Cement Limited	Director	1,65,850	69,572
		Aditya Birla Capital Limited	Additional Director	3,72,597	3,58,489
2	Mr. Ajay Srinivasan	Aditya Birla Finance Limited	Director	4,24,326	5,24,102
		Aditya Birla Housing Finance Limited	Director	3,03,308	2,97,040
		Aditya Birla Capital Limited	CEO & Member	3,72,597	3,58,489
		Aditya Birla Management Corporation Private Limited	Director	11,576	11,094
		Aditya Birla Sun Life Asset Management Company Limited	Director	89,328	70,930
		Aditya Birla Health Insurance Limited	Director	22,882	43,931
		Aditya Birla Capital Technology Services Limited	Director	71,631	5,978
		Aditya Birla PE Advisors Private Limited	Director	20	-
		Aditya Birla Capital Foundation	Director	27,189	-
		Aditya Birla Sun Life Pension Management Company Limited	Director	45,760	51,670
3	Mr. B. N. Purnmalka	Aditya Birla Finance Limited	Director	4,24,326	5,24,102
4	Pinky Mehta	Aditya Birla Money Limited	Director	1,11,047	1,09,851
		Aditya Birla ARC Ltd.	Additional Director	70	87
		Aditya Birla PE Advisors Private Limited	Additional Director	20	-
		Aditya Birla Capital Limited	CFO	3,72,597	3,58,489
5	Mr. Sandeep Asthana	Aditya Birla Sun Life Asset Management Company Limited	Director	89,328	70,930
		Aditya Birla Sun Life Pension Management Company Limited	Director	45,760	5,978
6	Claude Accum	Aditya Birla Sun Life Asset Management Company Limited	Director	89,328	70,930
		Sunlife Assurance Company of Canada	President, SLF Asia	15,51,888	31,888
7	Arun Adhikari	Aditya Birla Capital Limited	Director	3,72,597	3,58,489
		Ultratech Cement Limited	Director	1,65,850	69,572
8	Mr. Pankaj Razdan (upto August 5, 2019)	Aditya Birla Sun Life Asset Management Company Limited	Director	-	70,930
		Aditya Birla Sun Life Pension Management Company Limited	Director	-	5,978
9	Colm Freyne	Aditya Birla Sun Life Asset Management Company Limited	Director	89,328	70,930
10	Kamlesh Rao	Aditya Birla Sun Life Pension Management Company Limited	Additional Director	45,760	5,978

For and on behalf of the Board of Directors
Aditya Birla Sun Life Insurance Company Limited

Ajay Srinivasan
Chairman
(DIN: 00121181)

Sandeep Asthana
Director
(DIN: 00401858)

Pinky Mehta
Director
(DIN: 00020429)

Kamlesh Rao
Managing Director & CEO
(DIN: 07665616)

Amit Jain
Chief Financial Officer

Ajay Kanth
Company Secretary

Anil Kumar Singh
Chief Actuarial Officer & Appointed Actuary

Mumbai, 27th April 2021

Registration Number: 109 dated 31st January 2001

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I Registration Details

State Code

2	2

Registration No.

1	2	8	1	1	0

Balance Sheet Date

Date		Month		Year			
3	1	0	3	2	0	2	1

II Capital Raised during the Year (Amount in ₹ thousands)

Public Issue	Right Issue
NIL	NIL

Bonus Issue	Private Placement (Including Premium)
NIL	NIL

III Position of Mobilisation and Development of Fund (Amount in ₹ Thousands)

Total Liabilities	Total Assets
532595053	532595053

Source of Funds

Paid-Up Capital	Reserve & Surplus
19012080	4415053

Secured Loans	Unsecured Loans
NIL	NIL

Application of Funds

Net Fixed Assets	Investments
970545	526150890

Net Current Assets	Misc. Expenditure
3324157	NIL

Accumulated losses
NIL

IV Performance of Company (Amount in ₹ Thousands)

Turnover	Total Expenditure
174347034	173167554

Profit Before Tax	Profit After Tax
1179480	1064604

Earning per share	Dividend rate %
0.56	

V Generic Names of Three Principal products / Services of Company (as per monetary terms)

Item Code No.(ITC Code)	Product Description
NIL	LIFE INSURANCE

For and on behalf of the Board of Directors of
Aditya Birla Sun Life Insurance Company limited

Ajay Srinivasan Chairman (DIN: 00121181)	**Sandeep Asthana** Director (DIN: 00401858)	**Pinky Mehta** Director (DIN: 00020429)	
Kamlesh Rao Managing Director & CEO (DIN: 07665616)	**Amit Jain** Chief Financial Officer	**Ajay Kanth** Company Secretary	**Anil Kumar Singh** Chief Actuarial Officer & Appointed Actuary

Mumbai, 27th April 2021

Independent Auditor's Report

To the Members of

Aditya Birla Sun Life Insurance Company Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

1) We have audited the accompanying consolidated financial statements of ADITYA BIRLA SUN LIFE INSURANCE COMPANY LIMITED (hereinafter referred to as the "Holding Company" or "Company") and its subsidiary, Aditya Birla Sun Life Pension Management Limited (formerly known as Birla Sun Life Pension Management Limited) (the Holding Company and its subsidiary together referred to as the "Group"), comprising of the Consolidated Balance Sheet as at 31st March 2021, the related Consolidated Revenue Account (also called the "Policyholders' Account" or the "Technical Account"), the Consolidated Profit and Loss Account (also called the "Shareholders' Account" or "Non-Technical Account") and the Consolidated Receipts and Payments Account for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

2) In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditor on separate financial statements of the subsidiary referred to in paragraph no. 12 of the Other Matters paragraph below, the aforesaid consolidated financial statements give the information required by provisions of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDA Financial Statements Regulations"), circulars/ orders/directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI") in this regard and the Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under Section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended, (the "Accounting Standards") and other accounting principles generally accepted in India, as applicable to the insurance companies:

   i. in the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at 31st March 2021;

   ii. in the case of the Consolidated Revenue Account, of the net surplus for the year ended 31st March 2021;

   iii. in the case of the Consolidated Profit and Loss Account, of the profit for the year ended 31st March 2021; and

   iv. in the case of the Consolidated Receipts and Payments Account, of the receipts and payments for the year ended 31st March 2021.

Basis for Opinion

3) We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the consolidated financial statements section of our report. We are independent of the Holding 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 consolidated 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 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 consolidated financial statements.

Emphasis of Matter

4) We draw attention to Note 28 of the Consolidated Financial Statements in which the Company describes the uncertainties arising from the COVID-19 pandemic.

   Our opinion is not modified in respect of this matter.

Key Audit Matter

5) Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Description of Key Audit Matter:

Key Audit Matter	How the matter was addressed in our audit
Information Technology Systems: The Company is highly dependent on its information technology ("IT") systems for carrying out its operations and owing to the significant number of transactions that are processed on daily basis as part of its operations, which impacts key financial accounting and reporting items such as premium income, claims, commission expense and Investments among others. The controls implemented by the entity in its IT environment determine the integrity, accuracy, completeness and validity of the data that is processed by the applications and is ultimately used for financial reporting. These controls contribute to mitigating risk of potential misstatements caused by fraud or error. Accordingly, our audit was focused on key IT systems and controls due to the pervasive impact on the financial statements.	We involved our IT specialists to obtain an understanding of the entity's IT related control environment. Furthermore, we conducted a risk assessment and identified IT applications, databases and operating systems that are relevant to our audit. For the key IT systems relevant to financial reporting financial information, our areas of audit focus included Access Security (including controls over privileged access), Program Change controls and Network Operations. In particular, we obtained an understanding of the entity's IT environment and key changes if any during the audit period that may be relevant to the audit; We tested the design, implementation and operating effectiveness of the General IT controls over the key IT systems that are critical to financial reporting. This included evaluation of entity's controls to ensure segregation of duties and access rights being provisioned / modified based on duly approved requests, access for exit cases being revoked in a timely manner and access of all users being re-certified during the period of audit. Further, controls related to program change were evaluated to verify whether the changes were approved, tested in an environment that was segregated from production and moved to production by appropriate users; We also tested automated business cycle controls relevant to the audit; We tested the controls over network segmentation, restriction of remote access to the entity's network, controls over firewall configurations and mechanisms implemented by the entity to prevent, detect and respond to network security incidents; and We tested compensating controls or performed alternate procedures to assess whether there were any unaddressed IT risks that would impact the controls or completeness and accuracy of data.

Information Other than the Financial Statements and Auditor's Report Thereon

6) The Holding Company's Board of Directors is responsible for the preparation of the other information, comprising of the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and such other disclosures related information, excluding the consolidated financial statements and auditor's report thereon ('Other Information'). Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to other Information'. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

7) The Holding 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 consolidated financial statements that give a true and fair view of the Consolidated Balance Sheet, the related Consolidated Revenue Account, the Consolidated Profit and Loss Account and Consolidated Receipts and Payments Account of the group in accordance with the accounting principles generally accepted in India, including the provisions of the Insurance Act, the IRDA Act, the IRDA Financial Statements Regulations and circulars/ orders/directions issued by the IRDAI in this regard and Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended ("Accounting Standards") and other accounting principles generally accepted in India, as applicable to the insurance companies .

   This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

8) Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

9) As part of our audit in accordance with SAs we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, to design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made in the consolidated financial statements by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 Group to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such branches or entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

11) The actuarial valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at 31st March 2021 is the responsibility of the Appointed Actuary. The actuarial valuation of these liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at 31st March 2021 has been duly certified by the Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI. We have relied upon Appointed Actuary's certificate in this regard for forming our opinion on the valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists in consolidated financial statements of the Company.

12) We did not audit the financial statements of the subsidiary, whose financial statements reflect total assets of Rs. 298,359 thousand as at 31st March 2021, total revenues of Rs. 22,438 thousand and net cash inflows amounting to Rs. 2,909 thousand for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report have been furnished to us by the management and our opinion on consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of such subsidiary and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far it relates to the aforesaid subsidiary, is based solely on the audit report of the other auditor.

Our opinion on the consolidated financial statements and our Report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor and the financial statements/financial information certified by the management

Report on Other Legal and Regulatory Requirements

13) As required by IRDA Financial Statements Regulations, read with 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 of the aforesaid consolidated financial statements.

(b) In our opinion and to the best of our information and according to the explanations given to us, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor.

(c) As the Holding Company's financial accounting system is centralized, no returns for the purposes of our audit are prepared at the branches of the Holding Company;

(d) The Consolidated Balance Sheet, the Consolidated Revenue Account, the Consolidated Profit and Loss Account and the Consolidated Receipts and Payments Account dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(e) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act to the extent not inconsistent with the accounting principles prescribed in the IRDA Financial Statements Regulations and orders/directions issued by the IRDAI in this regard.

(f) In our opinion and to the best of our information and according to the explanations given to us, investments have been valued in accordance with the provisions of the Insurance Act, the IRDA Financial Statements Regulations and/or orders/directions issued by the IRDAI in this regard.

(g) On the basis of the written representations received from the directors of the Holding Company as on

31st March 2021 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor of its subsidiary company, none of the directors of the Group company is disqualified as on 31st March 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

(h) With respect to the adequacy of the internal financial controls with reference to financial statements and the operating effectiveness of such controls; refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Holding company and Subsidiary company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the consolidation financials statements' internal financial controls with reference to financial statements.

(i) 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 to the best of our information and according to the explanations given to us and report of the statutory auditor of its subsidiary company, the remuneration paid by the group to its director during the year is in accordance with the provisions of section 197 of the Act read with section 34A of the Insurance Act.

(j) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements.

(ii) The liability for insurance contracts, is determined by the Holding Company's Appointed Actuary and is covered by the Appointed Actuary's certificate, referred to in Other Matters paragraph above, on which we have placed reliance; and the Group did not have any other 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 Holding Company, and its subsidiary company incorporated in India.

For **S. B. Billimoria & Co.**
Chartered Accountants
Firm's Registration No. 101496W

Sanjiv V. Pilgaonkar
Partner
Membership No: 039826
UDIN: 21039826AAAADG4394
ROIN: SVP-2021-27561

Mumbai 27th April 2021

For **Haribhakti & Co. LLP**
Chartered Accountants
Firm's Registration No. 103523W/ W100048

Purushottam Nyati
Partner
Membership No: 118970
UDIN: 21118970AAAADJ9568

Mumbai 27th April 2021

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 13(h) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (THE "ACT")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March 2021, we have audited the internal financial controls with reference to financial statements of ADITYA BIRLA SUN LIFE INSURANCE COMPANY LIMITED (hereinafter referred to as "the Holding Company"), as of that date.

The actuarial valuation of liabilities for life policies in force and policies where premium is discontinued is required to be certified by the Appointed Actuary as per the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDA Financial Statements Regulations") and has been relied upon by us, as mentioned in paragraph 11 under Other Matters section of our audit report on the consolidated financial statements of the Holding Company as at and for the year ended 31st March 2021. Accordingly, we have not audited the internal financial controls with reference to financial statements in respect of the valuation and accuracy of the aforesaid actuarial valuation.

Management's Responsibility for Internal Financial Controls

The respective Boards of Directors of the Holding Company and its subsidiary company which is incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statement criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 respective 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 by provisions of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDA Financial Statements Regulations"), circulars/ orders/directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI") in this regard and the Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, as applicable to insurance companies.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of the subsidiary company incorporated in India, in terms of their report referred to in the Other matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding company and its subsidiary incorporated in India, internal financial controls with reference to financial statements.

Meaning of Internal financial controls with reference to Financial Statements

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

Inherent Limitations of Internal financial controls with reference to Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary company incorporated in India have, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March 2021, based on the internal control with reference to financial statement criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to subsidiary company incorporated in India, is based on the corresponding reports of the auditor of subsidiary company.

Our opinion is not modified in respect of the above matter.

For **S. B. Billimoria & Co.**
Chartered Accountants
Firm's Registration No. 101496W

Sanjiv V. Pilgaonkar
Partner
Membership No: 039826
UDIN: 21039826AAAADG4394
ROIN: SVP-2021-27561

Mumbai 27th April 2021

For **Haribhakti & Co. LLP**
Chartered Accountants
Firm's Registration No. 103523W / W100048

Purushottam Nyati
Partner
Membership No: 118970
UDIN: 21118970AAAADJ9568

Mumbai 27th April 2021

Consolidated Revenue Account for the year ended 31st March 2021

(Amount in thousands of Indian Rupees)

Particulars	Schedule	Audited Year ended 31 Mar 21	Audited Year ended 31 Mar 20
Premiums earned–net			
(a) Premium	1	9,77,52,242	8,00,99,740
(b) Reinsurance ceded		(29,29,443)	(25,21,715)
(c) Reinsurance accepted		-	-
Sub-Total		**9,48,22,799**	**7,75,78,025**
Income from Investments			
(a) Interest, Dividends & Rent–Gross (Refer Schedule 16 Note 2(f))		2,59,12,560	2,36,70,458
(b) Profit on sale/ redemption of investments		2,29,02,652	1,30,80,511
(c) (Loss on sale/ redemption of investments)		(70,29,967)	(69,50,631)
(d) Transfer/ Gain (Loss) on revaluation/ change in fair value*		3,57,16,858	(2,58,17,688)
Sub-Total		**7,75,02,103**	**39,82,650**
Other Income			
(a) Contribution from the Shareholders' Account		14,71,331	18,32,020
(b) Contribution from Shareholders Account towards Excess EoM (Refer Schedule 16 Note 22)		400	4,24,800
(c) Others (profit on sale of liquid funds, interest etc.) (Refer Schedule 16 Note 32)		5,51,736	4,50,810
Sub-Total		**20,23,467**	**27,07,630**
Total (A)		**17,43,48,369**	**8,42,68,305**
Commission	2	54,28,235	48,24,376
Operating Expenses related to Insurance Business	3	1,32,11,776	1,24,61,175
Provision for doubtful debts		443	(43)
Bad debts written off		-	-
Provision for Tax (Refer Schedule 16 Note 27)		3,90,463	3,35,674
Provision (other than taxation)			
(a) For diminution in the value of investments (Net)(Refer Schedule 16 Note 24)		45,818	2,50,358
(b) Others–Provision for standard and non-standard assets (Refer Schedule 16 Note 26)		(163)	(163)
Goods and Services Tax on Charges		11,37,414	11,16,928
Total (B)		**2,02,13,986**	**1,89,88,305**
Benefits Paid (Net)	4	4,78,45,304	5,54,60,877
Interim Bonuses Paid		67,716	37,828
Change in valuation of liability in respect of life policies			-
(a) Gross**		5,49,01,607	3,25,76,366
(b) (Amount ceded in Re-insurance)		(12,83,221)	(14,22,965)
(c) Amount accepted in Re-insurance		-	-
(d) Fund Reserve		4,86,64,957	(2,42,57,361)
(e) Premium Discontinuance Fund–Linked		27,59,016	8,66,822
Total (C)		**15,29,55,379**	**6,32,61,567**
Surplus (D) = (A) - (B) - (C)		**11,79,004**	**20,18,433**
Appropriations			
Transfer to Shareholders' Account		12,94,061	19,83,040
Transfer to Other Reserves		-	-
Balance being Funds for Future Appropriations		(1,15,057)	35,393
Total (D)		**11,79,004**	**20,18,433**
The total surplus as mentioned below:			
(a) Interim Bonuses Paid		66,330	36,450
(b) Terminal Bonus Paid		1,386	1,378
(c) Allocation of Bonus to policyholders		26,24,434	25,53,162
(d) Surplus shown in the Revenue Account		11,79,004	20,18,433
Total Surplus [(a)+(b)+(c)+(d)]		**38,71,154**	**46,09,423**
Significant Accounting Policies and Disclosures	16		
The Schedules and accompanying notes are an integral part of this Revenue account.			

*Represents the deemed realised gain as per norms specified by the Authority.

**Represents Mathematical Reserves after allocation of bonus.

In terms of our report attached

For **S.B. Billimoria & Co.**
Chartered Accountants
ICAI Firm Registration No.
101496W

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.
103523W / W100048

For and on behalf of the Board of Directors

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

Purushottam Nyati
Partner
Membership No. 118970

Ajay Srinivasan
Chairman
(DIN: 00121181)

Sandeep Asthana
Director
(DIN: 00401858)

Pinky Mehta
Director
(DIN: 00020429)

Kamlesh Rao
Managing Director & CEO
(DIN: 07665616)

Amit Jain
Chief Financial Officer

Anil Kumar Singh
Chief Actuarial Officer &
Appointed Actuary

Ajay Kanth
Company Secretary

Mumbai, 27th April, 2021

Consolidated Statement of Profit and Loss Account

for the year ended 31st March 2021
(Amount in thousands of Indian Rupees)

Particulars	Schedule	Audited Year ended 31 Mar 21	Audited Year ended 31 Mar 20
Amounts transferred from Policyholders' Account (Technical Account)		12,94,061	19,83,040
Income from Investments			
(a) Interest, Dividends & Rent–Gross (Refer Schedule 16 Note 2(f))		18,58,403	17,90,071
(b) Profit on sale/ redemption of investments		31,079	66,316
(c) (Loss on sale/ redemption of investments)		(6,880)	-
Other Income		694	250
Total (A)		**31,77,357**	**38,39,677**
Expense other than those directly related to the insurance business	3A	4,94,936	4,43,969
Bad debts written off		-	-
Provision (other than taxation)			
(a) For diminution in the value of investments (net) (Refer Schedule 16 Note 24)		-	48,276
(b) Provision for doubtful debts		-	-
(c) Others		-	-
Contribution to Policyholders Account towards Excess EoM (Refer Schedule 16 Note 22)		400	4,24,800
Contribution towards the Remuneration of MD / CEOs		50,144	88,826
Contribution to the Policyholders' Account		14,71,331	18,32,020
Total (B)		**20,16,811**	**28,37,891**
Profit before tax		11,60,546	10,01,786
Less: Provision for Taxation (Refer Schedule 16 Note 27)		1,14,876	-
Profit after tax		10,45,670	10,01,786
Appropriations			
(a) Balance at the beginning of the year		(1,78,358)	(11,80,144)
(b) Interim dividends paid during the year		-	-
(c) Proposed final dividend		-	-
(d) Dividend distribution on tax		-	-
(e) Debenture redemption reserve (Refer Schedule 16 Note 29)		1,50,000	-
(f) Transfer to reserves / other accounts		-	-
Profit / (Loss) carried forward to the Balance Sheet		**7,17,312**	**(1,78,358)**
Earning Per Share (Basic and Diluted), Face Value of ₹ 10 (in ₹) (Refer Schedule 16 Note 6)		0.55	0.53
Significant Accounting Policies and Disclosures	16		
The Schedules and accompanying notes are an integral part of this Profit and Loss Account.			

In terms of our report attached

For **S.B. Billimoria & Co.**
Chartered Accountants
ICAI Firm Registration No. 101496W

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

For and on behalf of the Board of Directors

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

Purushottam Nyati
Partner
Membership No. 118970

Ajay Srinivasan
Chairman
(DIN: 00121181)

Sandeep Asthana
Director
(DIN: 00401858)

Pinky Mehta
Director
(DIN: 00020429)

Kamlesh Rao
Managing Director & CEO
(DIN: 07665616)

Amit Jain
Chief Financial Officer

Anil Kumar Singh
Chief Actuarial Officer & Appointed Actuary

Ajay Kanth
Company Secretary

Mumbai, 27th April, 2021

Consolidated Balance Sheet as at 31st March 2021

(Amount in thousands of Indian Rupees)

Particulars	Schedule	Audited As at 31 Mar 21	Audited As at 31 Mar 20
Sources of Funds			
Shareholders' Funds:			
Share Capital	5	1,90,12,080	1,90,12,080
Reserves and Surplus	6	43,03,099	29,10,717
Credit/(Debit) / Fair Value Change Account		5,55,181	(18,009)
Sub-Total		**2,38,70,360**	**2,19,04,788**
Borrowings	7	15,00,000	-
Policyholders' Funds:			
Credit/(Debit) Fair Value Change Account		25,75,946	(7,46,127)
Policy Liabilities		22,48,63,412	17,12,45,026
Insurance Reserves		-	-
Provision for Linked Liabilities		24,16,73,378	22,89,60,771
Funds for discontinued policies		-	-
(i) Discontinued on account of non-payment of premium		89,43,254	61,84,239
(ii) Others		-	-
Credit/(Debit) Fair Value Change Account (Linked)		2,90,56,749	(68,95,601)
Total Linked Liabilities		**27,96,73,381**	**22,82,49,409**
Sub-Total		**50,86,12,739**	**39,87,48,308**
Funds for Future Appropriations			
- Linked Liabilities		-	1,15,057
Total		**53,24,83,099**	**42,07,68,153**
Application of Funds			
Investments			
Shareholders'	8	2,43,01,478	2,29,49,352
Policyholders'	8A	22,20,31,995	15,99,57,458
Assets Held to Cover Linked Liabilities	8B	27,96,73,381	22,82,49,409
Loans	9	21,49,461	16,62,941
Fixed Assets	10	9,73,012	9,62,922
Current Assets			
Cash and Bank Balances	11	25,58,301	44,10,552
Advances and Other Assets	12	1,34,89,150	1,31,13,165
Sub-Total (A)		**1,60,47,451**	**1,75,23,717**
Current Liabilities	13	1,15,06,876	98,29,145
Provisions	14	11,86,803	7,08,501
Sub-Total (B)		**1,26,93,679**	**1,05,37,646**
Net Current Assets (C) = (A-B)		**33,53,772**	**69,86,071**
Miscellaneous Expenditure (To The Extent Not Written Off Or Adjusted)	15	-	-
Debit Balance In Profit and Loss Account (Shareholders' Account)		-	-
Total		**53,24,83,099**	**42,07,68,153**
Contingent Liabilities (Refer Schedule 16 Note 3)			
Significant Accounting Policies and Disclosures	16		
The Schedules and accompanying notes are an integral part of this Balance Sheet.			

In terms of our report attached

For **S.B. Billimoria & Co.**
Chartered Accountants
ICAI Firm Registration No.
101496W

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.
103523W / W100048

For and on behalf of the Board of Directors

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

Purushottam Nyati
Partner
Membership No. 118970

Ajay Srinivasan
Chairman
(DIN: 00121181)

Sandeep Asthana
Director
(DIN: 00401858)

Pinky Mehta
Director
(DIN: 00020429)

Mumbai, 27th April, 2021

Kamlesh Rao
Managing Director & CEO
(DIN: 07665616)

Amit Jain
Chief Financial Officer

Anil Kumar Singh
Chief Actuarial Officer &
Appointed Actuary

Ajay Kanth
Company Secretary

Consolidated Receipts and Payments Account (Cash Flow Statement) for the year ended 31st March 2021

(Amount in thousands of Indian Rupees)

Particulars	(Audited) Year ended 31 Mar 21	(Audited) Year ended 31 Mar 20
CASH FLOWS FROM OPERATING ACTIVITIES (A)		
Premium received from policyholders, including advance receipts	9,90,95,617	7,85,46,861
Payments to the re-insurers, net of commissions and claims	34,900	(1,15,915)
Application money deposit & due to Policy holders	5,53,004	7,55,455
Payments of commission and brokerage	(46,62,185)	(48,25,409)
Payments of other operating expenses	(1,30,24,324)	(1,29,48,564)
Payments of claims	(5,11,41,608)	(5,78,02,249)
Deposits & others	1,61,565	83,152
Other receipts	4,51,934	3,95,084
Income taxes paid (Net)	(2,47,394)	(3,54,880)
Goods and service taxes paid	(12,01,134)	(11,23,697)
Cash flows before extraordinary items	3,00,20,375	26,09,838
Cash flow from extraordinary operations	-	-
Net cash Inflow / (outflow) from operating activities (A)	**3,00,20,375**	**26,09,838**
CASH FLOWS FROM INVESTING ACTIVITIES (B)		
Purchase of fixed assets	(3,97,322)	(4,01,342)
Proceeds from sale of fixed assets	3,605	10,077
Loan against Policies	(3,27,641)	(3,88,244)
Purchase of investment	(6,69,52,48,622)	(5,43,58,02,213)
Proceeds from sale of investment	6,63,78,20,497	5,40,77,96,747
Expenses related to investments	(17,563)	(22,724)
Interest received (net of tax deducted at source)	2,32,87,723	2,25,59,149
Dividend received	14,87,997	15,78,031
Net cash Inflow / (Outflow) from investing activities (B)	**(3,33,91,326)**	**(46,70,519)**
CASH FLOWS FROM FINANCING ACTIVITIES (C)		
Share capital issued / (Redemption)	40,000	30,000
Share premium		-
Dividend paid		-
Dividend distribution tax		-
Capital Redemption Reserve		-
Proceeds from borrowing	15,00,000	-
Interest paid on borrowing	(21,300)	-
Net cash used in financing activities (C)	**15,18,700**	**30,000**
Net (Decrease)/ Increase in cash and cash equivalents (D=A+B+C)	**(18,52,251)**	**(20,30,681)**
Cash and cash equivalents at beginning of the year	44,08,052	64,38,733
Cash and cash equivalents as at end of the year	**25,55,801**	**44,08,052**
Notes:		
1. Cash and cash equivalents at end of the year includes:		
Cash and Bank Balances as per Balance Sheet	25,58,301	44,10,552
Less: Bank deposits having maturity period of more than 3 months considered in operating activities (Refer Schedule 16 Note 7 vi)	2,500	2,500
Cash and cash equivalents as at the end of the year	**25,55,801**	**44,08,052**

For Cash and cash equivalents–refer schedule 16 note 2 (q)

Consolidated Receipts and Payments Account (Cash Flow Statement) for the year ended 31st March 2021

(Amount in thousands of Indian Rupees)

The above Receipts and Payments account has been prepared as prescribed by Insurance Regulatory and Development Authority (Preparation of financial statements and auditor's report of insurance companies) Regulations, 2002 under the "Direct method" in accordance with Accounting Standard 3 Cash Flow Statements.

Amount spent during the year by Company for Corporate Social Responsibility expenses on:	(Audited) Year ended 31 Mar 21	(Audited) Year ended 31 Mar 20
(i) Construction/acquisition of any asset		
In Cash	-	-
Yet to be paid in cash	-	-
Total	**-**	**-**
(ii) On purposes other than (i) above		
In Cash	28,967	27,685
Yet to be paid in cash	-	-
Total	**28,967**	**27,685**

In terms of our report attached

For **S.B. Billimoria & Co.**
Chartered Accountants
ICAI Firm Registration No. 101496W

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

For and on behalf of the Board of Directors

Sanjiv V. Pilgaonkar
Partner
Membership No. 039826

Purushottam Nyati
Partner
Membership No. 118970

Ajay Srinivasan
Chairman
(DIN: 00121181)

Sandeep Asthana
Director
(DIN: 00401858)

Pinky Mehta
Director
(DIN: 00020429)

Kamlesh Rao
Managing Director & CEO
(DIN: 07665616)

Amit Jain
Chief Financial Officer

Anil Kumar Singh
Chief Actuarial Officer & Appointed Actuary

Ajay Kanth
Company Secretary

Mumbai, 27th April, 2021

Consolidated Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

SCHEDULE 1 PREMIUM*

Particulars		Audited Year ended 31 Mar 21	Audited Year ended 31 Mar 20
1	First year premiums	2,05,47,732	1,79,05,307
2	Renewal premiums	5,21,15,403	4,35,27,582
3	Single premiums	2,50,89,107	1,86,66,851
	Total Premium	**9,77,52,242**	**8,00,99,740**
Premium Income from Business written:			
	In India	9,77,52,242	8,00,99,740
	Outside India	-	-
	Total Premiums	**9,77,52,242**	**8,00,99,740**

Note:

1 Refer Schedule 16 Note 2(c)(i)

* Net of Goods and Services Tax

SCHEDULE 2 COMMISSION EXPENSES

Particulars	Audited Year ended 31 Mar 21	Audited Year ended 31 Mar 20
Commission paid		
Direct-First year premiums	32,90,589	31,19,034
Renewal premiums	16,40,523	13,37,307
Single premiums	87,858	85,587
Sub-Total	**50,18,970**	**45,41,928**
Add: Commission on Re-insurance Accepted	-	-
Less: Commission on Re-insurance Ceded	-	-
Net Commission	**50,18,970**	**45,41,928**
Rewards and Remuneration to Agents/Brokers/Other intermediaries	4,09,265	2,82,448
Total Commission and rewards & remuneration	**54,28,235**	**48,24,376**

Breakup of Commission

Particulars	Audited Year ended 31 Mar 21	Audited Year ended 31 Mar 20
Individual Agents	21,75,435	20,79,289
Brokers	1,74,335	2,21,653
Corporate Agents	26,69,200	22,40,986
Referral	-	-
Total	**50,18,970**	**45,41,928**

Note: Refer Schedule 16 Note 2 (e)

Consolidated Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

SCHEDULE 3 OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

	Particulars	Audited Year ended 31 Mar 21	Audited Year ended 31 Mar 20
1	Employees' remuneration and welfare benefits (Refer Schedule 16 Notes 12 and 23)	70,09,204	70,63,289
2	Travel, conveyance and vehicle running expenses	76,967	2,31,716
3	Training expenses	83,016	1,84,062
4	Rents, rates and taxes	5,37,680	5,48,408
5	Repairs	2,38,085	2,56,754
6	Printing and stationery	31,323	46,008
7	Communication expenses	93,885	1,10,417
8	Legal and professional charges	1,05,886	1,14,744
9	Medical fees	1,08,999	1,12,655
10	Auditor's fees, expenses etc.	-	-
	(a) as auditor	9,201	9,139
	(b) as adviser or in any other capacity, in respect of		
	i) Taxation matters	-	-
	ii) Insurance matters	-	-
	ii) Management services	1,200	395
	(c) in any other capacity	-	-
11	Advertisement and publicity	28,38,604	18,53,302
12	Interest and bank charges	1,17,706	1,00,094
13	Others: a) Distribution expenses	8,649	(7,879)
	b) Agents recruitment, seminar and other expenses	1,148	8,953
	c) Recruitment and seminar expenses	89,654	86,773
	d) IT expenses (including maintenance)	7,15,063	6,88,868
	e) Policy stamps	2,70,849	2,44,692
	f) (Profit)/Loss on sale of assets	-	7,093
	g) Electricity expenses	97,913	1,25,277
	h) Miscellaneous expenses	80,222	77,331
	i) Outsourcing expenses	3,53,890	3,07,059
14	Depreciation	3,42,632	2,92,025
	Total	**1,32,11,776**	**1,24,61,175**

Note: Refer Schedule 16 Note 32

SCHEDULE 3A OPERATING EXPENSES OTHER THAN THOSE DIRECTLY RELATED TO INSURANCE BUSINESS

	Particulars	Audited Year ended 31 Mar 21	Audited Year ended 31 Mar 20
1	Employees' remuneration, welfare benefits and other manpower costs (Refer Schedule 16 Note 12 and 23)	2,30,834	2,35,008
2	Legal and professional charges	8,893	35,202
3	Auditors Fees (Reporting Pack)	2,663	2,641
4	Interest and bank charges	33,710	11,153
5	Interest on non-convertible debenture (NCD) (Refer Schedule 16 Notes 2(v) & 29)	21,300	-
6	Corporate social responsibility expenses (Refer Schedule 16 Note 19)	28,967	27,685
7	Others: Miscellaneous expenses	1,68,571	1,32,280
	Total	**4,94,936**	**4,43,969**

Consolidated Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

SCHEDULE 4 BENEFITS PAID (NET)

	Particulars	Audited Year ended 31 Mar 21	Audited Year ended 31 Mar 20
1	**Insurance Claims**		
	(a) Claims by Death	78,58,052	55,56,659
	(b) Claims by Maturity	1,11,50,933	1,35,02,621
	(c) Annuities / Pension payment	1,62,115	1,17,118
	(d) Other benefits		
	(i) Surrender	3,04,16,113	3,78,02,776
	(ii) Riders	75,565	85,487
	(iii) Health	325	3,850
	(iv) Survival and Others	13,95,345	7,12,674
2	**(Amount ceded in reinsurance):**		
	(a) Claims by Death	(31,94,123)	(22,91,393)
	(b) Claims by Maturity	-	-
	(c) Annuities / Pension payment	-	-
	(d) Other benefits (Health)	(19,021)	(28,915)
3	**Amount accepted in reinsurance:**		
	(a) Claims by Death	-	-
	(b) Claims by Maturity	-	-
	(c) Annuities / Pension Payment	-	-
	(d) Other benefits	-	-
	Total	**4,78,45,304**	**5,54,60,877**
	Benefits paid to Claimants		
	1. In India	4,78,45,304	5,54,60,877
	2. Outside India	-	-
	Total	**4,78,45,304**	**5,54,60,877**

Notes:

1 Claims include specific claims settlement costs, wherever applicable.

2 Legal, other fees and expenses also form part of the claims cost, wherever applicable.

3 Refer Schedule 16 Note 2 (d).

SCHEDULE 5 SHARE CAPITAL

	Particulars	Audited Year ended 31 Mar 21	Audited Year ended 31 Mar 20
1	**Authorised Capital**		
	3,75,00,00,000 Equity Shares of ₹10/- each	3,75,00,000	3,75,00,000
2	**Issued Capital**		
	1,90,12,08,000 Equity Shares	1,90,12,080	1,90,12,080
	(Previous year: 1,90,12,08,000 Equity Shares) of ₹10/- each fully paid-up		
3	**Subscribed Capital**		
	1,90,12,08,000 Equity Shares	1,90,12,080	1,90,12,080
	(Previous year: 1,90,12,08,000 Equity Shares) of ₹10/- each fully paid-up		
4	**Called-up Capital**		
	Equity Shares of ₹10/- each	1,90,12,080	1,90,12,080
	Less : Calls unpaid	-	-
	Add : Shares forfeited (Amount originally paid up)	-	-
	Less : Par value of Equity Shares bought back	-	-
	Less: Preliminary Expenses (Expenses including commission or brokerage on underwriting or subscription on shares)	-	-
	Total	**1,90,12,080**	**1,90,12,080**

Out of the total equity share capital, 96,96,16,080 equity shares (31st March 2020 - 96,96,16,080 equity shares) of ₹10 each are held by the holding company, Aditya Birla Capital Limited.

Consolidated Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

SCHEDULE 5A PATTERN OF SHAREHOLDING (AS CERTIFIED BY THE MANAGEMENT)

Shareholder	Audited As at 31 Mar 21		Audited As at 31 Mar 20	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Promoters:				
Indian	96,96,16,080	51%	96,96,16,080	51%
Foreign	93,15,91,920	49%	93,15,91,920	49%
Others	-	-	-	-
Total	**1,90,12,08,000**	**100%**	**1,90,12,08,000**	**100%**

SCHEDULE 6 RESERVES AND SURPLUS

	Particulars	Audited As at 31 Mar 21	Audited As at 31 Mar 21	Audited As at 31 Mar 20	Audited As at 31 Mar 20
1	Capital Reserve		-		-
2	Capital Redemption Reserve		6,82,920		6,82,920
3	Share Premium		20,00,028		20,00,028
4	Revaluation Reserve		-		-
5	General reserves				
	Opening balance	4,06,127		4,06,127	
	Add: Additions during the year	-		-	
	Less: Debit balance in Profit and Loss Account	-		-	
	Less: Amount utilised for Buy-back	-	4,06,127	-	4,06,127
6	Catastrophe Reserve		-		-
7	Other Reserve				
	a) Debenture Redemption Reserve (Refer Schedule 16 Note 29) :				
	Opening balance	-		-	
	Add: Additions during the year	1,50,000		-	
	Less: Deductions during the year	-	1,50,000	-	-
	b) Realised Hedge Reserves non-inked policyholder		3,46,712		-
8	Balance of profit in Profit and Loss Account				
	Opening balance	(1,78,358)		-	
	Add: Additions during the year	8,95,670		-	
	Less: Deductions during the year (Refer Schedule 16 Note 15)	-	7,17,312	1,78,358	(1,78,358)
	Total		**43,03,099**		**29,10,717**

SCHEDULE 7 BORROWINGS

	Particulars	Audited As at 31 Mar 21	Audited As at 31 Mar 20
1	Debentures/Bonds (Refer Schedule 16 Notes 2(v) & 29)	15,00,000	-
2	Banks	-	-
3	Financial Institutions	-	-
4	Others	-	-
	Total	**15,00,000**	**-**

Consolidated Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

SCHEDULE 8 INVESTMENTS – SHAREHOLDERS

Particulars		Audited As at 31 Mar 21	Audited As at 31 Mar 20
LONG-TERM INVESTMENTS			
1	Government securities and Government		
	guaranteed bonds including Treasury Bills (Refer Note 3 below)	69,11,711	66,53,152
2	Other Approved Securities	2,63,513	2,64,959
3	Other Investments	-	-
	(a) Shares	-	-
	(aa) Equity (Refer Note 4 below)	5,18,833	9,93,967
	(bb) Preference	-	-
	(b) Mutual Funds	-	-
	(c) Derivative Instruments	-	-
	(d) Debentures/ Bonds	46,75,974	51,80,353
	(e) Other Securities (Fixed Deposits)	-	-
	(f) Subsidiaries	-	-
	Investment Properties – Real Estate	-	-
4	Investments in Infrastructure and Social Sector	65,77,613	60,31,195
5	Other than Approved Investments	23,69,875	27,34,461
	Total (A)	**2,13,17,519**	**2,18,58,087**
SHORT-TERM INVESTMENTS			
1	Government securities and Government		
	guaranteed bonds including Treasury Bills (Refer Note 3 below)	10,030	1,906
2	Other Approved Securities	-	-
3	Other Investments	-	-
	(a) Shares	-	-
	(aa) Equity	2,09,078	-
	(bb) Preference	-	-
	(b) Mutual Funds (Refer Note 7 below)	11,631	5,02,447
	(c) Derivative Instruments	-	-
	(d) Debentures / Bonds	3,99,570	49,983
	(e) Other Securities		
	- Fixed Deposits (Refer 4 below)	-	3,44,000
	- Others	18,50,468	96,496
	(f) Subsidiaries	-	-
	Investment Properties-Real Estate	-	-
4	Investments in Infrastructure and Social Sector	1,48,180	96,433
5	Other than Approved Investments	3,55,002	-
	Total (B)	**29,83,959**	**10,91,265**
	TOTAL (A) + (B)	**2,43,01,478**	**2,29,49,352**

Consolidated Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

Particulars		Audited As at 31 Mar 21	Audited As at 31 Mar 20
Notes:			
1	Aggregate amount of Group's investments and the market value:		
	a) Aggregate amount of Group's investment other than listed Equity Securities & Mutual Funds	2,26,44,647	2,02,42,041
	b) Market Value of above investment	2,44,05,284	2,17,66,030
2	Investment in holding company at cost	-	-
3	Government Securities deposited with the Clearing Corporation of India Ltd (CCIL) for collateralised borrowing and lending obligation segment		
	a) Amortised cost	4,63,307	4,61,825
	b) Market Value of above investment	4,90,499	4,84,052
4	Fixed Deposits towards margin requirement for equity trade settlement and Bank Guarantee		
	a) Deposited with National Securities Clearing Corporation Limited (NSCCL)	-	2,45,000
	b) Deposited with Indian Clearing Corporation Limited (ICCL)	-	-
5	Investment made out of catastrophe reserve	-	-
6	Debt Securities are held to maturity and reduction in market values represent market conditions and not a permanent dimunition in the value of investments,if any.		
7	Historical cost of equity and equity related securities included above:		
	a) Mutual Funds	11,631	5,00,602
	b) Equity Stocks	5,34,233	5,34,233
	c) Additional Tier 1 Bonds	9,45,996	17,96,139
8	The value of equity shares lent by the Company under securities lending and borrowing scheme (SLB) and outstanding	59,551	-
9	Refer Schedule 16 Note 2(f) & 24		

SCHEDULE 8A INVESTMENTS – POLICYHOLDERS

Particulars		Audited As at 31 Mar 21	Audited As at 31 Mar 20
LONG-TERM INVESTMENTS			
1	Government securities and Government guaranteed bonds including Treasury Bills		
	(Refer Note 4 below)	11,31,11,740	8,36,87,423
2	Other Approved Securities	10,39,479	7,41,167
3	(a) Shares	-	-
	(aa) Equity (Refer Note 7 below)	62,14,073	63,03,448
	(bb) Preference	-	-
	(b) Mutual Funds	-	-
	(c) Derivative Instruments	-	-
	(d) Debentures / Bonds	3,42,14,337	2,70,92,887
	(e) Other Securities (Fixed Deposits)	50,000	5,000
	(f) Subsidiaries	-	-
	(g) Investment Properties-Real Estate	5,55,583	-
4	Investment in Infrastructure and Social Sector	4,82,59,721	3,19,86,129
5	Other than Approved Investments	28,52,223	31,25,888
	Total (A)	**20,62,97,156**	**15,29,41,942**

Consolidated Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

	Particulars	Audited As at 31 Mar 21	Audited As at 31 Mar 20
SHORT-TERM INVESTMENTS			
1	Government securities and Government guaranteed bonds including Treasury Bills		
	(Refer Note 4 below)	8,51,747	42,646
2	Other Approved Securities	-	-
	- Fixed Deposits	-	-
	- Others	2,01,092	-
	Other Investments	-	-
3	(a) Shares	-	-
	(aa) Equity	6,27,258	-
	(bb) Preference	-	-
	(b) Mutual funds (Refer Note 7 below)	-	17,56,643
	(c) Derivative Instruments	-	-
	(d) Debentures / Bonds	9,85,339	11,37,939
	(e) Other Securities	-	-
	- Fixed Deposits	5,000	1,000
	- Others	1,14,69,038	36,84,809
	(f) Subsidiaries	-	-
	(g) Investment Properties-Real Estate	-	-
4	Investment in Infrastructure and Social Sector	11,86,424	3,92,479
5	Other than Approved Investments	4,08,941	-
	Total (B)	**1,57,34,839**	**70,15,516**
	TOTAL (A) + (B)	**22,20,31,995**	**15,99,57,458**
Notes:			
1	Aggregate amount of Group's investments and the market value:		
	a) Aggregate amount of Group's investment other than listed Equity Securities & Mutual Funds	21,11,77,736	14,90,22,519
	b) Market Value of above investment	22,47,22,269	16,19,83,219
2	Investment in holding company at cost	3,982	4,265
3	Investment in subsidiaries company at cost	-	-
4	Government Securities deposited with the Clearing Corporation of India Ltd (CCIL) for collateralized borrowing and lending obligation segment		
	a) Amortised cost	-	-
	b) Market Value of above investment	-	-
5	Investment made out of catastrophe reserve	-	-
6	Debt Securities are held to maturity and reduction in market values represent market conditions and not a permanent dimunition in the value of investments,if any.		
7	Historical cost of equity and equity related securities included above:		
	a) Mutual Funds	7,153	17,57,153
	b) Equity Stocks	52,87,459	64,45,723
	c) Additional Tier 1 Bonds	13,93,381	18,41,677
	d) Infrastructure Investment Trusts	6,98,956	9,21,258
	e) Alternate Investment Funds	11,23,818	11,54,954
	f) Real Estate Investment Properties	5,77,645	-
8	The value of equity shares lent by the Company under securities lending and borrowing scheme (SLB) and outstanding	20,137	-
9	Refer Schedule 16 Notes 2(f) ,24 & 26		

Consolidated Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

SCHEDULE 8B ASSETS HELD TO COVER LINKED LIABILITIES

Particulars		Audited As at 31 Mar 21	Audited As at 31 Mar 20
LONG-TERM INVESTMENTS			
1	Government securities and Government guaranteed bonds including Treasury Bills	5,59,82,438	4,46,26,053
2	Other Approved Securities	5,99,081	7,72,955
3	(a) Shares	-	-
	(aa) Equity (Refer Note 6 below)	8,63,94,558	5,79,44,702
	(bb) Preference	-	9,883
	(b) Mutual Funds	-	-
	(c) Derivative Instruments	-	-
	(d) Debentures / Bonds	2,51,28,227	2,34,08,705
	(e) Other Securities (Fixed Deposits)	1,50,000	-
	(f) Subsidiaries	-	-
	(g) Investment Properties-Real Estate	-	-
4	Investments in Infrastructure and Social Sector	4,66,25,138	3,62,42,268
5	Other than Approved Investments	1,46,04,130	1,05,76,807
	Total (A)	**22,94,83,572**	**17,35,81,373**
SHORT-TERM INVESTMENTS			
1	Government securities and Government guaranteed bonds including Treasury Bills	1,44,00,544	86,64,631
2	Other Approved Securities	1,76,856	-
3	(a) Shares	-	-
	(aa) Equity	-	-
	(bb) Preference	6,366	-
	(b) Mutual Funds (Refer Note 6 below)	5,07,308	45,56,797
	(c) Derivative Instruments	-	-
	(d) Debentures / Bonds	48,80,846	70,46,405
	(e) Other Securities	-	-
	- Fixed Deposits	50,000	10,78,000
	- Others	1,61,24,694	1,97,13,153
	(g) Investment Properties–Real Estate	-	-
4	Investments in Infrastructure and Social Sector	87,14,188	83,42,055
5	Other than Approved Investments	4,96,804	5,64,804
	Total (B)	**4,53,57,605**	**4,99,65,845**
OTHER ASSETS			
1	Bank Balances	40,522	81,262
2	Interest Accrued and Dividend Receivable	36,41,346	34,85,895
3	Fund Charges	-	171
4	Outstanding Contracts (Net) :		
	(a) Investment sold – pending for settlement	6,42,811	4,11,191
	(b) Investment purchased – pending for settlement	(14,00,744)	(6,75,613)
	(c) Net receivable to unit linked funds	15,94,848	13,99,283
	(d) Other receivable/(payable)	3,13,421	1
	Total (C)	**48,32,204**	**47,02,191**
	TOTAL (A) + (B) + (C)	**27,96,73,381**	**22,82,49,409**

Consolidated Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

Particulars			Audited As at 31 Mar 21	Audited As at 31 Mar 20
Notes:				
1	Aggregate amount of Group's investments and the market value:			
	a)	Aggregate amount of Group's investment other than listed Equity Securities & Mutual Funds	15,76,09,549	13,91,61,798
	b)	Market Value of above investment	16,26,97,349	14,54,67,041
2	Investment in holding company at cost		1,83,803	1,83,590
3	Investment in subsidiaries company at cost		-	-
4	Investment made out of catastrophe reserve		-	-
5	Debt Securities are held to maturity and reduction in market values represent market conditions and not a permanent dimunition in the value of investments,if any.			
6	Historical cost of equity and equity related securities included above:			
	a)	Mutual Funds	46,13,067	93,42,084
	b)	Equity Stocks	8,32,66,437	8,12,53,480
	c)	Redeemable Preference Shares	1,937	3,874
7	The value of equity shares lent by the Company under securities lending and borrowing scheme (SLB) and outstanding		1,18,828	-
8	Refer Schedule 16 Note 2(f)			

SCHEDULE 9 LOANS

Particulars		Audited As at 31 Mar 21	Audited As at 31 Mar 20
1	**SECURITY-WISE CLASSIFICATION**		
	Secured		
	(a) On mortgage of property		
	(aa) In India	-	-
	(bb) Outside India	-	-
	(b) On Shares, Bonds, Govt. Securities, etc.	-	-
	(c) Loans against policies	21,49,461	16,62,941
	(d) Others	-	-
	Unsecured	-	-
	Total	**21,49,461**	**16,62,941**
2	**BORROWER-WISE CLASSIFICATION**		
	(a) Central and State Governments	-	-
	(b) Banks and Financial Institutions	-	-
	(c) Subsidiaries	-	-
	(d) Companies	-	-
	(e) Loans against policies	21,49,461	16,62,941
	(f) Others	-	-
	Total	**21,49,461**	**16,62,941**
3	**PERFORMANCE-WISE CLASSIFICATION**		
	(a) Loans classified as standard		
	(aa) In India	21,49,461	16,62,941
	(bb) Outside India	-	-
	(b) Non-standard loans less provisions		
	(aa) In India	-	-
	(bb) Outside India	-	-
	Total	**21,49,461**	**16,62,941**
4	**MATURITY-WISE CLASSIFICATION**		
	(a) Short-Term	41,673	50,196
	(b) Long-Term	21,07,788	16,12,745
	Total	**21,49,461**	**16,62,941**

Notes:

1 Short-term loans include those which are repayable within 12 months from the date of Balance Sheet. Long-term loans are the loans other than short-term loans.

2 Loans considered doubtful and the amount of provision created against such loans is ₹ Nil (Previous year ₹ Nil).

3 Refer Schedule 16 Note 2 (g)

Consolidated Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

SCHEDULE 10 FIXED ASSETS

Particulars	Cost/ Gross Block				Depreciation/Amortisation				Net Block	
	As on 01 Apr 20	Additions	Deductions	As on 31 Mar 21	As on 01 Apr 20	For the year	On Sales / Adjustments	As on 31 Mar 21	As on 31 Mar 21	As on 31 Mar 20
Goodwill	-	-	-	-	-	-	-	-	-	-
Intangibles (Software)	23,16,422	2,69,709	27	25,86,104	17,50,144	2,36,128	3	19,86,269	5,99,835	5,66,278
Land–Freehold	-	-	-	-	-	-	-	-	-	-
Leasehold property	-	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-
Furniture & Fittings	1,82,820	11,045	5,352	1,88,513	1,35,401	6,907	4,399	1,37,909	50,604	47,419
Information Technology Equipment	7,76,997	17,193	21,514	7,72,676	6,38,104	48,119	21,320	6,64,903	1,07,773	1,38,893
Vehicles	89,182	1,754	11,449	79,487	39,173	18,950	10,506	47,617	31,870	50,009
Office Equipment	2,20,977	11,491	6,758	2,25,710	1,83,022	15,881	6,529	1,92,374	33,336	37,955
Others (Leasehold improvements)	3,71,855	9,766	13,232	3,68,389	3,23,422	18,494	11,971	3,29,945	38,444	48,433
TOTAL	**39,58,253**	**3,20,958**	**58,332**	**42,20,879**	**30,69,266**	**3,44,480**	**54,728**	**33,59,017**	**8,61,862**	**8,88,987**
Work-in-Progress including capital advances	-	-	-	-	-	-	-	-	1,11,150	73,935
GRAND TOTAL	**39,58,253**	**3,20,958**	**58,332**	**42,20,879**	**30,69,266**	**3,44,480**	**54,728**	**33,59,017**	**9,73,012**	**9,62,922**
Previous Year/Period	37,54,351	3,71,885	1,67,983	39,58,253	29,24,699	2,95,061	1,50,495	30,69,266	9,62,922	9,11,929

Notes:

1. Refer Schedule 16 Note 2 (h)
2. Sale / Adjustments as appearing in gross block includes closure of branches and assets written off thereon
3. All software are other than those generated internally.

Particulars	Cost/ Gross Block				Depreciation/Amortisation				Net Block	
	As on 1 Apr 19	Additions	Deductions	As on 31 Mar 20	As on 1 Apr 19	For the year	On Sales/ Adjustments	As on 31 Mar 20	As on 31 Mar 20	As on 31 Mar 19
Goodwill	-	-	-	-	-	-	-	-	-	-
Intangibles (Software)	20,63,427	2,61,745	8,750	23,16,422	15,80,966	1,76,100	6,922	17,50,144	5,66,278	4,82,461
Land–Freehold	-	-	-	-	-	-	-	-	-	-
Leasehold property	-	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-	-
Furniture & Fittings	1,77,868	13,149	8,197	1,82,820	1,29,449	12,282	6,330	1,35,401	47,419	48,419
Information Technology Equipment	8,42,803	39,989	1,05,795	7,76,997	6,94,653	49,008	1,05,557	6,38,104	1,38,893	1,48,150
Vehicles	79,971	26,397	17,186	89,182	26,724	19,172	6,723	39,173	50,009	53,247
Office Equipment	2,15,650	16,015	10,688	2,20,977	1,76,522	16,915	10,415	1,83,022	37,955	39,128
Others (Leasehold Improvements)	3,74,632	14,590	17,367	3,71,855	3,16,385	21,585	14,548	3,23,422	48,433	58,247
TOTAL	**37,54,351**	**3,71,885**	**1,67,983**	**39,58,253**	**29,24,699**	**2,95,062**	**1,50,495**	**30,69,266**	**8,88,987**	**8,29,652**
Ingenium Work-in-Progress	-	-	-	-	-	-	-	-	73,935	82,277
GRAND TOTAL	**37,54,351**	**3,71,885**	**1,67,983**	**39,58,253**	**29,24,699**	**2,95,062**	**1,50,495**	**30,69,266**	**9,62,922**	**9,11,929**
Previous Year	35,29,961	3,73,234	1,48,844	37,54,351	28,28,406	2,34,349	1,38,056	29,24,699	9,11,929	7,45,533

Notes:

1. Refer Schedule 16 Note 2 (h).
2. Sale / Adjustments as appearing in gross block includes closure of branches and assets written off thereon.
3. All software are other than those generated internally.

Consolidated Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

SCHEDULE 11 CASH AND BANK BALANCES

Particulars		Audited As at 31 Mar 21	Audited As at 31 Mar 20
1	Cash (including cheques,drafts and stamps) (Refer Note 2 below)	6,16,437	1,26,021
2	Bank Balances		
	(a) Deposit Accounts		
	(aa) Short-term (due within 12 months of the date of Balance Sheet)	18,50,442	11,54,200
	(ab) Others (Refer Note 1 below)	2,500	2,500
	(b) Current Accounts	88,922	31,27,831
	(c) Others	-	-
3	Money at Call and Short Notice		
	(a) With Banks	-	-
	(b) With other Institutions	-	-
4	Others	-	-
	Total	**25,58,301**	**44,10,552**
	Balances with non-scheduled banks included in 2 above	-	-
	Cash and Bank Balances		
	1. In India	25,58,301	44,10,552
	2. Outside India	-	-
	Total	**25,58,301**	**44,10,552**
Notes:			
1	Deposited with ICICI Bank in the form of fixed deposits, which is earmarked and in lien against the Bank guarantee given by ICICI Bank on behalf of the Group to Unique Identification Authority of India (UIDAI).		
2	Breakup of Cash (including cheques, drafts and stamps) :		
	Cash in Hand	53,714	18,735
	Postal Franking and revenue stamps	24,871	36,617
	Cheques in Hand	5,37,852	70,669
	Total	**6,16,437**	**1,26,021**

Consolidated Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

SCHEDULE 12 ADVANCES AND OTHER ASSETS

Particulars		Audited		Audited	
		As at 31 Mar 21	As at 31 Mar 21	As at 31 Mar 20	As at 31 Mar 20
ADVANCES					
1	Reserve deposits with ceding companies		-		-
2	Application money for investments		-		-
3	Prepayments		2,51,010		2,05,533
4	Advances to Directors / Officers		-		-
5	Advance tax paid and taxes deducted at source (Net of provision for Tax of ₹3,37,563 (Previous year ₹5,76,038))		17,566		60,476
6	Others:		-		-
	a) Advance to Suppliers/Contractors		1,64,362		66,513
	b) Gratuity and Advances to Employees		5,00,474		3,99,249
	c) Other Advances		32,428		26,839
	Total (A)		**9,65,840**		**7,58,610**
OTHER ASSETS					
1	Income accrued on investments		54,55,235		44,23,434
2	Outstanding Premiums		22,47,271		35,87,595
3	Agents' Balances (gross)	16,378		90,348	
	Less: Provision for doubtful debts (Refer Schedule 16 Note 2 (t))	(6,385)	9,993	(63,421)	26,927
4	Foreign Agencies Balances		-		-
5	Due from other entities carrying on insurance business (including reinsures)	4,49,328		2,32,196	
	Less: Provision for doubtful debts	(23,469)	4,25,859	(23,469)	2,08,727
6	Due from Subsidiary company		-		-
7	Deposit with Reserve Bank of India [pursuant to Section 7 of Insurance Act,1938]		-		-
8	Others:				
	a) Deposits (Refer Schedule 16 Note 7 vii)		5,49,609		6,04,959
	b) Outstanding Trades		2,16,400		1,03,304
	c) Insurance Policies (Leave Encashment)		3,79,312		3,30,984
	d) Unclaimed Fund	28,25,043		27,52,045	
	Income accrued on unclaimed fund	1,18,328	29,43,371	1,80,455	29,32,500
	e) Derivative Asset		2,37,711		74,004
	f) Goods and Services tax unutilised credits		58,549		62,121
	Total (B)		**1,25,23,310**		**1,23,54,555**
	Total (A+B)		**1,34,89,150**		**1,31,13,165**

Note: Refer Schedule 16 Note 32.

Consolidated Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

SCHEDULE 13 CURRENT LIABILITIES

	Particulars		Audited As at 31 Mar 21		Audited As at 31 Mar 20
1	Agents' Balance		10,62,578		7,53,145
2	Balances due to other insurance companies		7,435		39,104
3	Deposits held on re-insurance ceded		-		-
4	Premiums received in advance		1,10,201		81,679
5	Unallocated premiums		4,80,722		5,96,553
6	Sundry creditors (Refer Schedule 16 Note 25)		30,73,719		19,18,312
7	Due to Subsidiaries/ holding company		0		-
8	Claims outstanding		1,42,117		2,06,075
9	Annuities Due		-		-
10	Due to Officers/Directors		-		-
11	Others:		-		-
	(a) Policy Application and other Deposits		8,63,686		9,64,211
	(b) Due to Policyholders		23,02,192		19,86,592
	(c) Statutory Dues Payable		2,23,537		2,40,653
	(d) GST Payable		1,21,426		42,889
	(e) Unclaimed amounts of policyholders	28,25,043		27,52,045	
	Income accrued on unclaimed fund	1,18,328	29,43,371	1,80,455	29,32,500
	(f) MTM Margin payable - FRA		1,75,892		67,430
	Total		**1,15,06,876**		**98,29,145**

Note: Refer Schedule 16 Note 53.

SCHEDULE 14 PROVISIONS

	Particulars	Audited As at 31 Mar 21	Audited As at 31 Mar 20
1	For taxation (Net of Advance Tax of ₹5,31,440 (Previous year: ₹5,66,500))	2,12,376	-
2	For proposed dividends	-	-
3	For dividend distribution tax	-	-
4	Others		
	a) Provision for long-term Incentive plan [Refer Schedule 16, Note 11]	2,09,728	1,32,888
	b) Provision for gratuity [Refer Schedule 16, Note 12(a)(i)]	5,81,721	4,24,673
	c) Provision for Compensated absences [Refer Schedule 16, Note 12(a)(ii)]	1,82,978	1,50,940
	d) Provision for Bonus	-	-
	Total	**11,86,803**	**7,08,501**

SCHEDULE 15 MISCELLANEOUS EXPENDITURE

	Particulars	Audited As at 31 Mar 21	Audited As at 31 Mar 20
1	Discount Allowed in issue of shares / debentures	-	-
2	Others	-	-
	Total	**-**	**-**

Consolidated Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

SCHEDULE 16

1 Corporate Information

Aditya Birla Sun Life Insurance Company Limited ('the Company' or 'ABSLI'), headquartered at Mumbai, had commenced operations on 19th March 2001, after receiving the license to transact life insurance business in India from the Insurance Regulatory and Development Authority ('IRDA') on 31st January 2001. It was incorporated on August 4, 2000 as a Company under the Companies Act, 1956 ('the Act'). The Company is a subsidiary of Aditya Birla Capital Limited (formerly known as Aditya Birla Financial Services Limited) which holds 51 percent of paid up share capital. Further, Sun Life Financials (India) Insurance Investments Inc., subsidiary of Sun Life Assurance Company of Canada holds 49 percent of paid up share capital. The Insurance Regulatory and Development Authority of India (IRDAI) vide its circular dated 7th April, 2015 bearing reference number IRDA/F&A/CIR/GLD/062/04/2015 has pursuant to amendment in Insurance Laws (Amendment) Act 2015 to Section 3A of the Insurance Act, 1938, discontinued the requirement to apply for Renewal Certificate of Registration (IRDA/R6) on an annual basis. Accordingly, upon payment of the annual fees for the financial year 2020-21, the certificate of registration which was valid for financial year ended 31st March, 2017 shall continue to be valid for financial year ended 31st March 2021 and the same is in force as on the date of this report.

The business of the Company span across individual and group products and covers participating, non-participating and unit linked lines of businesses. Riders covering additional benefits are offered under these products. These products are distributed through individual agents, corporate agents, banks, brokers, Company's online portal and other intermediaries across the country.

Aditya Birla Sun Life Pension Management Limited ("the Company") formerly known as Birla Sun Life Pension Management Limited is a Short-Term subsidiary of Birla Sun Life Insurance Company Limited. The Company is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The Company was incorporated on 9th January 2015 with Registration Number U66000MH2015PLC260801 with specific purpose of managing pension fund business. Pension Fund Regulatory and Development Authority ("PFRDA") has granted Certificate of Registration vide a letter dated 23rd February 2016 (bearing registration No.: PFRDA/Birla PF/2016) to Birla Sun Life Pension Management Limited to act as pension fund under National Pension System (NPS). The Company commenced its operations from 5th May 2017.

2 Significant Accounting Policies

a) Basis of Preparation

These consolidated financial statements of the the Company and its subsidiaries (collectively referred to as the "Group") are prepared in accordance with the principles and procedures for preparation and presentation of consolidated financial statements as laid down under the Accounting Standard (AS) 21, "Consolidated Financial Statements" and are presented in the same format as that of the Company. The financial statements of the Group have been combined on a line-by-line basis by adding together similar items of assets, liabilities, income and expenses in respective components of financial statements after eliminating intra-group balances and transactions. The Policyholders' account specifically dealing with direct insurance business governed by IRDAI regulations has retained its distinct independent form in these consolidated financial statements.

The accompanying financial statements have been prepared and presented under the historical cost convention, unless otherwise stated, and on accrual basis of accounting, in accordance with accounting principles generally accepted in India, including the provisions of the Insurance Act, 1938 (the "Insurance Act") as amended by the Insurance Laws (Amendment) Act, 2015, the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDA Financial Statements Regulations"), orders/circulars/directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI") in this regard, the Accounting Standards specified under Section 133 of the Companies Act, 2013 to the extent applicable, the Master Circular on Preparation of Financial Statements and Filing of Returns of Life Insurance Business Ref No. IRDA/F&A/Cir/232/12/2013 dated 11 December 2013(''the Master Circular'') and various circulars issued by IRDAI and practices prevailing in the insurance industry in India. The accounting policies have been consistently applied by the Group except where differential treatment is required as per new pronouncements made by the regulatory authorities.

The management evaluates all recently issued or revised accounting pronouncements on an on-going basis.

Consolidated Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

b) Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles ('GAAP') requires that the Group's management make estimates and assumptions that affect the reported amounts of income and expenses for the year, reported balances of assets and liabilities and disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and assumptions used in the financial statements are based upon management's evaluation of the relevant facts and circumstances as on date of the financial statement. Any revision to accounting estimates is recognised prospectively. Examples of such estimates include valuation of policy liabilities, provision for linked liabilities, funds for future appropriations, provision for doubtful debts, valuation of unlisted securities, if any, valuation of debt securities, future obligations under employee retirement benefits plans and the useful lives of fixed assets, etc. Actual results could differ from those estimates.

c) Revenue Recognition

i) Premium Income

Premium for non-linked policies is recognized as income when due from policyholders.

For unit linked business, premium income is recognized when the associated units are created.

Premium on lapsed policies is recognized as income when such policies are reinstated.

In case of linked business, top up premium paid by policyholders are considered as single premium and are unitised as prescribed by IRDA Financial Statements Regulations. This premium is recognized when the associated units are created.

ii) Income from Investments

Interest income on investments is recognized on accrual basis. Amortization of discount/ premium relating to the debt securities (in case of non-link policy holders) and money market securities is recognized using effective interest rate method (EIR) over the remaining period to maturity of these securities. (Refer Note 27)

Dividend income is recognized on ex-dividend date.

The realised profit/loss on debt/money market securities for other than linked business is the difference between the net sale consideration and the amortised cost.

The realised profit/loss on debt securities held for linked business is difference between net sale consideration and weighted average cost and for money market securities it is the difference between the net sale consideration and the amortised cost.

The realised profit/loss on sale of equity shares and equity related instruments/mutual fund units is the difference between the net sale consideration and weighted average cost.

Income earned on investments in Venture fund is recognised on receipt basis.

iii) Reinsurance premium ceded

Reinsurance premium ceded is accounted for at the time of recognition of the premium income in accordance with the terms and conditions of the relevant treaties with the reinsurers. Impact on account of subsequent revisions to or cancellations of premium is recognized in the year in which they occur. Profit commission on reinsurance ceded is netted off against premium ceded on reinsurance.

iv) Income from linked policies

Income from linked policies, which include asset management fees, policy administration charges, mortality charges and other charges, if any, are recovered from the linked funds in accordance with the terms and conditions of the policies and recognized when due.

v) Fees and Charges

Interest income on loans is recognized on an accrual basis.

vi) Investment management fees

Investment management fees are recognized on an accrual basis in accordance with the terms of the "Investment Management Agreement" (IMA) entered into with National Pension System (NPS) Trust. The Investment management fees are presented net of Goods and Services Tax .

Consolidated Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

d) Benefits Paid (Including Claims)

Benefits paid comprise of policy benefits and claim settlement costs, if any. Death and other claims are accounted for, when intimated. Survival and maturity benefits are accounted when due.

Surrenders / Withdrawals under linked policies are accounted in the respective schemes when the associated units are cancelled and under non linked policies are accounted on the receipt of intimation. Reinsurance recoverable thereon, if any, is accounted for in the same period as the related claim. Repudiated claims disputed before judicial authorities are provided for based on management prudence considering the facts and evidences available in respect of such claims.

e) Acquisition Costs

Acquisition costs are costs that vary with and are primarily related to acquisition of new and renewal insurance contracts. Acquisition costs mainly consists of commission, medical costs, policy printing expenses, stamp duty and other related expenses. These costs are expensed in the year in which they are incurred. Claw back of the first year commission paid, if any, in future is accounted in the year in which it is recovered.

f) Investments

Investments are made in accordance with the Insurance Act, the IRDAI (Investment) Regulations, 2016, and various other circulars/notifications and amendments issued by the IRDAI in this context from time to time.

Investments are recorded at cost on the date of purchase, which includes brokerage and stamp duty, taxes, setup cost, transaction charges or any other charges included in broker note , but excludes accrued interest paid if any of the date of purchase. Bonus entitlements are recognised as investments on Ex-bonus date. Rights entitlement are recognised as investments on the ex-rights date.

i. **Classification**

Investments maturing within twelve months from the balance sheet date are classified as short-term investments.

Investments other than short-term investments are classified as long-term investments.

ii. **Valuation**

a) **Debt securities**

- Policyholders' non-linked funds and shareholders' investments:

  All debt and money market securities, including Central and State government securities (Government securities), are considered as 'held to maturity' and measured at historical cost subject to amortisation. The discount or premium which is the difference between the purchase price and the redemption amount of fixed income securities is amortized and recognized in the revenue account, using Effective interest rate method (EIR) over the remaining period to maturity of these securities. Additional Tier 1 (BASEL III) bonds are valued through CRISIL Bond Valuer.

- Policyholders' linked funds:

  G-sec and SDL are valued at the CRISIL Gilt prices and SDL prices. All other debt securities are valued through CRISIL Bond Valuer. Money market instruments (including T Bills) are valued at historical cost, subject to amortization of premium or discount which is the difference between the purchase price and the redemption amount using effective interest rate method over the remaining period to maturity of these securities.

b) i) Equity shares/ Non-redeemable Preference shares .Exchange traded funds and Infrastructure Investment Trusts:

Listed equity/preference shares, Exchange traded funds and Infrastructure Investment Trusts are valued and stated at fair value, using the last quoted closing prices on the National Stock Exchange (NSE), at the balance sheet date. If the equity shares are not traded on the NSE, then closing prices of the Bombay Stock Exchange (BSE) is considered.

Equity/preference, Exchange traded funds shares acquired through primary markets and awaiting listing are valued as per the valuation policy of the Group duly approved by the Valuation Committee.

Consolidated Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

Unlisted equity/preference shares are valued as per the valuation policy of the Group duly approved by the Valuation Committee.

ii) Redeemable Preference shares :

Policyholders' non-linked funds and shareholders' investments:

Redeemable Preference Shares are valued at historical cost, subject to amortization of premium or discount which is the difference between the purchase price and the redemption amount using effective interest rate method over the remaining period to maturity of these securities.

Policyholders' linked funds:

Listed redeemable preference shares are valued and stated at fair value, using the last quoted closing prices on the National Stock Exchange (NSE), at the balance sheet date. If the equity shares are not traded on the NSE, then closing prices of the Bombay Stock Exchange (BSE) is considered.

c) **Mutual Funds**
Mutual Funds are valued on previous day's net asset value published by the respective mutual funds

d) **Gain / loss on equity, preference shares and mutual funds**
Unrealised gains / losses are recognized in the respective fund's revenue account as fair value change in case of linked funds.

Unrealized gain / loss due to changes in fair value of listed equity/preference shares/Infrastructure Investment Trust and mutual funds are taken to the Fair Value Change account for other than linked business and are carried to the Balance Sheet.

e) **Diminution in the value of Investments**
Diminution in the value of investments as at the balance sheet date, other than temporary, is recognized as an expense in the Revenue / Profit & Loss account.

f) **Social Venture Fund/ Venture Capital Funds**
Social Venture Fund/ Venture Capital Funds are valued at last available NAV per unit published by independent valuation agency. If such NAV is not available, Social Venture Fund / Venture Capital Fund will be valued at cost.

g) **Valuation of Derivative Instrument:-**

i. ABSLI has Guaranteed products where the returns to the policy holders are fixed and the Group is exposed to interest rate risk on account of investment from receipt of subsequent premiums and sum of interest and maturity from investment made out of premiums received.

A Forward Rate Agreement ('FRA') transaction is that whereby Group agrees to buy underlying security at fixed yield at future date. Group has entered in FRA to hedge interest rate risk on forecasted premium receivable at future date. As on the date of entering into the FRA, the Group fixes the yield on the investment in a sovereign bond that would take place at a future date. "

For Cash Flow Hedges, hedge effectiveness is ascertained at the time of inception of the hedge and periodically thereafter. The portion of fair value gain / loss on the Interest Rate Derivative that is determined to be an effective hedge is recognised directly in appropriate equity account i.e. 'Hedge Fluctuation Reserve'. The ineffective portion of the change in fair value of such instruments is recognised in the Revenue Account in the period in which they arise. If the hedging relationship ceases to be effective or it becomes probable that the expected forecast transaction will no longer occur, hedge accounting is discontinued and accumulated gains or losses that were recognised directly in the Hedge Fluctuation Reserve are reclassified into Revenue Account. All derivatives are initially recognised in the Balance sheet at their fair value, which usually represents their cost. They are subsequently re-measured at their fair value, with the method of recognising movements in this value depending on whether they are designated as hedging instruments and, if so, the nature of the item being hedged. All derivatives are carried as assets when the fair values are positive and as liabilities when the fair values are negative.

Consolidated Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

IRDAI master circular for Investment Regulations, 2016 allows insurers to deal in rupee denominated interest rate derivatives. The Group has well defined Board approved Derivative Policy and Process document covering various aspects related to functioning of the derivative transactions which are undertaken to mitigate interest rate risk as per the hedge strategy, thereby managing the volatility of returns from future fixed income investments, due to variations in market interest rates.

Mark to market valuation is done independently by both the parties. In case of variation in valuation, the counter party (bank) valuation prevails as the counter party (bank) is the valuation agent as per agreement. However same can be disputed by ABSLI if valuation difference is not agreeable.

ii. Derivatives are undertaken by Group solely for the purpose of hedging interest rate risks on account of following:

a) Reinvestment of maturity proceeds of existing fixed income investments;

b) Investment of interest income receivable; and

c) Expected policy premium income receivable on insurance contracts which are already underwritten."

iii. Investment transfer

Transfers of Investments from Shareholders' funds to the Policyholders' funds are affected at the lower of amortized cost or market value in respect of all debt securities including money market instruments and at the cost or market value whichever is lower in case of other securities.

Inter-fund transfer of debt securities relating to Linked Policyholders' Funds is effected at last available market value as per the methodology specified in the Inter Fund transfer policy approved by the Investment committee. Inter fund transfer of equity are done during market hours at the prevailing market price

iv. Impairment on Investment

The carrying amounts of investments are reviewed at each balance sheet date, if there is any indicator of impairment based on internal / external factors. An impairment loss is recognized as an expense in Revenue/ Profit or Loss account, to the extent of difference between the re-measured fair value and the acquisition cost as reduced by any previous impairment loss recognized as expense in Revenue/ Profit and Loss Account. Any reversal of impairment loss, earlier recognized in profit and loss account shall be recognized in Revenue/ Profit and Loss account.

g) Loans Against Policies

Loans against policies are valued at the aggregate of book values (net of repayments) plus capitalised interest and are subject to impairment, if any.

h) Fixed Assets, Capital work-in-progress and impairment.

i. Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. Cost includes the purchase price and any cost directly attributable to bringing the asset to its working condition for its intended use. Subsequent expenditure incurred on fixed assets is expensed out in the year of expense except where such expenditure increases the future economic benefits from the existing assets.

Advances paid towards the acquisition of fixed assets outstanding at each balance sheet date and the cost of fixed assets not ready for its intended use before such date are disclosed under capital work-in-progress

Assets costing up to ₹5 being low value assets are fully depreciated in the year of acquisition. Depreciation on fixed assets is provided using the straight-line method based on the economic useful life of assets as estimated by the management is as below;

Consolidated Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

Sr. No.	Assets Type	Estimated Useful life (Years)
1	Leasehold Improvements and Furniture and fittings at leased premises	5 years or the maximum renewable period of the respective leases, whichever is lower
2	Furniture & fittings (other than (1) above)	10
3	Information Technology Equipment – Server	6
	Information Technology Equipment – Tablet *	2
	Information Technology Equipment – Others *	5/3
4	Vehicles	4/5
5	Office Equipment	5
6	Mobile Phones (included in office equipment under schedule 10)	2

* For these class of assets, based on internal and/or external assessment/ technical evaluation carried out by the management, the management believes that the useful lives as mentioned above best represent the useful life of these respective assets, however these are higher than as prescribed under Part C of Schedule II of the Companies Act, 2013.

Any additions to the original fixed assets are depreciated over the remaining useful life of the original asset.

ii. **Intangibles**

Intangible assets comprise of software licenses which are stated at cost less amortization. Software expenses exceeding ₹1,000 incurred on customisation of software (other than for maintenance of existing software) are capitalised. Software licenses are amortised using Straight Line Method over a period of 3 / 5 years from the date of being ready for use.

iii. **Capital work in progress**

Assets not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost and related incidental expenses.

iv. **Impairment of Assets**

At each balance sheet date, management assesses whether there is any indication, based on internal / external factors, that an asset may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined above. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount, subject to maximum of depreciable historical cost.

i) Operating Leases

The Group classifies leases, where the lessor effectively retains substantially all the risks and benefits of ownership over the lease term, as Operating Leases. Operating lease rentals are recognized as an expense on a straight line basis over the lease period.

j) Employee Benefits

i. **Short-Term Employee Benefits**

All employee benefits payable within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries and bonuses are recognized in the period in which the employee renders the related service.

ii. **Long Term Employment Benefits**

The Group has both defined contribution and defined benefit plans. These plans are financed by the Group.

- Defined Contribution Plans:

  The Group defined contribution schemes for superannuation and provident fund to provide retirement benefits to its employees. Contributions to the superannuation schemes are made on a monthly basis and charged to revenue account when due.

Consolidated Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

- Defined Benefit Plans:

  Gratuity liability is defined benefit obligation and is funded. The Group accounts for liability for future gratuity benefits based on independent actuarial valuation under revised Accounting Standard 15 (AS 15) on 'Employee Benefits'.

  The Group also has deferred compensation plans with the objective of employee retention.

iii. **Other Long Term Employee Benefits**
Compensated absences are entitled to be carried forward for future encashment or availment, at the option of the employee during the tenure of the employment, subject to the rules framed by the Group in this regard. Accumulated compensated absences entitlements outstanding at the close of the year are accounted on the basis of an independent actuarial valuation. Accumulated entitlements at the time of separation are entitled to be encashed.

k) Foreign Currency Transactions
Transactions in foreign currency are recorded at the rate of exchange prevailing at the date of the transaction. Monetary assets and liabilities in foreign currency are translated at the rates existing as at the balance sheet date. The resulting exchange gain or loss for revenue transactions is reflected, in the revenue account or the profit and loss account, as the case may be.

l) Segment Reporting
As per Accounting Standard 17 (AS 17) on 'Segment Reporting' read with the "Preparation of Financial Statements, Auditor's Report of Insurance Companies, Regulations 2002" read with the Insurance Laws (Amendment) Act, 2015, the Group is required to report segment results separately for linked, non-linked, health and pension businesses. The business is broadly classified as Participating non-linked, Non Participating Unit Linked and Non Linked businesses, which are further segmented into Individual Life, Group Life, Group Life Variable, Individual Pension, Annuity Individual, Group Pension, Group Pension Variable and Individual Health businesses. Accordingly, the Group has prepared the revenue account and balance sheet for these primary business segments separately. Since the business operation of the Group is in India only, the same is considered as one geographical segment.

Allocation Methodology:
The following basis has been used for allocation of revenues, expenses, assets and liabilities to the business segments:

- Revenues, other Income, expenses, assets and liabilities directly attributable and identifiable to business segments, are allocated on actual basis; and
- Revenues, other income, other expenses, assets and liabilities which are not directly identifiable though attributable to a business segment, are allocated on the following basis, as considered appropriate by the management:

> First Year Premium & 10% of Single Premium;

> First year / gross commission;

> Sum assured;

> Policy liability;

> Asset under management;

> New Business Policy Count;

> Enforce policy count

> Employee Cost

The method of allocation and apportionment has been decided based on the nature of the expense and its logical co-relation with various business segments. The allocation and apportionment of expenses amongst various business segments is in accordance with Board Approved Policy.

Consolidated Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

m) **Taxation**

i. **Direct Taxes**

The Income-Tax Act, 1961 prescribes that profits and gains of life insurance Companies will be the surplus or deficit disclosed by the actuarial valuation made in accordance with the Insurance Act, 1938.

Deferred income tax is recognized for future tax consequences attributable to timing differences between income as determined by the financial statements and the recognition for income tax purposes. The effect on deferred tax assets and liabilities of a change in tax rates is recognized using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation law, deferred tax assets are recognized only if there is virtual certainty backed by convincing evidence that such deferred assets can be realized. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably or virtually certain, as the case may be, to be realized.

ii. **Indirect Taxes**

The Group claims credit of Goods and Services tax for input services, which is set off against tax on output services. The unutilised credits, if any are carried forward to the future period for set off where there is reasonable certainty of utilisation.

n) **Provisions and Contingencies**

A provision is recognized when the Group has a present legal obligation as a result of past event/s and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect current best estimates. A disclosure for contingent liability is made when there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources or it cannot be reliably estimated. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. A contingent asset is neither recognized nor disclosed.

o) **Funds for Future Appropriation**

The balance in the funds for future appropriations account represents funds, the allocation of which, either to participating Policyholders or to Shareholders, has not been determined at the Balance Sheet date. Transfers to and from the fund reflect the excess or deficit of income over expenses and appropriations in each accounting period arising in the Group's Policyholders' fund. In respect of Participating policies any allocation to the policyholder would also give rise to a shareholder transfer in the required proportion.

Amounts estimated by the Appointed Actuary as Funds for Future Appropriation (FFA) in respect of lapsed Unit Linked Policies are set-aside in the balance sheet and are not available for distribution to shareholders until expiry of the revival period.

p) **Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net 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.

q) **Cash and Cash Equivalents**

Cash and cash equivalents for the purposes of Receipts and Payments account include cash and cheques in hand; bank balances liquid mutual funds and other investments with original maturity of three months or less which are subject to insignificant risk of changes in value.

r) **Receipts and Payments Account**

Receipts and Payments Account is prepared and reported using the Direct Method, in conformity with Para 1.1 (i) of the Master Circular on Preparation of Financial Statements and Filing Returns of Life Insurance Business dated December 11, 2013 issued by the IRDAI.

Consolidated Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

s) **Actuarial Liability Valuation**

The actuarial Liabilities are calculated in accordance with accepted actuarial practice, requirements of Insurance Act, regulations notified by the Insurance Regulatory and Development Authority of India and Actuarial Practice Standards of the Institute of Actuaries of India.

t) **Provision for Doubtful Debts**

The Group regularly evaluates the probability of recovery and provides for doubtful advances and other receivables.

u) **Valuation of Loan to Body Corporate**

Corporate Loans are valued at cost less provision.

v) **Borrowings**

The Company has valued the unsecured, subordinated, unlisted, redeemable and non-convertible debentures at cost.

Borrowing costs are charged to the Profit and Loss account in the period in which they are incurred.

Consolidated Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

3 Contingent Liabilities

Sr. No.	Particulars	Current Year	Previous Year
1	Partly paid-up investments	44,76,107	66,86,653
2	Claims, other than against policies, not acknowledged as debts by the Group	22,167	21,967
3	Underwriting commitments outstanding	Nil	Nil
4	Guarantees given by or on behalf of the Group	5,500	5,500
5	Statutory demands / liabilities in dispute, not provided for	Refer Note Below	Refer Note Below
6	Reinsurance obligations to the extent not provided for in the accounts	Nil	Nil
7	Others *	4,52,125	4,40,721

* Represents potential liability to the Group (net of reinsurance) in respect of cases filed against the Group's decision of repudiation of death claims and customer complaints.

Note:

The Group has received Show Cause-Cum-Demand notices for earlier period relating to Service Tax demands of ₹ 398,203 as at 31st March, 2021 (as at 31st March 2020 ₹ 398,203) plus applicable interest and penalty. Basis legal opinion obtained, management is of the opinion that these show-cause cum demand notices are not legally tenable and decided to contest at appellate authority.

4 Operating Lease Commitments

In accordance with Accounting Standard 19 (AS 19) on 'Leases', the details of leasing arrangements entered into by the Group are as under:

The Group has entered into agreements in the nature of cancellable and non-cancellable lease / leave and license agreements with different lessor / licensors for the purpose of establishment of office premises, leasehold improvements, furniture and fixtures, information technology and office equipments. These are generally in the nature of operating leases/ leave and licenses.

The operating lease rentals charged during the year and maximum obligations on operating lease payable at the balance sheet date, as per the rentals stated in the agreements are as follows:

Particulars	Current Year	Previous Year
Total lease rentals charged to Revenue Account	4,57,022	4,85,816
Lease obligations for operating leases	-	-
- Within one year of the balance sheet date	4,50,468	4,06,425
- Due in a period between one year and five years	16,95,425	11,88,621
- Due after five years	2,66,358	2,43,367

5 Foreign Exchange Gain / (Loss)

The Company has recorded foreign exchange loss of ₹780 in the Revenue Account and the same is included under "Interest and Bank Charges" in Schedule 3 (Previous Year Gain ₹799)

6 Earnings Per Share

Particulars	Current Year	Previous Year
Profit as per profit and loss account	10,45,670	10,01,786
Weighted average number of equity shares (Nos of shares in 000)	19,01,208	19,01,208
Earnings per share (Basic and Diluted) in ₹	0.55	0.53
Face Value per share *	10	10

* Amount in absolute Indian Rupees

Consolidated Notes forming part of financial statements as on 31st March 2021
(Amount in thousands of Indian Rupees)

7 Encumbrances

The assets of the Group are free from all encumbrances except to the extent assets or monies are required to be deposited as margin contributions for investment trade obligations of the Group or as mandated by the court, as detailed below:

i. **Assets deposited with National Securities Clearing Corporation Limited (NSCCL) and Indian Clearing Corporation Limited (ICCL) towards margin requirement for equity trade settlement:**

Particulars	Current Year	Previous Year
Fixed deposit with NSCCL	-	2,45,000
Fixed deposit with ICCL	-	-

Nature of pledge: Physical custody of the fixed deposits are with respective clearing houses, however, the income accrued on these deposits shall be passed on to the Group on the maturity of the deposits. These deposits can be invoked by the clearing houses in case of settlement default of equity transactions at the exchange.

ii. **Assets encumbered with Clearing Corporation of India Limited (CCIL) towards margin requirement for settlement of trades in TREPS:**

Particulars	Current Year	Previous Year
Government Security of face value	2,08,400	2,08,400
Cash	100	100

iii. **Assets encumbered with Clearing Corporation of India Limited (CCIL) towards margin requirement for settlement of trades in Securities:**

Particulars	Current Year	Previous Year
Government Security of face value	2,40,000	2,40,000
Cash	25,100	25,100

iv. **Assets encumbered with Clearing Corporation of India Limited (CCIL) towards margin requirement for settlement of trades in TREPS for default fund:**

Particulars	Current Year	Previous Year
Government Security of face value	17,300	17,300
Cash	2,300	2,300

v. **Assets encumbered with Clearing Corporation of India Limited (CCIL) towards margin requirement for settlement of trades in Securities for default fund:**

Particulars	Current Year	Previous Year
Government Security of face value	8,400	8,400
Cash	200	200

Nature of pledge: Physical custody of the securities is maintained with the CCIL, however interest accrued on these securities is received by the Group. These deposits, both securities and cash, can be invoked by CCIL in case of any default by the Group in settlement of trades in Securities and TREP segment.

vi. **Assets encumbered with ICICI Bank towards the Bank Guarantee given on behalf of the Group given by it.**

Particulars	Current Year	Previous Year
Fixed Deposits	2,500	2,500

vii. **Bank Guarantee provided to Pension Fund Regulatory Development Authority for being registered as a Pension Fund for managing the funds under the National Pension System.**

Particulars	Current Year	Previous Year
Fixed Deposits	150	3,000

Consolidated Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

8 Commitments Made and Outstanding on Fixed Assets

The commitments made and outstanding for fixed assets by the Group are bifurcated as below:

		Current Year	Previous Year
i.	Tangible	22,291	42,832
ii.	Intangible	1,76,386	2,20,330
	Total	**1,98,676**	**2,63,162**

9 Nature and Term of Outstanding Derivative Contract

a) Forward rate Agreement:

Sr. No.	Particulars	Current Year	Previous Year
i)	Total notional principal amount of forward rate agreement undertaken during the year (instrument-wise)		
	7.40% GOI 2035 (MD 09/09/2035)	7,38,100	8,52,716
	7.62% GOI 2039 (MD 15/09/2039)	32,70,212	12,39,910
	7.73% GOI 2034 (MD 19/12/2034)	17,02,420	-
	7.95% GOI 2032 (28.08.2032)	39,02,481	-
	8.13% GOI 2045 (MD 22/06/2045)	4,93,500	-
	8.24% GOI 2033 (MD 10/11/2033)	8,21,490	11,91,917
	8.28% GOI (MD 15/02/2032)	5,02,095	-
	8.30% GOI 2040 (MD 02/07/2040)	2,69,680	-
	8.30% GOI 2042 (MD 31/12/2042)	7,87,330	7,67,360
	8.32% GOI (MD 02/08/2032)	13,58,510	-
	8.33% GOI 2036 (07/06/2036)	19,96,073	12,25,730
	8.83% GOI 2041 (MD 12/12/2041)	2,44,690	6,50,200
	8.97% GOI 2030 (MD 05/12/2030)	-	12,45,043
	9.20% GOI 2030 (MD 30/09/2030)	3,00,000	47,35,580
	9.23% GOI 2043 (MD 23/12/2043)	3,40,842	-
	8.17% GOI 2044 (MD 01/12/2044)	3,00,530	-
	7.06% GOI 2046 (MD 10/10/2046)	3,72,194	-
ii)	Total notional principal amount of forward rate agreement outstanding as on end of the year (instrument-wise)		
	7.40% GOI 2035 (MD 09/09/2035)	16,20,742	14,83,334
	7.62% GOI 2039 (MD 15/09/2039)	43,74,430	12,39,910
	7.73% GOI 2034 (MD 19/12/2034)	24,41,800	11,05,800
	7.95% GOI 2032 (28.08.2032)	32,12,320	-
	8.13% GOI 2045 (MD 22/06/2045)	4,93,500	-
	8.24% GOI 2033 (MD 10/11/2033)	17,06,906	11,91,917
	8.28% GOI (MD 15/02/2032)	5,02,095	-
	8.30% GOI 2040 (MD 02/07/2040)	2,69,680	-
	8.30% GOI 2042 (MD 31/12/2042)	19,54,330	13,06,690
	8.32% GOI (MD 02/08/2032)	14,15,520	3,28,670
	8.33% GOI 2036 (07/06/2036)	26,54,680	12,25,730
	8.83% GOI 2041 (MD 12/12/2041)	7,33,930	6,50,200
	8.97% GOI 2030 (MD 05/12/2030)	7,54,445	12,45,043
	9.20% GOI 2030 (MD 30/09/2030)	45,08,070	47,35,580
	9.23% GOI 2043 (MD 23/12/2043)	2,82,763	-
	8.17% GOI 2044 (MD 01/12/2044)	3,00,530	-
	7.06% GOI 2046 (MD 10/10/2046)	3,72,194	-
iii)	Notional principal amount of forward rate agreement outstanding and not 'highly effective' as at Balance Sheet date	-	-
iv)	Mark-to-market value of forward rate agreement outstanding and not 'highly effective' as at Balance Sheet date	-	-
v)	Loss which would be incurred if counter party failed to fulfil their obligation under agreements	-	-

Consolidated Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

b) The fair value mark to market (MTM) gains or losses in respect of Forward Rate Agreement outstanding as at the Balance Sheet date is stated below:

Sr. No.	Hedging Instrument	Current Year	Previous Year
i)	7.40% GOI 2035 (MD 09/09/2035)	44,000	27,889
ii)	7.62% GOI 2039 (MD 15/09/2039)	(68,016)	(25,602)
iii)	7.73% GOI 2034 (MD 19/12/2034)	33,522	53,010
iv)	7.95% GOI 2032 (28.08.2032)	20,403	-
v)	8.13% GOI 2045 (MD 22/06/2045)	(7,811)	-
vi)	8.24% GOI 2033 (MD 10/11/2033)	40,812	(5,023)
vii)	8.28% GOI (MD 15/02/2032)	22,452	-
viii)	8.30% GOI 2040 (MD 02/07/2040)	389	-
ix)	8.30% GOI 2042 (MD 31/12/2042)	(1,618)	(7,501)
x)	8.32% GOI (MD 02/08/2032)	36,932	16,678
xi)	8.33% GOI 2036 (07/06/2036)	(6,998)	(150)
xii)	8.83% GOI 2041 (MD 12/12/2041)	13,108	16,305
xiii)	8.97% GOI 2030 (MD 05/12/2030)	27,351	8,743
xiv)	9.20% GOI 2030 (MD 30/09/2030)	77,819	(10,344)
xv)	9.23% GOI 2043 (MD 23/12/2043)	16,462	-
xvi)	8.17% GOI 2044 (MD 01/12/2044)	(6,756)	-
xvii)	7.06% GOI 2046 (MD 10/10/2046)	(4,341)	-

c) Movement in Hedge Reserve

Sr. No.	Hedging Instrument	Current Year*			Previous Year		
		Realised	Unrealised	Total	Realised	Unrealised	Total
i)	Balance at the beginning of the year	3,157	(4,42,855)	(4,39,698)	(283)	(45,649)	(45,932)
ii)	Add: Changes in the fair value during the Year	(3,46,712)	(3,33,000)	(6,79,712)	-	(3,97,206)	(3,97,206)
iii)	Less: Amounts reclassified to Revenue / Profit & Loss Account	(20,022)	-	(20,022)	3,440	-	3,440
iv)	Balance at the end of the year	(3,63,578)	(7,75,855)	(11,39,432)	3,157	(4,42,855)	(4,39,698)

* The Guidance note on Hedge accounting dated June 1, 2015 issued by Institute of Chartered Accountants of India specifically provides that any cumulative gain or loss on the hedging instrument that remains recognized directly in the appropriate equity account from the period when the hedge was effective should remain recognized in the equity account until the forecast transaction occurs. In addition, IRDAI regulation on Preparation of Financial Statements and Auditors report of Insurance Companies, 2002 clearly defines the Far value change to reflect only unrealised gains / losses arising due to changes in the fair value of listed equity shares and derivative instruments.

Considering the above guidance and in the absence of any other line item to classify the released gains on Policyholders' Account in the Balance Sheet, the Company has reclassed the cumulative realized gains on forward rate agreements as "Realised Hedge Reserve" under schedule 6 (Reserves and Surplus) of the Financial Statements. The amount under this account shall be recycled to Revenue Account basis the forecasted transaction impacts the Revenue Account. Till such time, the amount reflected as part of Realised Hedge Reserve will not be available for payment of dividends to shareholders.

Consolidated Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

d) Counter Party-wise Details

Sr. No.	Hedging Instrument	Current Year	Previous Year
i)	Name of the Counter Party	HSBC Bank/ J.P. Morgan/ Citi Bank/ Credit Suisse/ HDFC Bank	J.P. Morgan/ CITI Bank/ HSBC Bank
ii)	Hedge Designation	Sovereign Bonds	Cash flow hedge
iii)	Likely impact of one percentage change in interest rate (100*PV01)		
	a) Underlying being hedged	Sovereign Bonds	Sovereign Bonds
	b) Derivative	Forward Rate Agreement	Forward Rate Agreement
iv)	Credit Exposure	-	-

10 Foreign Currency Exposure

The foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

	As at 31 Mar 21				As at 31 Mar 20		
	Foreign Currency	Exchange Rate	Amount in Foreign Currency	Amount in rupees	Exchange Rate	Amount in Foreign Currency	Amount in rupees
Advances and other Assets:							
Due from entities carrying on insurance business	USD	73	192	14,058	75	217	16,370
Due from entities carrying on insurance business	EURO	86	392	33,648	83	1,540	1,27,937
Current Liabilities:							
Balance due to other Insurance Companies	USD	73	57	4,183	75	129	9,735

11 Provisions

Long-Term Incentive Plan

The cost estimate determined after the factoring in assumptions in respect of criteria identified in the Plan which include the following

1. Employee Attrition Rate
2. Performance Condition
3. Discount Rate

Particulars	Long Term Incentive Plan	
	Current Year	Interest accrued
Opening balance	1,32,888	1,56,652
Additional provision made	1,28,309	1,32,925
Incurred and charged	(44,029)	(1,44,841)
Unused amount reversed *	(7,440)	(11,848)
Closing balance	2,09,728	1,32,888
Nature of obligation	Long Term Incentive	Long Term Incentive
Expected timing	Up to 3 Years	Up to 3 Years

* The unused amount of Long Term Bonus Plan has been credited to “Employees" remuneration, welfare benefit and other manpower costs Schedule 3.

Consolidated Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

12 Employee benefits

a) Defined Benefit Plans

(i) Gratuity

The Group provides for gratuity, a defined benefit retirement plan covering all employees as at balance sheet date using projected unit credit method. The plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee's salary and the years of employment with the Group. The gratuity benefit payable is greater of the provisions of the Payment of Gratuity Act, 1972 and the Group's Gratuity Scheme as mentioned below:

Change in Defined benefit obligations	Current Year	Previous Year
Present value of Defined benefit obligations as at beginning of the year	4,24,673	3,69,248
Service cost	45,164	40,338
Interest cost	21,083	20,512
Liability assumed on acquisition / Settled on divestiture	-	-
Benefits paid	(40,009)	(60,401)
Past service cost	-	-
Actuarial loss due to curtailment	-	-
Actuarial loss on obligations	1,30,811	54,976
Present value of Defined benefit obligations as at end of the year	5,81,721	4,24,673
Reconciliation of present value of the obligation and the fair value of the plan assets		
Opening Fair Value of Plan assets	3,97,072	3,58,746
Contributions by the employer for the year	89,709	79,095
Benefits paid	(40,009)	(60,401)
Expected Return on Plan Assets	21,982	28,159
Liability assumed on acquisition / Settled on divestiture	-	-
Actuarial Gain / (Loss)	33,925	(8,527)
Closing Fair Value of Plan assets	5,02,679	3,97,072
Net asset/ (liability) as at end of the year	(79,044)	(27,601)
Cost recognised for the year	-	-
Current service cost	45,164	40,338
Interest cost	21,083	20,512
Expected return on plan assets	(21,982)	(28,159)
Past service cost	-	-
Actuarial (gain) / loss due to curtailment	-	-
Cost of Gratuity for FFS not part of Valuation	-	-
Actuarial (gain) / loss	96,886	63,501
Net gratuity cost	1,41,150	96,192
Transitional Liability expended in Revenue Account	-	-
Investment in Category of Assets (% Allocation)	-	-
Insurer Managed Funds*	100%	100.00%
Group Stable Fund	0%	0.00%
Group Short Term Debt Fund	0%	0.00%
Actuarial assumptions used		
Discount rate	5.75%	5.55%
Rate of return on plan	5.75%	7.65%
Salary escalation rate	7.00%	6.00%

*The amount is invested in Group Secure Fund Plan 1 of Aditya Birla Sun Life Insurance Limited, Gratuity and Group Unit Linked Product (GULP) scheme. Below is the asset allocation of fund.

Asset allocation	Current Year	Previous Year
Debt securities	100.00%	100.00%
Equity and money market	0.00%	0.00%
Total	**100.00%**	**100.00%**

Consolidated Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

Particulars	2020-21	2019-20	2018-19	2017-18	2016-17
Defined Benefit Obligation	5,81,721	4,24,673	3,69,248	3,33,931	2,95,999
Plan Assets	5,02,679	3,97,072	3,58,746	3,36,566	2,85,738
(Surplus)/ Deficit	(79,044)	(27,601)	(10,502)	(2,635)	10,261
Experience adjustment on Plan Liabilities	20,952	31,949	(9,629)	28,544	10,384
Experience adjustment on Plan Assets	33,925	(8,526)	1,501	(2,913)	12,169

The contributions expected to be paid to the plan during the annual period beginning after the balance sheet date is ₹ 47,211 (Previous year: ₹ 72,447).

(ii) **Accumulated Compensated Absences**

The liability for accumulated compensated absences as at balance sheet date has been calculated by using projected unit credit method. This method takes into account the pattern of availment of leave while in service and qualifying salary on the date of availment of leave.

Present value of obligation for accumulated compensated absences as determined by the Actuary is given below:

Particulars	Current Year	Previous Year
Present value of obligations as at end of the year	1,82,978	1,50,940
Fair value of plan assets	3,79,312	3,30,984
Actuarial assumptions used		
Discount rate	5.75%	5.55%
Salary escalation rate	7.00%	6.00%
Cost recognised during the year	55,256	38,581

(iii) **Defined contribution plans**

The Group has recognized the following amounts as expense in the Revenue account;

Particulars	Current Year	Previous Year
Contribution to superannuation fund	2,999	5,530
Contribution to Employee State Insurance Corporation	23,830	30,676
Contribution to National Pension Scheme	8,771	10,182
Contribution to Employee Provident Fund	1,42,818	1,49,862

13 Segment reporting

As per Accounting Standard 17 on ‘Segment Reporting’ read with the “Preparation of Financial Statements and Auditor’s Report of Insurance Companies, Regulations 2002”,the Group is required to report segment results separately as Participating non-linked, Non-Participating Unit Linked and Non Linked businesses, which are further segmented into Individual Life, Group Life, Group Life Variable, Annuity Individual, Individual Pension, Group Pension, Group Pension Variable and Individual Health businesses. The same is disclosed in **Annexure 1**.

14 Related Party Disclosure

During the year ended 31st March 2021, the Group has had transactions with related parties as defined in Accounting Standard 18 on ”Related Party Disclosures”. Related Parties have been identified by the management on the basis of the information available with the Group. Details of related parties with whom, the Group had transactions, nature of the relationship, transactions with them and balances at year-end, are detailed in **Annexure 2**.

15 Debit balance in Profit & Loss account

In accordance with IRDA (preparation of Financial Statements and Auditors' Reports of Insurance Companies) Regulation 2002 and the Insurance Laws (Amendment) Act, 2015, debit balance in Profit and Loss account carried to the Balance Sheet has been shown as deduction from General reserve to the extent of ₹ NIL as at 31st March 2021 (as at 31st March 2020 ₹ 178,358) and the balance of ₹ NIL at 31st March 2021 (as at 31st March 2020 ₹ NIL) is shown in Balance Sheet under application of funds.

Consolidated Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

16 Transfer to and from Revenue account (Policyholder's account)

Disclosure in line with Para No 2.6 of Master Circular on preparation of Financial Statements and filing Returns of Life Insurance Business vide Circular No IRDA /F&A/Cir/232/12/2013 dated 11.12.2013

The Board of Director of the Group has noted that contribution from shareholder account to policyholder is ₹ 14,71,331 (Previous year: ₹18,32,020) and the same has been charged to shareholders' account. The board has recommended that the same would be subjected to approval of the shareholders of the Group at the ensuing annual general meeting. The transfer amount is irreversible in nature and will not be recouped to the shareholder at any point of time in future.

Shareholders' contribution of ₹18,32,020/- to the Policyholders' account for the previous year has been approved by shareholders at the Annual General Meeting held on 25th August 2020

17 Long term Contracts

The Group has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Group has reviewed and ensured that adequate provision as required under any law / accounting standards for material foreseeable losses on such long term contracts has been made in the books of account.

For insurance contracts reliance has been placed on the Appointed Actuary for actuarial valuation of liabilities for policies in force. The Appointed Actuary has confirmed that the assumptions used in valuation of liabilities for policies in force are in accordance with the guidelines and norms issued by the Insurance Regulatory and Development Authority of India ("IRDA") and the Institute of Actuaries of India in concurrence with the IRDA.

18 Pending Litigations

The Company's pending litigations comprise of claims against the Company primarily by the customers and proceedings pending with Income Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results. Refer Note 3 for details on contingent liabilities. In respect of litigations, where the management assessment of a financial outflow is probable, the Company has made a provision of ₹ 108,456 as at 31st March 2021. (Previous year: ₹ 109,494).

19 Amount spent on Corporate Social Responsibility

Expenditure related to Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof :

Particulars			In Cash		Yet to be paid in Cash		Total	
			2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
a)	Gross Amount Required to be spent		28,450	27,685	-	-	28,450	27,685
b)	Amount Spent During the year on:							
	i	Construction/acquisition of any assets	-	-	-	-	-	-
	ii	Purpose other than i above	28,967	27,685	-	-	28,967	27,685

20 Remuneration paid to statutory auditors/internal auditor or its associates for services other than statutory/internal audit are disclosed below:

Name of Auditor	Nature of work	Current Year	Previous Year
S.B.Billimoria & Co.	Towards Group reporting pack (Sch 3A)	1,125	1,125
Haribhakti & Co. LLP	Towards Group reporting pack (Sch 3A)	1,125	1,125
S.B.Billimoria & Co.	Certification fees (Sch 3)	620	360
Haribhakti & Co. LLP	Certification fees (Sch 3)	275	360
Aneja Associates*	Professional Fees	-	1,460

* Internal auditor till FY 20

Consolidated Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

21 Payment of sitting fees to independent directors

Sitting Fees paid to independent directors in the current year is ₹ 2,125 (Previous Year: ₹ 1,725).

22 Limits on Expense of Management (Section. 40B of the Insurance Law (Amendment) Act, 2015

In accordance with IRDAI notification dated 9th May, 2016 bearing reference no IRDAI/Reg/14/126/2016, the Company has worked out Expense of Management by considering allowance at 100% (Previous year 100%) on segment basis to ascertain the excess thereof which has been borne by the shareholders. Accordingly, amount aggregating ₹ 400 (Previous year ₹ 4,24,800) has been shown as "Contribution from Shareholders Account towards Excess EoM", as Income under Revenue Account under and "Contribution to Policyholders Account towards Excess EoM" , as expense under Profit & Loss Account.

23 Employee Stock Option Plan

Pursuant to ESOP Plan being established by the holding company (i.e. Aditya Birla Capital Limited), stock options were granted to the employees of the Group during the financial year. Total cost incurred by the holding company till date is being recovered from the Group over the period of vesting. Accordingly, a sum of ₹ 22,182 (Previous year ₹ ₹18,995) has been recovered by the Group during the year on account of exit employees, which has been recorded in the Statement of Profit and Loss. The balance sum of ₹ 36,328 (Previous year ₹ 68,111) will be recovered from the Group in future periods.

24 Diminution in the value of Investments.

In accordance with impairment policy of the Company, diminution in value of investments has been recognised under the head "provision for diminution in the value of investments (Net)" in the revenue account and profit and loss account. The total impairment loss recognised for year ended 31st March 2021 is ₹ 45,818 (Previous Year ₹ 2,50,358) in revenue account and ₹ NIL (Previous Year ₹ 48,276) in profit and loss account.

25 The Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

According to the information available with the management, on the basis of the intimation received from the suppliers, regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the Group has no amounts due to Micro and Small Enterprises under the said Act as at 31st March 2020 (Previous year: ₹ Nil). This is based on the information available with the Group which has been relied upon by the auditors.

26 Provision for Standard and Non Standard Assets

Provision for standard assets is made In line with the ‘Guidelines on Prudential norms for income recognition, Asset classification, Provisioning and other related matters in respect of Standard Assets as specified by IRDAI vide the Master Circular dated May 03, 2017. During the year, there is a provision reversal on standard assets recognised in Revenue Account amounting to ₹ 163 (Previous year reversal of provision of ₹163) and oustanding balance of provision as on 31st March, 2021 is of ₹ 790 (Previous year ₹953) as required under IRDAI (Investment) Regulations 2016.

27 Provision for tax

During the year, the Company has made provision for tax (net) amounting to ₹ 390,463 (Previous year ₹335,674) charged to the Revenue Account and ₹ 1,14,876 (Previous Year ₹NIL) charged to Profit and Loss Account in accordance with the Income Tax Act, 1961 and Rules and Regulations there under as applicable to the Company.

Consolidated Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

28 COVID-19 Disclosure

The Company has assessed the impact of second wave of COVID-19 on its operations as well its financial statements for valuation of policy liabilities and solvency, for the year ended March 31, 2021. In the last quarter of 2020-21, the COVID claims were on the fall but, there is resurgence COVID's second wave and it may lead to rise in COVID claims in 2021-22. However, with strong vaccinations drive as well as gradual development of herd immunity, we believe COVID infection will be contained. In view of this we feel the COVID claims will not be more detrimental than for FY'21 and hence, we have kept the provision of ₹ 57.5 Cr exclusively towards COVID claims. Further, there have been no material changes in the controls or processes followed in the financial statement closing process of the Company. The impact of COVID-19 in the future may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

29 Terms of Borrowings

(A) Gist of the terms of issue are as follows:

Type, Nature and Seniority of Instrument	Unsecured, subordinated, unlisted, redeemable and non-convertible debentures
Issue Size	₹15,00,000
Issue Date / Date of Allotment	20.01.2021
Redemption Date	20.01.2031
Call option Date	20.01.2026
Coupon Rate	7.30% per annum
Frequency of the Interest Payment	Annual

(B) Maturity Pattern from the date of issue:

Maturity Buckets	Borrowings
1 to 5 years	-
Above 5 years	₹15,00,000

(C) Debenture Redemption Reserve:

As per the Companies (Share Capital & Debentures) Amendment Rules, 2019, Rule 18, sub rule 7(b)(iv)(B) issued on August 16,2019, unlisted companies are required to create DRR at 10% of the value outstanding of the debentures. To comply with the same the company has created debenture redemption reserve (DRR) of ₹ 1,50,000 (10% of ₹ 15,00,000) in FY 21.

30 The Code on Social Security, 2020:

The Indian Parliament has approved the Code on Social security, 2020 (the 'Code') relating to employee benefits during employment and post-employment. The Code has been published in the Gazette of India. The Ministry of Labour and Employment has released draft rules on the Code. The effective date of the Code is yet to be notified. In view of this, impact if any, of the change will be assessed and recognized post notification of relevant provisions.

31 Securities lending and Borrowing Scheme (SLB)

Equity Shares transferred under SLB continues to be recognised on the Balance Sheet as the Company retains all the associated risks and rewards of theses securities. The value of equity shares lent by the Company under SLB and outstanding at 31st March, 2021 is ₹ 198,515 (31st March 2020 is ₹Nil).

Consolidated Notes forming part of financial statements as on 31st March 2021

(Amount in thousands of Indian Rupees)

32 Previous year comparatives:

Previous year amounts have been reclassified, wherever necessary and to the extent possible, to conform to current year's classification.

Sr. No	Regrouped from	Amount	Regrouped to	Reason
1	Sch 3 - Others - c) Recruitment and seminar expenses	15,038	Sch 3 - Employees' remuneration and welfare benefits	Joining Expenses regrouped for better presentation
2	Sch 3 - Employees' remuneration and welfare benefits	19,633	Revenue Account - Other Income - (c) Others (profit on sale of liquid funds, interest etc.)	In line with other accounting presentation followed for employee benefit schemes, gratuity is also grossed up
3	Sch 13 - Others - (b) - Due to Policyholders	30,429	Sch 13 - Unallocated premiums	Amount relating to unallocated premium pertaining to any changes in a policy reclassified for correct presentation
4	Sch 12 - Advances - Others - b) Gratuity and Advances to Employees	2,149	Sch 12 - Advances - Others - c) Other Advances	Advance for NSE-IT Ltd. Exam fees regrouped for better presentation
5	Sch 13 - Others - (c) Taxes Payable	2,40,653	Sch 13 - Others - (c) Statutory Dues Payable	Taxes Payable bifurcated into Statutory dues and GST payable for better presentation
6	Sch 13 - Others - (c) Taxes Payable	42,889	Sch 13 - Others - (d) GST Payable	Taxes Payable bifurcated into Statutory dues and GST payable for better presentation
7	Sch 12 - Advances - Advance tax paid and taxes deducted at source	5,898	Sch 12 - Other Assets - Others - f) Goods and Services tax unutilised credits	Debit balances of GST Payable reclassed from Advance tax to GST for better presentation
8	Sch 12 - Advances - Advance tax paid and taxes deducted at source	23,975	Sch 12 - Advances - Others - c) Other Advances	Debit balances of Statutory dues and TDS payable reclassed from Advance tax to other advances for better presentation
9	Sch 13 - Sundry creditors	23,469	Sch 12 - Other Assets - Due from other entities carrying on insurance business (including reinsures) - Provision	Provision for reinsurer receivables reclassed to Sch 12 for better presentation
10	"Sch 12 - Other Assets - 8) Others - b) Outstanding Trades"	50	Sch 12 - Advances - Others - c) Other Advances	Trade receivable reclassed to other advances for better presentation

For and on behalf of the Board of Directors

Ajay Srinivasan
Chairman
(DIN: 00121181)

Sandeep Asthana
Director
(DIN: 00401858)

Pinky Mehta
Director
(DIN: 00020429)

Kamlesh Rao
Managing Director & CEO
(DIN: 07665616)

Amit Jain
Chief Financial Officer

Ajay Kanth
Company Secretary

Anil Kumar Singh
Chief Actuarial Officer & Appointed Actuary

Mumbai, 27th April 2021

Annexure 1

(Amount in thousands of Indian Rupees)

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2021

Particulars	Linked Business					Non-Linked								Par		
	Individual Life	Group Life	Pension Individual	Group Pension	Health Individual	Individual Life	Group Life	Group Life Variable	Pension Individual	Annuity Individual	Group Pension	Group Pension Variable	Health Individual	Non-Linked Individual Life	Shareholders Fund	Total
Sources of Funds																
Shareholders' Funds:																
Share Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,90,12,080	1,90,12,080
Reserves and Surplus	-	-	-	-	-	3,46,712	-	-	-	-	-	-	-	-	39,56,387	43,03,099
Credit/(Debit) / Fair Value Change Account	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,55,181	5,55,181
Sub-Total	-	-	-	-	-	3,46,712	-	-	-	-	-	-	-	-	2,35,23,646	2,38,70,360
Borrowings															15,00,000	15,00,000
Policyholders' Funds:																
Credit/(Debit) Fair Value Change Account	-	-	-	-	-	18,59,940	1,27,076	9,042	6,138	-	20,558	(16,110)	18	5,69,285	-	25,75,946
Policy Liabilities	31,46,409	43,472	1,12,625	7,346	1,92,075	10,69,75,997	2,34,64,316	83,70,557	2,41,327	30,19,647	1,61,42,632	1,50,05,283	9,290	4,81,32,436	-	22,48,63,412
Insurance Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision for Linked Liabilities	16,20,53,009	6,27,56,411	62,23,657	1,00,96,143	5,44,158	-	-	-	-	-	-	-	-	-	-	24,16,73,378
Funds for discontinued policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(i) Discontinued on account of non-payment of premium	82,22,812	-	7,20,442	-	-	-	-	-	-	-	-	-	-	-	-	89,43,254
(ii) Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Credit/(Debit) Fair Value Change Account (Linked)	2,35,04,651	37,60,622	8,42,038	8,61,390	88,048	-	-	-	-	-	-	-	-	-	-	2,90,56,749
Total Linked Liabilities	19,37,80,472	6,65,17,033	77,86,137	1,09,57,533	6,32,206	-	-	-	-	-	-	-	-	-	-	27,96,73,381
Sub-Total	19,69,26,881	6,65,60,505	78,98,762	1,09,64,879	8,24,281	10,88,35,937	2,35,91,392	83,79,599	2,47,465	30,19,647	1,61,63,190	1,49,89,173	9,308	4,87,01,721	15,00,000	50,86,12,739
Funds for Future Appropriation																
- Linked Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**19,69,26,881**	**6,65,60,505**	**78,98,762**	**1,09,64,879**	**8,24,281**	**10,91,82,649**	**2,35,91,392**	**83,79,599**	**2,47,465**	**30,19,647**	**1,61,63,190**	**1,49,89,173**	**9,308**	**4,87,01,721**	**2,50,23,646**	**53,24,83,099**
Application of Funds																
Investments																
Shareholders'	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,43,01,478	2,43,01,478
Policyholders'	28,12,103	56,922	92,024	5,992	1,65,639	10,54,18,632	2,40,77,108	82,71,957	2,56,899	27,91,605	1,61,47,953	1,48,06,563	10,899	4,71,17,697	-	22,20,31,995
Assets Held to Cover Linked Liabilities	19,37,80,472	6,65,17,033	77,86,137	1,09,57,533	6,32,206	-	-	-	-	-	-	-	-	-	-	27,96,73,381
Loans	4,03,747	-	-	-	-	12,88,551	-	-	-	-	-	-	-	4,57,163	-	21,49,461
Fixed Assets	2,15,538	85,594	9,039	6,699	375	3,21,870	90,800	27,577	123	10,833	17,534	44,256	699	1,39,608	2,467	9,73,012
Current Assets																
Cash and Bank Balances	12,05,647	1,55,890	62,402	17,127	1,706	15,90,696	(4,90,835)	24,820	(1,34,448)	94,304	(2,52,998)	455	984	2,29,851	52,700	25,58,301
Advances and Other Assets*	12,71,010	3,16,051	(3,24,678)	25,812	5,245	67,64,158	6,91,164	2,82,470	6,361	1,00,931	5,62,391	4,88,420	34,655	26,25,020	6,40,140	1,34,89,150
Inter fund Assets**	13,89,363	84,698	4,88,458	13,066	47,081	-	2,27,592	-	48,506	89,851	-	-	-	-	43,845	24,32,460
Sub-Total (A)	24,76,657	4,71,941	(2,62,276)	42,939	6,951	83,54,854	2,00,329	3,07,290	(1,28,087)	1,95,235	3,09,393	4,88,875	35,639	28,54,871	6,92,840	1,60,47,451
Current Liabilities	39,34,600	5,69,746	2,05,545	54,624	27,595	37,86,812	9,13,273	1,76,087	(70,148)	57,001	1,09,068	2,86,821	30,377	14,09,279	16,196	1,15,06,876
Provisions	2,16,400	85,937	9,075	6,726	376	3,23,158	91,164	27,687	124	10,876	17,604	44,433	701	3,51,755	787	11,86,803
Inter fund liability**	-	-	-	-	-	20,91,288	-	23,451	-	-	1,85,018	19,267	6,851	1,06,584	-	24,32,460
Sub-Total (B)	41,51,000	6,55,683	2,14,620	61,350	27,971	41,09,970	10,04,437	2,03,774	(70,024)	67,877	1,26,672	3,31,254	31,078	17,61,034	16,983	1,26,93,679
Net Current Assets (C) = (A-B)	**(16,74,342)**	**(1,83,742)**	**(4,76,896)**	**(18,411)**	**(21,020)**	**42,44,884**	**(8,04,108)**	**1,03,516**	**(58,063)**	**1,27,358**	**1,82,721**	**1,57,621**	**4,561**	**10,93,837**	**6,75,857**	**33,53,772**
Miscellaneous Expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(To the extent not written off or Adjusted)																
Debit Balance in Profit and Loss Account (Shareholders' Account)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**19,55,37,518**	**6,64,75,807**	**74,10,304**	**1,09,51,813**	**7,77,200**	**11,12,73,937**	**2,33,63,800**	**84,03,050**	**1,98,959**	**29,29,796**	**1,63,48,208**	**1,50,08,440**	**16,159**	**4,88,08,304**	**2,49,79,803**	**53,24,83,099**

*Advances and other assets allocated to shareholders' include tax assets."

** Inter fund asset/liability is created to represent receivable/payable between various segments.

Annexure 1
(Amount in thousands of Indian Rupees)

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2020

Particulars	Linked Business					Non-Linked										
	Individual Life	Group Life	Pension Individual	Group Pension	Health Individual	Individual Life	Group Life	Group Life Variable	Pension Individual	Annuity Individual	Group Pension	Group Pension Variable	Health Individual	Par Non Linked Individual Life	Shareholders Fund	Total
Sources of Funds																
Shareholders' Funds:																
Share Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,90,12,080	1,90,12,080
Reserves and Surplus	-	-	-	-	-	-	-	-	-	-	-	-	-	-	29,10,717	29,10,717
Credit/(Debit) / Fair Value Change Account	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(18,009)	(18,009)
Sub-Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2,19,04,788**	**2,19,04,788**
Borrowings																
Policyholders' Funds:																
Credit/(Debit) Fair Value Change Account	-	-	-	-	-	5,20,577	(1,56,539)	(96,235)	547	-	(1,45,626)	(1,58,306)	(23)	(7,10,522)	-	(7,46,127)
Policy Liabilities	32,29,282	74,328	93,562	15,062	1,71,889	8,18,50,164	1,75,34,110	69,52,020	3,41,455	21,25,157	1,34,25,342	1,01,59,949	8,319	3,52,64,387	-	17,12,45,026
Insurance Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision for Linked Liabilities	15,81,50,477	5,47,25,900	63,50,600	92,68,628	4,65,166	-	-	-	-	-	-	-	-	-	-	22,89,60,771
Funds for discontinued policies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(i) Discontinued on account of non-payment of premium	53,69,038	-	8,15,201	-	-	-	-	-	-	-	-	-	-	-	-	61,84,239
(ii) Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Credit/(Debit) Fair Value Change Account (Linked)	(67,77,127)	2,52,761	(2,98,301)	(78,874)	5,940	-	-	-	-	-	-	-	-	-	-	(68,95,601)
Total Linked Liabilities	15,67,42,388	5,49,78,661	68,67,500	91,89,754	4,71,106	-	-	-	-	-	-	-	-	-	-	22,82,49,409
Sub-Total	**15,99,71,670**	**5,50,52,989**	**69,61,062**	**92,04,816**	**6,42,995**	**8,23,70,741**	**1,73,77,571**	**68,55,785**	**3,42,002**	**21,25,157**	**1,32,79,716**	**1,00,01,643**	**8,296**	**3,45,53,865**	**-**	**39,87,48,308**
Funds for Future Appropriation																
- Linked Liabilities	1,09,552	-	5,505	-	-	-	-	-	-	-	-	-	-	-	-	1,15,057
Total	**16,00,81,222**	**5,50,52,989**	**69,66,567**	**92,04,816**	**6,42,995**	**8,23,70,741**	**1,73,77,571**	**68,55,785**	**3,42,002**	**21,25,157**	**1,32,79,716**	**1,00,01,643**	**8,296**	**3,45,53,865**	**2,19,04,788**	**42,07,68,153**
Application of Funds																
Investments																
Shareholders'	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,29,49,352	2,29,49,352
Policyholders'	28,42,079	59,700	73,772	12,228	1,37,599	7,56,82,534	1,68,23,919	67,67,607	2,79,800	20,52,408	1,30,19,190	99,87,121	6,752	3,22,12,749	-	15,99,57,458
Assets Held to Cover Linked Liabilities	15,67,42,388	5,49,78,661	68,67,500	91,89,754	4,71,106	-	-	-	-	-	-	-	-	-	-	22,82,49,409
Loans	4,29,351	-	-	-	-	9,24,547	-	-	-	-	-	-	-	3,09,043	-	16,62,941
Fixed Assets	2,37,555	1,12,621	8,055	14,272	576	2,90,067	66,416	14,383	151	9,158	1,211	40,445	958	1,63,953	3,101	9,62,922
Current Assets																
Cash and Bank Balances	13,04,034	6,18,217	44,217	78,343	3,161	15,92,286	3,64,579	78,952	827	50,273	6,646	2,22,015	5,259	581	41,162	44,10,552
Advances and Other Assets*	13,32,974	5,03,833	(3,23,710)	64,679	5,761	61,05,430	3,70,607	2,19,256	7,423	88,086	3,04,784	4,07,864	50,001	30,95,271	9,04,374	1,31,36,633
Sub-Total (A)	**26,37,008**	**11,22,050**	**(2,79,493)**	**1,43,022**	**8,922**	**76,97,716**	**7,35,186**	**2,98,208**	**8,250**	**1,38,359**	**3,11,430**	**6,29,879**	**55,260**	**30,95,852**	**9,45,536**	**1,75,47,185**
Current Liabilities	21,55,871	12,12,552	66,455	1,53,950	28,716	30,01,198	9,45,893	1,54,610	1,198	78,118	13,015	4,34,989	(14,016)	15,97,953	22,111	98,52,613
Provisions	1,75,354	83,132	5,946	10,535	425	2,14,116	49,025	10,617	111	6,760	894	29,855	707	1,21,024	-	7,08,501
Sub-Total (B)	**23,31,225**	**12,95,684**	**72,401**	**1,64,485**	**29,141**	**32,15,314**	**9,94,918**	**1,65,227**	**1,309**	**84,878**	**13,909**	**4,64,844**	**(13,309)**	**17,18,977**	**22,111**	**1,05,61,114**
Net Current Assets (C) = (A-B)	**3,05,784**	**(1,73,634)**	**(3,51,894)**	**(21,463)**	**(20,219)**	**44,82,402**	**(2,59,732)**	**1,32,981**	**6,941**	**53,481**	**2,97,521**	**1,65,035**	**68,569**	**13,76,875**	**9,23,425**	**69,86,071**
Miscellaneous Expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(To the extent not written off or Adjusted)																
Debit Balance in Profit and Loss Account (Shareholders' Account)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**16,05,57,157**	**5,49,77,348**	**65,97,433**	**91,94,791**	**5,89,062**	**8,13,79,550**	**1,66,30,603**	**69,14,971**	**2,86,892**	**21,15,047**	**1,33,17,922**	**1,01,92,601**	**76,279**	**3,40,62,620**	**2,38,75,878**	**42,07,68,153**

Note: Advances and other assets allocated to shareholders' include tax assets.

Refer Schedule 16 note 28

Annexure - 1

(Amount in thousands of Indian Rupees)

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2021

Particulars	Linked Business					Non Linked									
	Individual Life	Group Life	Pension Individual	"Group Pension"	Health Individual	Individual Life	Group Life	Group Life Variable	Pension Individual	Annuity Individual	"Group Pension"	Group Pension Variable	Health Individual	Par Non Linked Individual Life	Total
Premium earned-net															
(a) Premium	2,17,08,752	86,20,981	9,10,367	6,74,724	37,752	3,24,18,410	91,45,314	27,77,529	12,438	10,91,039	17,66,018	44,57,420	70,367	1,40,61,131	9,77,52,242
(b) Reinsurance ceded	(6,74,467)	(607)	(179)	-	(3,022)	(9,05,343)	(12,81,381)	-	-	-	-	-	(21,599)	(42,845)	(29,29,443)
(c) Reinsurance accepted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-Total	2,10,34,285	86,20,374	9,10,188	6,74,724	34,730	3,15,13,067	78,63,933	27,77,529	12,438	10,91,039	17,66,018	44,57,420	48,768	1,40,18,286	9,48,22,799
Income from Investments															
(a) Interest, Dividend & Rent - Gross	74,82,628	36,52,478	3,50,041	5,45,027	30,325	66,99,158	15,46,132	5,94,430	21,872	1,79,560	11,49,437	9,28,443	628	27,32,401	2,59,12,560
(b) Profit on sale / redemption of investments	1,82,61,272	20,75,880	6,53,781	5,48,909	65,604	6,16,945	59,150	67,393	264	-	47,383	46,948	4	4,59,119	2,29,02,652
(c) (Loss) on sale / redemption of investments	(58,24,105)	(4,43,024)	(1,41,890)	(1,09,966)	(15,349)	(1,82,115)	(62,778)	(30,045)	(33)	-	(23,335)	(27,728)	(7)	(1,69,592)	(70,29,967)
(d) Transfer /Gain (Loss) on revaluation / change in Fair value*	3,04,85,411	34,13,689	9,98,504	9,16,349	1,38,397	(2,35,492)	-	-	-	-	-	-	-	-	3,57,16,858
Sub-Total	5,04,05,206	86,99,023	18,60,436	19,00,319	2,18,977	68,98,496	15,42,504	6,31,778	22,103	1,79,560	11,73,485	9,47,663	625	30,21,928	7,75,02,103
Other Income															
(a) Contribution from the Shareholders' Account	-	-	-	-	-	9,68,740	2,00,845	-	-	-	-	-	-	3,01,746	14,71,331
(b) Contribution from Shareholders Account towards Excess EoM	-	-	-	-	-	-	-	-	-	-	-	-	400	-	400
(c) Others (Interest etc)	80,173	9,760	1,115	817	65	2,87,307	11,428	2,966	41	1,162	1,876	4,871	360	1,49,795	5,51,736
Sub-Total	80,173	9,760	1,115	817	65	12,56,047	2,12,273	2,966	41	1,162	1,876	4,871	760	4,51,541	20,23,467
TOTAL (A)	**7,15,19,664**	**1,73,29,157**	**27,71,739**	**25,75,860**	**2,53,772**	**3,96,67,610**	**96,18,710**	**34,12,273**	**34,582**	**12,71,761**	**29,41,379**	**54,09,954**	**50,153**	**1,74,91,755**	**17,43,48,369**
Commission	9,30,087	3,327	34,136	40	1,202	30,73,606	1,42,030	-	196	20,897	-	889	5,427	12,16,398	54,28,235
Operating Expenses related to Insurance Business	31,09,616	1,23,110	35,850	15,914	3,758	76,52,183	4,08,756	15,663	337	5,921	5,574	42,386	19,287	17,73,421	1,32,11,776
Provision for doubtful debts	76	-	3	-	-	251	12	-	-	2	-	-	-	99	443
Bad Debts written off	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision for Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	3,90,463	3,90,463
Provision (other than taxation)															
(a) For diminution in the value of investment (Net)	-	-	-	-	-	28,534	-	-	-	-	-	-	-	17,284	45,818
(b) Others - Provision for standard and non standard assets	-	-	-	-	-	(163)	-	-	-	-	-	-	-	-	(163)
Goods and Services Tax on Charges	9,51,973	1,11,671	49,867	17,040	6,863	-	-	-	-	-	-	-	-	-	11,37,414
TOTAL (B)	**49,91,752**	**2,38,108**	**1,19,856**	**32,994**	**11,823**	**1,07,54,411**	**5,50,798**	**15,663**	**533**	**26,820**	**5,574**	**43,275**	**24,714**	**33,97,665**	**2,02,13,986**
Benefits paid (Net)	2,94,55,347	54,37,090	15,84,115	7,08,219	39,716	37,87,366	31,37,706	16,84,013	1,16,301	1,79,482	1,08,629	4,43,002	5,993	11,58,325	4,78,45,304
Interim Bonuses Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	67,716	67,716
Change in valuation of liability against life policies in force															
(a) Gross **	(1,73,441)	(30,552)	19,043	(7,716)	19,996	2,63,36,776	60,49,022	14,18,537	(1,00,128)	8,94,490	27,17,290	48,45,334	(5,424)	1,29,18,380	5,49,01,607
(b) (Amount ceded in Re-insurance)	90,568	(304)	20	-	190	(12,10,943)	(1,18,816)	-	-	-	-	-	6,395	(50,331)	(12,83,221)
(c) Amount accepted in Re-insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d) Fund Reserve	3,41,84,312	1,15,38,372	10,13,395	17,67,779	1,61,099	-	-	-	-	-	-	-	-	-	4,86,64,957
(e) Fund Reserve - PDF	28,53,775	-	(94,759)	-	-	-	-	-	-	-	-	-	-	-	27,59,016
TOTAL (C)	**6,64,10,561**	**1,69,44,606**	**25,21,814**	**24,68,282**	**2,21,001**	**2,89,13,199**	**90,67,912**	**31,02,550**	**16,173**	**10,73,972**	**28,25,919**	**52,88,336**	**6,964**	**1,40,94,090**	**15,29,55,379**
Surplus/ (Deficit) (D) = (A) - (B)-(C)	**1,17,351**	**1,46,443**	**1,30,069**	**74,584**	**20,948**	**-**	**-**	**2,94,060**	**17,876**	**1,70,969**	**1,09,886**	**78,343**	**18,475**	**-**	**11,79,004**
Appropriations															
Transfer to Shareholders Account	2,26,903	1,46,443	1,35,574	74,584	20,948	-	-	2,94,060	17,876	1,70,969	1,09,886	78,343	18,475	-	12,94,061
Transfer to Other Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance being Funds for Future Appropriations	(1,09,552)	-	(5,505)	-	-	-	-	-	-	-	-	-	-	-	(1,15,057)
TOTAL (D)	**1,17,351**	**1,46,443**	**1,30,069**	**74,584**	**20,948**	**-**	**-**	**2,94,060**	**17,876**	**1,70,969**	**1,09,886**	**78,343**	**18,475**	**-**	**11,79,004**
The total surplus as mentioned below :															
(a) Interim Bonuses Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	66,330	66,330
(b) Terminal Bonus Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	1,386	1,386
(c) Allocation of Bonus to policyholders	-	-	-	-	-	-	-	-	-	-	-	-	-	26,24,434	26,24,434
(d) Surplus/(Deficit) shown in the Revenue Account	1,17,351	1,46,443	1,30,069	74,584	20,948	-	-	2,94,060	17,876	1,70,969	1,09,886	78,343	18,475	-	11,79,004
(e) Total Surplus : {a+b+c+d}	**1,17,351**	**1,46,443**	**1,30,069**	**74,584**	**20,948.00**	**-**	**-**	**2,94,060**	**17,876**	**1,70,969**	**1,09,886**	**78,343**	**18,475**	**26,92,150**	**38,71,154**

*Represents the deemed realised gain as per norms specified by the Authority.

**Represents Mathematical Reserves after allocation of bonus.

Annexure - 1

(Amount in thousands of Indian Rupees)

REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2020

Particulars	Linked Business					Non Linked								Par Non Linked Individual Life	Total
	Individual Life	Group Life	Pension Individual	"Group Pension"	Health Individual	Individual Life	Group Life	Group Life Variable	Pension Individual	Annuity Individual	"Group Pension"	Group Pension Variable	Health Individual		
Premium earned-net															
(a) Premium	1,98,24,746	93,98,524	6,72,212	11,91,015	48,057	2,42,06,932	55,42,565	12,00,280	12,568	7,64,275	1,01,036	33,75,207	79,958	1,36,82,365	8,00,99,740
(b) Reinsurance ceded	(5,33,951)	(184)	(197)	-	(3,055)	(7,71,657)	(11,60,887)	-	-	-	-	-	(23,019)	(28,765)	(25,21,715)
(c) Reinsurance accepted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-Total	**1,92,90,795**	**93,98,340**	**6,72,015**	**11,91,015**	**45,002**	**2,34,35,275**	**43,81,678**	**12,00,280**	**12,568**	**7,64,275**	**1,01,036**	**33,75,207**	**56,939**	**1,36,53,600**	**7,75,78,025**
Income from Investments															
(a) Interest, Dividend & Rent - Gross	84,99,640	30,54,019	3,94,814	6,08,091	28,764	51,96,353	13,91,178	5,90,488	23,146	1,35,738	10,41,732	6,59,489	416	20,46,590	2,36,70,458
(b) Profit on sale / redemption of investments	1,04,42,260	11,61,971	3,98,848	4,36,072	50,425	3,56,723	47,988	53,752	892	2,364	34,521	15,093	24	79,578	1,30,80,511
(c) (Loss) on sale / redemption of investments	(62,59,290)	(2,82,580)	(1,43,743)	(1,08,077)	(13,521)	(31,575)	(24,850)	(40,848)	-	-	(21,507)	(577)	(1)	(24,062)	(69,50,631)
(d) Transfer /Gain (Loss) on revaluation / change in Fair value*	(2,28,46,291)	(12,22,255)	(7,31,233)	(7,18,976)	(1,09,738)	(1,89,195)	-	-	-	-	-	-	-	-	(2,58,17,688)
Sub-Total	**(1,01,63,681)**	**27,11,155**	**(81,314)**	**2,17,110**	**(44,070)**	**53,32,306**	**14,14,316**	**6,03,392**	**24,038**	**1,38,102**	**10,54,746**	**6,74,005**	**439**	**21,02,106**	**39,82,650**
Other Income															
(a) Contribution from the Shareholders' Account	-	43,935	-	-	-	14,28,715	-	-	-	-	24,751	11,703	-	3,22,916	18,32,020
(b) Contribution from Shareholders Account towards Excess EoM	-	-	-	-	-	2,78,888	14,812	-	-	-	-	-	-	1,31,100	4,24,800
(c) Others (Interest etc)	87,247	21,280	1,531	2,701	118	1,92,124	12,523	2,719	38	1,685	255	7,624	417	1,20,551	4,50,813
Sub-Total	**87,247**	**65,215**	**1,531**	**2,701**	**118**	**18,99,727**	**27,335**	**2,719**	**38**	**1,685**	**25,006**	**19,327**	**417**	**5,74,567**	**27,07,633**
TOTAL (A)	**92,14,361**	**1,21,74,710**	**5,92,232**	**14,10,826**	**1,050**	**3,06,67,308**	**58,23,329**	**18,06,391**	**36,644**	**9,04,062**	**11,80,788**	**40,68,539**	**57,795**	**1,63,30,273**	**8,42,68,308**
Commission	8,63,836	11,852	15,126	3,216	1,572	22,96,821	1,33,095	-	127	14,535	-	1,322	8,714	14,74,160	48,24,376
Operating Expenses related to Insurance Business	24,27,205	2,00,996	20,960	26,614	4,425	65,41,574	3,36,008	25,872	444	5,380	7,933	68,105	19,663	27,75,999	1,24,61,178
Provision for doubtful debts	(9)	-	-	-	-	(20)	(1)	-	-	-	-	-	-	(13)	(43)
Bad Debts written off	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision for Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	3,35,674	3,35,674
Provision (other than taxation)															
(a) For diminution in the value of investment (Net)	-	-	-	-	-	1,50,851	10,721	-	-	-	38,786	-	-	50,000	2,50,358
(b) Others - Provision for standard and non standard assets	-	-	-	-	-	(163)	-	-	-	-	-	-	-	-	(163)
Goods and Services Tax on Charges	9,73,835	88,969	28,794	18,507	6,823	-	-	-	-	-	-	-	-	-	11,16,928
TOTAL (B)	**42,64,867**	**3,01,817**	**64,880**	**48,337**	**12,820**	**89,89,063**	**4,79,823**	**25,872**	**571**	**19,915**	**46,719**	**69,427**	**28,377**	**46,35,820**	**1,89,88,308**
Benefits paid (Net)	3,34,56,845	48,92,419	17,84,523	4,16,512	37,901	18,43,881	65,69,786	22,92,246	41,205	2,20,625	12,13,770	18,44,445	(26,741)	8,73,460	5,54,60,877
Interim Bonuses Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	37,828	37,828
Change in valuation of liability against life policies in force															
(a) Gross **	(96,042)	7,073	(5,614)	411	25,340	2,11,95,227	(14,26,578)	(5,50,411)	(31,753)	6,01,579	(79,701)	21,54,667	1,794	1,07,80,374	3,25,76,366
(b) (Amount ceded in Re-insurance)	68,522	32	2	-	594	(13,60,863)	(1,35,449)	-	-	-	-	-	1,406	2,791	(14,22,965)
(c) Amount accepted in Re-insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d) Fund Reserve	(3,07,70,160)	69,73,369	(12,33,611)	8,58,948	(85,907)	-	-	-	-	-	-	-	-	-	(2,42,57,361)
(e) Fund Reserve - PDF	9,69,290	-	(1,02,468)	-	-	-	-	-	-	-	-	-	-	-	8,66,822
TOTAL (C)	**36,28,455**	**1,18,72,893**	**4,42,832**	**12,75,871**	**(22,072)**	**2,16,78,245**	**50,07,759**	**17,41,835**	**9,452**	**8,22,204**	**11,34,069**	**39,99,112**	**(23,541)**	**1,16,94,453**	**6,32,61,567**
Surplus/ (Deficit) (D) = (A)-(B)-(C)	**13,21,039**	**-**	**84,520**	**86,618**	**10,302**	**-**	**3,35,747**	**38,684**	**26,621**	**61,943**	**-**	**-**	**52,959**	**-**	**20,18,433**
Appropriations															
Transfer to Shareholders Account	12,88,957	-	81,209	86,618	10,302	-	3,35,747	38,684	26,621	61,943	-	-	52,959	-	19,83,040
Transfer to Other Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance being Funds for Future Appropriations	32,082	-	3,311	-	-	-	-	-	-	-	-	-	-	-	35,393
TOTAL (D)	**13,21,039**	**-**	**84,520**	**86,618**	**10,302**	**-**	**3,35,747**	**38,684**	**26,621**	**61,943**	**-**	**-**	**52,959**	**-**	**20,18,433**
The total surplus as mentioned below :															
(a) Interim Bonuses Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	36,450	36,450
(b) Terminal Bonus Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	1,378	1,378
(c) Allocation of Bonus to policyholders	-	-	-	-	-	-	-	-	-	-	-	-	-	25,53,162	25,53,162
(d) Surplus/(Deficit) shown in the Revenue Account	13,21,039	-	84,520	86,618	10,302	-	3,35,747	38,684	26,621	61,943	-	-	52,959	-	20,18,433
(e) Total Surplus : {a+b+c+d}	**13,21,039**	**-**	**84,520**	**86,618**	**10,302**	**-**	**3,35,747**	**38,684**	**26,621**	**61,943**	**-**	**-**	**52,959**	**25,90,990**	**46,09,423**

*Represents the deemed realised gain as per norms specified by the Authority.

**Represents Mathematical Reserves after allocation of bonus.

Annexure - 1
(Amount in thousands of Indian Rupees)

SCHEDULE 1 PREMIUM FOR THE YEAR ENDED 31ST MARCH, 2021*

Particulars	Linked Business					Non Linked								Par Non Linked Individual Life	Total
	Individual Life	Group Life	Pension Individual	Group Pension	Health Individual	Individual Life	Group Life	Group Life Variable	Pension Individual	Annuity Individual	Group Pension	Group Pension Variable	Health Individual		
1. First year premiums	53,11,491	-	4,63,523	14,290	-	1,12,81,481	7,13,273	-	-	-	56,290	5,34,692	12,334	21,60,358	2,05,47,732
2. Renewal Premiums	1,60,24,147	-	3,92,039	3,48,617	37,750	2,11,25,227	20,33,217	-	12,438	-	5,728	1,77,434	58,033	1,19,00,773	5,21,15,403
3. Single Premiums	3,73,114	86,20,981	54,805	3,11,817	2	11,702	63,98,824	27,77,529	-	10,91,039	17,04,000	37,45,294	-	-	2,50,89,107
Total Premiums	**2,17,08,752**	**86,20,981**	**9,10,367**	**6,74,724**	**37,752**	**3,24,18,410**	**91,45,314**	**27,77,529**	**12,438**	**10,91,039**	**17,66,018**	**44,57,420**	**70,367**	**1,40,61,131**	**9,77,52,242**

* Net of GST/Service Tax

Refer Schedule 16 note 28.

SCHEDULE 1 PREMIUM FOR THE YEAR ENDED 31ST MARCH 2020*

Particulars	Linked Business					Non Linked								Par Non Linked Individual Life	Total
	Individual Life	Group Life	Pension Individual	Group Pension	Health Individual	Individual Life	Group Life	Group Life Variable	Pension Individual	Annuity Individual	Group Pension	Group Pension Variable	Health Individual		
1. First year premiums	53,00,814	-	1,56,640	23,137	-	81,13,284	7,86,731	-	(1,399)	-	-	1,89,122	27,422	33,09,556	1,79,05,307
2. Renewal Premiums	1,42,07,882	-	4,74,787	4,07,628	48,057	1,60,85,356	17,09,968	-	13,967	-	5,436	1,49,156	52,536	1,03,72,809	4,35,27,582
3. Single Premiums	3,16,050	93,98,524	40,785	7,60,250	-	8,292	30,45,866	12,00,280	-	7,64,275	95,600	30,36,929	-	-	1,86,66,851
Total Premiums	**1,98,24,746**	**93,98,524**	**6,72,212**	**11,91,015**	**48,057**	**2,42,06,932**	**55,42,565**	**12,00,280**	**12,568**	**7,64,275**	**1,01,036**	**33,75,207**	**79,958**	**1,36,82,365**	**8,00,99,740**

* Net of GST/Service Tax

Refer Schedule 16 note 28.

Annexure - 1
(Amount in thousands of Indian Rupees)

SCHEDULE 2 COMMISSION EXPENSES FOR THE YEAR ENDED 31ST MARCH, 2021

PARTICULARS	Linked Business					Non Linked Business								Par Non Linked Individual Life	Total
	Individual Life	Group Life	Pension Individual	Pension Group	Health Individual	Individual Life	Group Life	Group Life Variable	Pension Individual	Annuity Individual	Group Pension	Group Pension Variable	Health Individual		
Commission paid															
Direct - First year premiums	5,01,863	-	22,181	-	-	21,99,000	21,716	-	-	-	-	-	2,623	5,43,206	32,90,589
Renewal premiums	3,88,510	26	4,173	40	1,202	6,38,402	57,301	-	196	-	-	24	2,043	5,48,606	16,40,523
Single premiums	5,940	3,158	693	-	-	294	59,330	-	-	17,616	-	827	-	-	87,858
Sub-Total	**8,96,313**	**3,184**	**27,047**	**40**	**1,202**	**28,37,696**	**1,38,347**	**-**	**196**	**17,616**	**-**	**851**	**4,666**	**10,91,812**	**50,18,970**
Add: Commission on Re-insurance Accepted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Less: Commission on Re-insurance Ceded	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Commission	**8,96,313**	**3,184**	**27,047**	**40**	**1,202**	**28,37,696**	**1,38,347**	**-**	**196**	**17,616**	**-**	**851**	**4,666**	**10,91,812**	**50,18,970**
Rewards and Remuneration to Agents/Brokers/Other intermediaries	33,774	143	7,089	-	-	2,35,910	3,683	-	-	3,281	-	38	761	1,24,586	4,09,265
Total Commission	**9,30,087**	**3,327**	**34,136**	**40**	**1,202**	**30,73,606**	**1,42,030**	**-**	**196**	**20,897**	**-**	**889**	**5,427**	**12,16,398**	**54,28,235**

Refer Schedule 16 note 28.

SCHEDULE 2 COMMISSION EXPENSES FOR THE YEAR ENDED 31ST MARCH 2020

PARTICULARS	Linked Business					Non Linked Business								Par Non Linked Individual Life	Total
	Individual Life	Group Life	Pension Individual	Pension Group	Health Individual	Individual Life	Group Life	Group Life Variable	Pension Individual	Annuity Individual	Group Pension	Group Pension Variable	Health Individual		
Commission paid															
Direct - First year premiums	5,00,338	2,338	8,370	1	(7)	17,07,669	24,749	-	(94)	48	-	30	5,991	8,69,601	31,19,034
Renewal premiums	3,33,710	23	4,491	3,215	1,579	4,48,914	52,043	-	222	-	-	81	1,422	4,91,607	13,37,307
Single premiums	4,124	9,688	487	-	-	278	57,655	-	-	12,123	-	1,232	-	-	85,587
Sub-Total	8,38,172	12,049	13,348	3,216	1,572	21,56,861	1,34,447	-	128	12,171	-	1,343	7,413	13,61,208	45,41,928
Add: Commission on Re-insurance Accepted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Less: Commission on Re-insurance Ceded	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Commission	8,38,172	12,049	13,348	3,216	1,572	21,56,861	1,34,447	-	128	12,171	-	1,343	7,413	13,61,208	45,41,928
Rewards and Remuneration to Agents/Brokers/Other intermediaries	25,664	(197)	1,778	-	-	1,39,960	(1,352)	-	(1)	2,364	-	(21)	1,301	1,12,952	2,82,448
Total Commission	**8,63,836**	**11,852**	**15,126**	**3,216**	**1,572**	**22,96,821**	**1,33,095**	**-**	**127**	**14,535**	**-**	**1,322**	**8,714**	**14,74,160**	**48,24,376**

Refer Schedule 16 note 28.

Annexure - 1

(Amount in thousands of Indian Rupees)

SCHEDULE 3 OPERATING EXPENSES RELATED TO INSURANCE BUSINESS FOR THE YEAR ENDED 31ST MARCH 2021

INR in thousands

Particulars	Linked Business					Non Linked Business									Total
	Individual Life	Group Life	Pension Individual	Group Pension	Health Individual	Individual Life	Group Life	Group Life Variable	Pension Individual	Annuity Individual	Group Pension	Group Pension Variable	Health Individual	PAR Non Linked Individual Life	
Employees' remuneration and welfare benefits	18,20,679	61,272	12,084	8,334	1,729	40,38,334	1,36,340	7,906	182	2,901	4,349	20,079	5,489	8,89,527	70,09,204
Travel,conveyance and vehicle running expenses	21,543	197	22	25	6	45,552	454	26	0	9	4	72	19	9,038	76,967
Training expenses	22,989	86	73	11	20	49,000	206	11	1	29	1	32	64	10,492	83,016
Rents, rates and taxes	1,42,250	3,269	945	415	263	3,06,520	7,872	433	19	381	37	1,218	829	73,228	5,37,680
Repairs	63,219	1,744	342	221	95	1,35,687	4,199	231	7	138	20	650	301	31,232	2,38,085
Printing and stationery	8,284	73	40	9	5	18,682	177	10	0	8	1	27	20	3,985	31,323
Communication expenses	20,674	3,813	192	484	47	45,818	9,164	505	3	69	45	1,420	151	11,500	93,885
Legal and professional charges	25,860	948	582	156	107	59,118	399	118	11	175	218	200	317	17,678	1,05,886
Medical fees	27,594	338	-	43	3	68,600	814	45	-	11	4	126	2,946	8,477	1,08,999
Auditor's fees,expenses,etc.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a) as auditor	2,283	-	44	-	12	5,139	-	-	1	18	-	-	38	1,665	9,201
(b) as adviser or in any other capacity,in respect of	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
i) Taxation & Matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Management services	299	-	6	-	2	669	-	-	0	2	-	-	5	217	1,200
(c) in any other capacity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advertisement and publicity	4,56,162	4,168	16,072	167	(2)	17,88,926	1,38,806	138	(1)	16	(12)	1,240	1,961	4,30,961	28,38,604
Interest and bank charges	29,312	-	568	-	159	65,713	-	-	11	228	-	-	495	21,220	1,17,706
Others: 1) Distribution expenses	1,807	-	28	-	(3)	5,687	-	-	(0)	(4)	-	-	(4)	1,138	8,649
2) Agents recruitment, seminar and other expenses	259	3	3	0	0	715	8	0	0	0	0	1	1	157	1,148
3) Recruitment and seminar expenses	24,720	64	90	8	23	52,984	154	9	2	34	1	24	75	11,466	89,654
4) IT expenses (including maintenance)	1,88,924	626	1,866	79	521	4,11,291	1,507	83	38	751	7	233	1,632	1,07,503	7,15,063
5) Policy stamps	24,371	43,384	-	5,502	2	60,589	1,04,488	5,748	-	10	492	16,172	2,602	7,487	2,70,849
6) (Profit)/Loss on sale of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7) Electricity expenses	25,845	651	171	83	48	55,689	1,568	86	3	69	7	243	150	13,299	97,913
8) Miscellaneous expenses	21,269	1,926	545	307	116	39,642	1,277	241	14	204	392	444	303	13,541	80,222
9) Outsourcing expenses	90,590	229	1,307	29	362	2,00,588	552	30	26	521	3	85	1,131	58,437	3,53,890
Depreciation	90,682	320	870	41	243	1,97,240	771	42	18	350	4	119	761	51,171	3,42,632
Total	**31,09,616**	**1,23,110**	**35,850**	**15,914**	**3,758**	**76,52,183**	**4,08,756**	**15,663**	**337**	**5,921**	**5,574**	**42,386**	**19,287**	**17,73,421**	**1,32,11,776**

Refer Schedule 16 note 28.

Annexure - 1
(Amount in thousands of Indian Rupees)

SCHEDULE 3 OPERATING EXPENSES RELATED TO INSURANCE BUSINESS FOR THE YEAR ENDED 31ST MARCH 2020

INR in thousands

Particulars	Linked Business					Non Linked Business								PAR Non Linked Individual Life	Total
	Individual Life	Group Life	Pension Individual	Group Pension	Health Individual	Individual Life	Group Life	Group Life Variable	Pension Individual	Annuity Individual	Group Pension	Group Pension Variable	Health Individual		
Employees' remuneration and welfare benefits	13,88,911	1,43,348	11,980.00	19,014.00	2,369.00	37,23,880	79,618.00	18,482.00	269.00	2,958.00	6,337.00	47,852.00	8,420.00	15,94,816	70,48,254
Travel,conveyance and vehicle running expenses	42,999	7,332	222	937	55	1,21,234	4,280	938	5	64	121	2,601	192	50,736	2,31,716
Training expenses	35,350	2,937	176	372	48	99,899	1,732	375	4	53	32	1,055	173	41,856	1,84,062
Rents, rates and taxes	1,12,181	4,238	880	537	246	2,97,922	2,499	541	20	263	46	1,522	839	1,26,674	5,48,408
Repairs	59,785	4,958	1,034	640	281	1,26,277	2,856	636	24	302	119	1,731	921	57,190	2,56,754
Printing and stationery	10,330	1,032	185	131	48	22,498	609	132	4	50	11	371	168	10,439	46,008
Communication expenses	25,307	3,287	469	417	128	52,456	1,935	420	10	135	39	1,178	430	24,206	1,10,417
Legal and professional charges	26,943	3,292	588	460	119	53,934	1,695	429	14	145	276	1,000	396	25,453	1,14,744
Medical fees	11,273	3	-	-	1	21,944	74,798	2	-	5	-	-	1,376	3,253	1,12,655
Auditor's fees,expenses,etc.															
(a) as auditor	2,207	206	44	26	12	4,345	122	26	1	13	2	74	40	2,021	9,139
(b) as adviser or in any other capacity,in respect of															
i) Taxation & Matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ii) Management services	95	9	2	1	1	188	5	1	-	1	-	3	2	87	395
(c) in any other capacity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advertisement and publicity	3,32,325	1,040	483	136	(103)	10,67,032	586	134	(17)	(77)	37	354	376	4,50,996	18,53,302
Interest and bank charges	25,859	-	513	-	143	50,953	-	-	12	150	-	-	473	21,991	1,00,094
Others: 1) Distribution expenses	(2,275)	(564)	(183)	(72)	(33)	(1,397)	(333)	(72)	(2)	(34)	(6)	(203)	(153)	(2,552)	(7,879)
2) Agents recruitment, seminar and other expenses	1,586	38	16	5	1	4,952	23	5	-	1	-	14	12	2,300	8,953
3) Recruitment and seminar expenses	19,380	975	111	129	19	56,120	546	126	2	23	39	329	86	23,926	1,01,811
4) IT expenses (including maintenance)	1,39,288	10,177	1,146	1,325	291	3,67,941	5,799	1,307	27	328	307	3,505	976	1,56,451	6,88,868
5) Policy stamps	12,496	72	205	134	-	74,089	1,48,623	-	-	131	19	302	2,287	6,334	2,44,692
6) (Profit)/Loss on sale of assets	1,730	167	35	21	10	3,341	98	21	1	10	2	60	33	1,564	7,093
7) Electricity expenses	27,073	1,536	325	195	91	65,419	906	196	7	96	17	551	304	28,561	1,25,277
8) Miscellaneous expenses	20,347	3,462	513	501	100	33,152	1,679	455	15	134	390	976	276	15,331	77,331
9) Outsourcing expenses	71,056	6,207	1,356	787	357	1,49,140	3,660	793	28	375	67	2,229	1,235	69,769	3,07,059
Depreciation	62,959	7,244	860	918	241	1,46,255	4,272	925	20	254	78	2,601	801	64,597	2,92,025
Total	**24,27,205**	**2,00,996**	**20,960**	**26,614**	**4,425**	**65,41,574**	**3,36,008**	**25,872**	**444**	**5,380**	**7,933**	**68,105**	**19,663**	**27,75,999**	**1,24,61,178**

Refer Schedule 16 note 28.

Annexure - 1
(Amount in thousands of Indian Rupees)

SCHEDULE 4 BENEFITS PAID (NET) FOR THE YEAR ENDED 31ST MARCH, 2021

INR in thousands

Particulars	Linked Business					Non Linked Business								Par Non Linked Individual Life	Total
	Individual Life	Group Life	Pension Individual	Group Pension	Health Individual	Individual Life	Group Life	Group Life Variable	Pension Individual	Annuity Individual	Group Pension	Group Pension Variable	Health Individual		
1. Insurance Claims															
(a) Claims by Death	15,77,841	-	47,746	1,499	606	21,13,798	35,05,975	-	4,263	18,364	30,041	-	(271)	5,58,190	78,58,052
(b) Claims by Maturity	1,04,80,466	-	4,11,303	-	-	2,59,207	-	-	-	-	-	-	-	(43)	1,11,50,933
(c) Annuities / Pension Payment	1,196	-	-	-	-	299	-	-	-	1,60,620	-	-	-	-	1,62,115
(d) Other benefits								-	-	-					
(i) Surrender	1,78,36,884	54,37,090	11,13,569	7,06,720	37,531	15,12,230	11,51,028	16,84,013	70,007	(17)	78,588	4,43,002	332	3,45,136	3,04,16,113
(ii) Riders	7,630	-	655	-	53	18,580	14,809	-	-	-	-	-	22,030	11,808	75,565
(iii) Health	-	-	-	-	1,974	30	-	-	-	-	-	-	(1,677)	(2)	325
(iv) Survival and Others	1,05,249	-	11,977	-	84	9,42,893	5	-	42,031	515	-	-	4,198	2,88,393	13,95,345
2. (Amount ceded in reinsurance)															
(a) Claims by Death	(5,53,919)	-	(1,135)	-	-	(10,59,801)	(15,34,111)	-	-	-	-	-	-	(45,157)	(31,94,123)
(b) Claims by Maturity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) Annuities / Pension payment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d) Other benefits (Health)	-	-	-	-	(532)	130	-	-	-	-	-	-	(18,619)	-	(19,021)
3. Amount accepted in reinsurance:															
(a) Claims by Death	-	-	-	-	-	-	-	-	-		-	-	-	-	-
(b) Claims by Maturity	-	-	-	-	-	-	-	-	-		-	-	-	-	-
(c) Annuities / Pension Payment	-	-	-	-	-	-	-	-	-		-	-	-	-	-
(d) Other benefits	-	-	-	-	-	-	-	-	-		-	-	-	-	-
TOTAL	2,94,55,347	54,37,090	15,84,115	7,08,219	39,716	37,87,366	31,37,706	16,84,013	1,16,301	1,79,482	1,08,629	4,43,002	5,993	11,58,325	4,78,45,304

Annexure - 1

(Amount in thousands of Indian Rupees)

SCHEDULE 4 BENEFITS PAID (NET) FOR THE YEAR ENDED 31ST MARCH 2020

INR in thousands

Particulars	Linked Business					Non Linked Business								Par Non Linked Individual Life	Total
	Individual Life	Group Life	Pension Individual	Group Pension	Health Individual	Individual Life	Group Life	Group Life Variable	Pension Individual	Annuity Individual	Group Pension	Group Pension Variable	Health Individual		
1. Insurance Claims															
(a) Claims by Death	11,58,595	-	47,052	6,739	89	14,94,100	22,96,727	-	8,831	1,02,965	10,028	-	(7,081)	4,38,614	55,56,659
(b) Claims by Maturity	1,29,94,291	-	4,33,891	-	-	74,076	-	-	-	-	-	-	-	363	1,35,02,621
(c) Annuities / Pension Payment	-	-	-	-	-	-	-	-	-	1,17,118	-	-	-	-	1,17,118
(d) Other benefits								-	-	-					
(i) Surrender	1,95,65,003	48,92,416	12,94,769	4,09,773	36,968	9,21,454	51,41,028	22,92,246	19,879	(122)	12,03,739	18,44,445	(13,115)	1,94,293	3,78,02,776
(ii) Riders	12,435	-	-	-	186	22,750	25,021	-	-	-	-	-	15,523	9,572	85,487
(iii) Health	-	-	-	-	1,110	62	-	-	-	-	-	-	2,674	4	3,850
(iv) Survival and Others	1,74,081	3	8,811	-	30	2,72,923	30	-	12,495	664	3	-	3,691	2,39,943	7,12,674
2. (Amount ceded in reinsurance)															
(a) Claims by Death	(4,47,560)	-	-	-	-	(9,41,484)	(8,93,020)	-	-	-	-	-	-	(9,329)	(22,91,393)
(b) Claims by Maturity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) Annuities / Pension payment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d) Other benefits (Health)	-	-	-	-	(482)	-	-	-	-	-	-	-	(28,433)	-	(28,915)
3. Amount accepted in reinsurance:															
(a) Claims by Death	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b) Claims by Maturity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) Annuities / Pension Payment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d) Other benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	**3,34,56,845**	**48,92,419**	**17,84,523**	**4,16,512**	**37,901**	**18,43,881**	**65,69,786**	**22,92,246**	**41,205**	**2,20,625**	**12,13,770**	**18,44,445**	**(26,741)**	**8,73,460**	**5,54,60,877**

Disclosures in respect of transactions with Related Parties and outstanding for the year ended 31 Mar 21

(Amount in thousands of Indian Rupees)

(A) NAME OF RELATED PARTIES WHERE CONTROL EXISTS

Ultimate Holding company	Grasim Industries Limited
Holding Company	Aditya Birla Capital Limited
Foreign Partner	Sun Life Financial (India) Insurance Investments Inc.
Subsidiary	Aditya Birla Sun Life Pension Management Company Limited

(B) KEY MANAGEMENT PERSONNEL

	Mr. Kamlesh Rao (w.e.f August 19, 2019)	Mr. Pankaj Razdan (upto 5th August 2019)
Relatives of Key Managerial Personnel	Mrs. Akila Kamlesh Rao (Spouse) (w.e.f. 19th August 2019)	Ms. Sonia Razdan (Spouse) (upto August 5, 2019)
	Mrs. Sudha Dayanand Rao (Mother) (w.e.f August 19, 2019)	Mr.Jawaharlal Salegram Razdan (Father) (upto August 5, 2019)
	Mr. Ronak Kamlesh Rao (Son) (w.e.f August 19, 2019)	Ms. Sheela J. Razdan (Mother) (upto August 5, 2019)
	Mrs. Harsaana Sirsikar (Sister) (w.e.f August 19, 2019)	Mr. Arjun Razdan (Son) (upto August 5, 2019)
	Mr. Rajesh Dayanand Rao (Brother) (w.e.f August 19, 2019)	Mr. Sanjay Razdan (Brother) (upto August 5, 2019)

(C) DISCLOSURES OF TRANSACTION BETWEEN THE GROUP AND RELATED PARTIES AND OUTSTANDING BALANCES FOR THE PERIOD ENDED :

(Amounts in thousands)

Sr. No.	Name of the related party with whom the transaction has been made	Description of relationship with the party	Nature of Transaction		Audited Transactions during the year ended		Audited outstanding balance recoverable / (payable) as on	
					31 Mar 21	31 Mar 20	31 Mar 21	31 Mar 20
1	2	3	4		5	6	7	8
1	Grasim Industries Limited	Ultimate Holding company	a)	Interest income on Non Convertible Debentures (NCD)	7,849	44,052	7,549	7,550
			b)	Purchase / (Sale) of NCD / Outstanding NCD	-	(4,00,000)	1,00,000	1,00,000
			c)	Group Insurance Premium	51,810	39,998	(12,192)	(13,788)
2	Aditya Birla Capital Limited	Holding Company	a)	Reimbursement of expenses	3,30,641	3,11,446	(33,620)	(24,911)
			b)	Recovery of expenses	6,650	10,675	-	-
			c)	Employee Stock Options	22,182	24,568	-	-
			d)	Group Insurance Premium	13,556	11,800	(1,550)	(1,678)
3	Aditya Birla Finance Limited	Fellow Subsidiary	a)	Recovery of expenses	718	529	-	-
			b)	Rent Income	3,055	33,823	1,835	4,499
			c)	Security Deposit Received	-	-	(8,830)	(8,830)
			d)	Purchase / (Sale) of NCD / Outstanding NCD	-	(1,50,000)	29,50,000	29,50,000
			e)	Interest income on NCD	2,67,484	2,68,412	1,34,069	1,34,185
			f)	Reimbursement of expenses	9,797	4,985	-	-

(Amounts in thousands)

Sr. No.	Name of the related party with whom the transaction has been made	Description of relationship with the party	Nature of Transaction		Audited Transactions during the year ended		Audited outstanding balance recoverable / (payable) as on	
					31 Mar 21	31 Mar 20	31 Mar 21	31 Mar 20
1	2	3	4		5	6	7	8
			g)	Group Insurance Premium	1,43,272	66,352	(18,063)	(5,422)
			h)	Reimbursement of expenses transferred from Aditya Birla MyUniverse Limited	-	-	-	46
4	Aditya Birla Money Insurance Advisory Services Limited	Fellow Subsidiary	a)	Commission expenses	31,407	13,411	(6,203)	(2,003)
			b)	Reimbursement of expenses	-	264	-	-
5	Aditya Birla Money Limited	Fellow Subsidiary	a)	Brokerage expenses	8,374	5,165	-	-
			b)	Reimbursement of expenses	-	2,436	-	(13)
			c)	Rent Expenses	208	1,645	(31)	(188)
			d)	Rent Income	223	-	209	
			f)	Recovery of expenses	464	20	-	-
			g)	Purchase of NCD	1,00,760	-	-	-
			h)	Sale of NCD	-	99,727	-	-
			i)	Purchase of Fixed Asset	2	-	(2)	-
			j)	Group Insurance Premium	1,014	857	(1,702)	(268)
6	Aditya Birla Financial Shared Services Limited	Fellow Subsidiary	a)	Advance given for expenses	83,821	89,505	8,498	8,563
			b)	Reimbursement of expenses	4,54,427	4,16,659	(1,06,005)	(82,392)
			c)	Recovery of expenses	3,290	4,470	-	-
			d)	Group Insurance Premium	1,383	977	(407)	(635)
7	Aditya Birla Insurance Brokers Limited	Fellow Subsidiary	a)	Recovery of expenses	665	755	-	-
			b)	Rent Income	1,202	1,935	32	591
			c)	Brokerage expenses	5,631	4,546	(409)	(538)
			d)	"Retirement Benefit liability of transferred employee"	981	4,665	-	-
			e)	Reinsurance payment on behalf of reinsurer	1,309	4,602	-	(2,147)
			f)	Group Insurance Premium	1,572	1,276	(388)	(287)
8	Aditya Birla Capital Technology Services Limited	Fellow Subsidiary	a)	Recovery of expenses transferred to Aditya Birla Finance Limited	-	46	-	-
	(Formerly Aditya Birla MyUniverse Limited)		b)	Reimbursement of expenses	64,200	5,900	(15,357)	-
			c)	Advance given for expenses	7,960	-	481	-
			d)	Recovery of Expenses	20		-	-
			e)	Group Insurance Premium	98	32	(156)	(319)

(Amounts in thousands)

Sr. No.	Name of the related party with whom the transaction has been made	Description of relationship with the party	Nature of Transaction		Audited Transactions during the year ended		Audited outstanding balance recoverable / (payable) as on	
					31 Mar 21	31 Mar 20	31 Mar 21	31 Mar 20
1	2	3	4		5	6	7	8
9	Aditya Birla Sun Life Asset Management Company Limited	Fellow Subsidiary	a)	Recovery of expenses	1,559	1,010	-	-
			b)	Rent Income	329	115	179	40
			c)	Reimbursement of expenses	377	923	-	(19)
			d)	Purchase of Fixed Asset	2,531	5	-	(5)
			e)	Group Insurance Premium	84,532	68,878	(20,277)	(7,793)
10	Aditya Birla Housing Finance Limited	Fellow Subsidiary	a)	Interest income on NCD	12,849	12,978	7,429	7,554
			b)	Sale of NCD	50,000	-	1,00,000	1,50,000
			c)	Commission expenses	12,753	15,654	(7,387)	(3,618)
			d)	Reimbursement of expenses	7,991	673	(6,726)	-
			e)	Group Insurance Premium	2,19,715	2,67,735	(24,089)	(5,405)
11	Aditya Birla Health Insurance Limited	Fellow Subsidiary	a)	Recovery of expenses	254	32	-	-
			b)	Rent Income	-	8,863	-	-
			c)	Group Mediclaim premium paid	15,230	29,129	2,375	14,441
			d)	Reimbursement of Expenses	591	1,244	-	-
			e)	Sale of Asset	13	-	-	-
			f)	Group Insurance Premium	6,793	4,663	(722)	(293)
12	UltraTech Cement Limited	Fellow Subsidiary	a)	Interest income on NCD	28,033	41,192	12,694	15,235
			b)	Sale of NCD	1,00,000	3,00,000	3,50,000	4,50,000
			c)	Group Insurance Premium	37,817	28,380	(831)	(2,062)
13	Aditya Birla Capital Foundation	Associate Company	a)	CSR Contributions	27,100	-	-	-
			b)	Reimbursement of Expenses	89	-	-	-
14	Sunlife Assurance company of	Holding of Foreign	a)	Secondment Expenses	30,085	31,888	(6,367)	(9,628)
	Canada	Promoter	b)	Subordinated debt	15,00,000	-	(15,00,000)	-
			c)	Interest on Subordinated debt	21,300	-	-	-
15	Mr. Pankaj Razdan	Key Management Personnel	a)	Managerial remuneration	-	56,500	-	-
16	Mr. Kamlesh Rao	Key Management Personnel	a)	Managerial remuneration	57,860	39,681	-	-
			b)	Long Term Incentive payment	3,791	-	-	-

1. There are no provisions for doubtful debts, amounts written off or amounts written back pertaining to the above transactions.
2. Related party relationship have been identified by the management and relied upon by the auditors.
3. Related party transactions disclosed above denote the transactions entered during the existence of related party relationship.
4. All the above transactions are reported inclusive of Goods and Service Tax, wherever applicable except Group Insurance Premium.

Aditya Birla Sun Life Pension Management Limited

ADITYA BIRLA CAPITAL

Independent Auditor's Report

To the members of
Aditya Birla Sun Life Pension Management Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of **Aditya Birla Sun Life Pension Management Limited** ('the Company'), which comprise the Balance Sheet as at 31st March 2021, 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 then ended, and notes to the financial statements, including 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 by the Act and give a true and fair view in conformity 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 31st March 2021, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for opinion

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

Information other than the financial statements and auditor's report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the board's report including annexures thereto, 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 identified above 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.

Responsibility 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the 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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 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 financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's report, where applicable and unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

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

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

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of 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), Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account

d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act

e) On the basis of the written representations received from the directors as on 31st March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure 'B'.**

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, we report that in our opinion and to the best of our information and explanations given to us, the provisions of Section 197 of the Act are not applicable to the Company.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 23 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

Restriction of use and distribution

This report has been issued at the request of the Company for submission to the Holding Company to enable them to publish consolidated results. As a result, our report may not be suitable for any other purpose. Our report is intended solely for the purpose of information of the Holding Company, the Board of Directors of the Company and the statutory Auditors of the Holding Company and is not intended to be and shall not be used by any other than these specified parties without prior written consent.

For **Sharp & Tannan**
Chartered Accountants
Firm's Registration No. 109982W

Edwin P. Augustine
Partner
(Membership No. 043385)
UDIN: 21043385XXXXXX

Date: 22nd April 2021
Place: Mumbai

Annexure 'A' To The Independent Auditor's Report

(Referred to in paragraph 1 of our report of even date)

((i) (a) The Company is maintaining proper records showing full particulars, including quantitative details of fixed assets.

(b) As explained to us, during the year, the Company has verified the existence of laptops given to employees by obtaining email confirmations from them. Based on our review, no discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, and the records of the Company examined by us, the Company does not hold any immovable property.

(ii) Since the Company is engaged in service activity, it does not hold any inventory and accordingly Paragraph 3(ii) of the Order is not applicable to the Company.

(iii) According to the information and explanations give to us, there are no companies, firms, limited liability partnership and other parties covered in the register maintained under Section 189 of the Act and accordingly, the Paragraph 3(iii) of the Order concerning grant of loan is not applicable to the Company.

(iv) According to the information and explanations given to us, the Company has not advanced any loan, made any investment, given any guarantee or provided any security to the parties covered under Section 185 and 186 of the Act. Accordingly, the Paragraph 3(iv) of the Order is not applicable to the Company.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public and hence in our opinion the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 and other relevant provisions of the Act and the rules framed thereunder are not applicable to the Company.

(vi) The Central government has not prescribed maintenance of cost records under section 148(1) of the Act read with the Companies (Cost Records and Audit) Rules 2014 (as amended) for the services rendered by the Company. Accordingly, Paragraph 3(vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us, and the records of the Company examined by us, in our opinion, amounts deducted/accrued in the books of accounts in respect of undisputed statutory dues including Provident fund, income tax, goods and service tax, and any other statutory dues, have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, there are no arrears of outstanding statutory dues as at the last day of the financial year for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records examined by us, there are no disputed statutory dues as at 31st March 2021 which have not been deposited on account of a dispute.

(viii) According to the information and explanations given to us and records of the Company examined by us, the Company did not have any loans or borrowing from a financial institutions, bank or government. The Company has not issued debentures. Accordingly, the Paragraph 3(viii) of the Order is not applicable to the Company.

(ix) According to the information and explanations given to us, the Company has not raised monies by way of initial public offer or further public offer (including debt instruments). The Company has not taken any term loans during the year. Accordingly, the Paragraph 3(ix) of the Order is not applicable to the Company.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instances of any fraud by the Company or any fraud on the Company by its officers or employees on deputation noticed or reported during the year, nor have we been informed of such case by management.

(xi) According to the information and explanations given to us, the Company has not paid/ provided for managerial remuneration during the financial year. Accordingly, the Paragraph 3(xi) of the Order is not applicable to the Company.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the Paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, all the transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and the relevant details of such related party transactions have been disclosed in the financial statements, etc., as required under the applicable Accounting Standards.

(xiv) According to the information and explanations given to us, the Company had not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the Paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us and the records of the Company examined by us, the Company had not entered into any non-cash transactions with directors or persons connected with him during the year. Accordingly, the Paragraph 3 (xv) of the Order is not applicable to the Company.

(xvi) According to the information and explanations given to us, the Company is not engaged in the business of non-banking financial institution and hence is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Sharp & Tannan**
Chartered Accountants
Firm's Registration No. 109982W

Edwin P. Augustine
Partner
(Membership No. 043385)
UDIN: 21043385XXXXXX

Date: 22nd April 2021
Place: Mumbai

Annexure 'B' to The Independent Auditor's Report

(Referred to in paragraph 2(f) of our report of even date)

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

We have audited the internal financial controls over financial reporting of **Aditya Birla Sun Life Pension Management Limited** ('the Company') as of 31st March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Board of Directors 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 ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ('the Act').

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the 'Guidance Note' issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, 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 of the adequacy of the internal financial control 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 risks that a material weakness exists, and testing and evaluation the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depends on the Auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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.

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 31st March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Sharp & Tannan**
Chartered Accountants
Firm's Registration No. 109982W

Edwin P. Augustine
Partner
(Membership No. 043385)
UDIN: 21043385XXXXXX

Date: 22nd April 2021
Place: Mumbai

Balance Sheet

as at 31st March 2021

Amount in ₹

Particulars	Note No.	As at 31 Mar 21	As at 31 Mar 20
I ASSETS			
(1) Financial Assets			
(a) Cash and Cash Equivalents	2	41,44,896	12,35,686
(b) Bank Balance other than (a) above	3	35,03,039	32,94,970
(c) Trade Receivables	4	81,673	56,829
(d) Investments	**5**	27,16,44,790	26,25,21,159
Sub-Total		**27,93,74,397**	**26,71,08,644**
(2) Non-Financial Assets			
(a) Current Tax Assets (Net)		27,580	13,105
(b) Deferred tax assets (Net)	24	4,89,539	7,10,621
(c) Property, Plant and Equipment	6	7,13,788	13,33,609
(d) Other Intangible assets	7	17,51,559	17,65,617
(e) Other non-Financial assets	8	2,91,81,600	2,27,43,322
Sub-Total		**3,21,64,067**	**2,65,66,274**
Total assets		**31,15,38,465**	**29,36,74,918**
II LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial Liabilities			
(a) Trade Payables			
(i) (i) total outstanding dues of micro enterprises and small enterprises			
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	9	76,02,432	53,16,525
(b) Other Financial Liabilities	10	1,26,17,835	2,62,54,049
Sub- Total		**2,02,20,267**	**3,15,70,574**
(2) Non Financial Liabilities			
(a) Other Non Financial Liabilities	11	92,573	1,13,615
Sub- Total		**92,573**	**1,13,615**
(3) **Equity**			
(a) Equity Share capital	12	39,00,00,000	35,00,00,000
(b) Other Equity	13	(9,87,74,375)	(8,80,09,272)
Total equity		**29,12,25,625**	**26,19,90,728**
Total Equity and Liabilities		**31,15,38,465**	**29,36,74,918**
Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements.

In terms of the Company's report attached
For **SHARP & TANNAN**
Chartered Accountants
Firm's Registration No. 109982W

For and on behalf of the Board of Directors **Aditya Birla Sun Life Pension Management Limited**

Edwin P. Augustine
Partner
Membership No. 043385

Kamlesh Rao
Director
DIN:07665616

Sandeep Asthana
Director
DIN:00401858

Jaibind Sahu
Company Secretary

Sandhya Upadhyay
Chief Financial Officer

Date : 22nd April 2021
Place : Mumbai

Statement of Profit and Loss

for the year ended 31st March 2021

Amount in ₹

	Note No.	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Revenue from operations			
Fee and Commission Income	14	6,95,128	2,50,398
Other Income			
Interest Income	15	2,06,09,530	2,14,73,671
Net Gain on Fair Value Changes	16	95,22,713	51,04,796
Provision no longer required written back	17	1,34,08,137	-
		4,35,40,380	**2,65,78,467**
Total Income		**4,42,35,508**	**2,68,28,865**
Expenses			
(a) Fees and Commission Expenses	18	1,93,022	1,88,466
(b) Employee benefits expense	19	3,91,03,642	4,78,42,462
(c) Depreciation and amortisation expenses	20	18,46,624	30,35,924
(d) Other expenses	21	1,36,36,242	1,38,36,781
Total Expenses		**5,47,79,530**	**6,49,03,632**
Loss Before Tax		**(1,05,44,021)**	**(3,80,74,767)**
Tax Expenses			
Current Tax		-	-
Deferred Tax	24	2,21,082	(4,47,923)
Total Tax Expenses		**2,21,082**	**(4,47,923)**
Loss for the year (A)		**(1,07,65,103)**	**(3,76,26,844)**
Other Comprehensive Income for the year, net of tax		-	-
Total Comprehensive Income for the year, net of tax :		**(1,07,65,103)**	**(3,76,26,844)**
Earnings per equity share :			
Basic- (₹)	22	(0.28)	(1.10)
Diluted - (₹)		(0.28)	(1.10)

The accompanying notes are an integral part of the financial statements.

In terms of the Company's report attached
For **SHARP & TANNAN**
Chartered Accountants
Firm's Registration No. 109982W

For and on behalf of the Board of Directors **Aditya Birla Sun Life Pension Management Limited**

Edwin P. Augustine
Partner
Membership No. 043385

Kamlesh Rao
Director
DIN:07665616

Sandeep Asthana
Director
DIN:00401858

Jaibind Sahu
Company Secretary

Sandhya Upadhyay
Chief Financial Officer

Date : 22nd April 2021
Place : Mumbai

Cash Flow Statement

for the year ended 31st March 2021

(₹ in Lakh)

Note	Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
A	**Cash Flow from Operating Activities**		
	Loss Before Tax	(1,05,44,021)	(3,80,74,767)
	Adjustments for :		
	Expense on Employee Stock Options Scheme	-	(2,05,631)
	Interest on Bonds	(2,04,01,461)	(2,12,65,603)
	Interest on Fixed Deposit	(2,08,068)	(2,08,069)
	Net gain on Fair value changes	(83,89,793)	(42,27,088)
	Loss on sale of property, plant and equipment	-	3,18,358
	Gain on Sale of Investments (Non - current)	(5,70,860)	-
	Gain on Sale of Investments (current)	(5,62,060)	(8,77,708)
	Provision no longer required written back	(1,34,08,137)	-
	Depreciation and Amortisation	18,46,624	30,35,924
	Operating Profit before Working Capital changes	**(5,22,37,778)**	**(6,15,04,584)**
	Adjustment for-		
	Decrease/(Increase) in Trade Receivables	(24,844)	(29,399)
	Decrease/(Increase) in Other Financial Assets	(0)	(2,05,854)
	Decrease/(Increase) in Other Non Financial Assets	(64,38,279)	(85,20,172)
	(Decrease)/Increase in Trade Payables	22,85,907	47,50,924
	(Decrease)/Increase in other Financial Liabilities	(2,28,077)	1,29,54,786
	(Decrease)/Increase in other Non Financial Liabilities	(21,042)	(16,581)
	Cash used in Operations	(5,66,64,113)	(5,25,70,879)
	Income Taxes Refund/(paid)	(14,475)	(2,214)
	Net cash (Used in)/from operations	**(5,66,78,588)**	**(5,25,73,093)**
B.	**Cash Flow from Investing Activities**		
	Purchase of Property, Plant and Equipment and Intangibles	(12,12,745)	(20,02,632)
	Proceeds from sale of Property, Plant and Equipment and Intangibles	-	1,10,833
	Purchase of Investments (Current)	(8,77,07,970)	(2,87,91,924)
	Proceeds from sale of Investments (non-current)	1,08,82,985	-
	Proceeds from sale of Investments (Current)	7,72,41,200	3,26,57,946
	Interest on Bank Deposits	-	2,214
	Interest Received on Investments	2,03,84,329	2,11,94,850
	Net Cash (Used in)/from Investing Activities	**1,95,87,798**	**2,31,71,287**
C.	**Cash Flow from Financing activities**		
	Share of Proceeds from Issue of Equity Shares	4,00,00,000	3,00,00,000
	Net Cash (Used in)/from financing Activities	**4,00,00,000**	**3,00,00,000**
	Net increase in Cash and Cash Equivalents	29,09,210	5,98,194
	Opening Cash and Cash Equivalents	12,35,686	6,37,492
	Closing Cash and Cash Equivalents	**41,44,896**	**12,35,686**

Notes:

1) Cash and cash equivalents are as disclosed under Note 2 of the financial statements
2) The aforesaid statement has been prepared under the indirect method, as set out in "Indian Accounting Standard 7 - Statement of Cash Flow

The accompanying notes are an integral part of the financial statements.

In terms of the Company's report attached
For **SHARP & TANNAN**
Chartered Accountants
Firm's Registration No. 109982W

Edwin P. Augustine
Partner
Membership No. 043385
Date : 22nd April 2021
Place : Mumbai

For and on behalf of the Board of Directors **Aditya Birla Sun Life Pension Management Limited**

Kamlesh Rao
Director
DIN:07665616

Sandeep Asthana
Director
DIN:00401858

Jaibind Sahu
Company Secretary

Sandhya Upadhyay
Chief Financial Officer

Statement of Changes in Equity
for the year ended 31st March 2021

(A) EQUITY SHARE CAPITAL

Amount in ₹

Particulars	As at 31 Mar 21		As at 31 Mar 20	
	No. of Shares	Amount	No. of Shares	Amount
Equity shares of face value of ₹10/- each issued, subscribed and fully paid up				
Balance at the beginning of the year	3,50,00,000	35,00,00,000	3,20,00,000	32,00,00,000
Changes in Equity share capital during the Period	40,00,000	4,00,00,000	30,00,000	3,00,00,000
Balance at the end of the period	**3,90,00,000**	**39,00,00,000**	**3,50,00,000**	**35,00,00,000**

(B) OTHER EQUITY

Amount in ₹

Particulars	Reserve and Surplus		Items of Other Comprehensive income			Equity attributable to Shareholders of Company	Equity Component of ESOP	Total Other Equity
	Retained Earnings							
	Surplus as per Statement of Profit and Loss	General Reserve	Financial Instrument through Other Comprehensive Income	Foreign Currency Translation reserve	Effective Portion of Cash flow hedges			
Balance as of 1st April 2020	(8,80,09,272)	-	-	-	-	(8,80,09,272)	-	(8,80,09,272)
Loss for the period	(1,07,65,103)	-	-		-	(1,07,65,103)		(1,07,65,103)
Total Comprehensive income	(1,07,65,103)	-	-	-	-	(1,07,65,103)	-	(1,07,65,103)
Balance as on 31st March 2021	**(9,87,74,375)**	**-**	**-**	**-**	**-**	**(9,87,74,375)**	**-**	**(9,87,74,375)**

Amount in ₹

Particulars	Reserve and Surplus		Items of Other Comprehensive income			Equity attributable to Shareholders of Company	Equity Component of ESOP	Total Other Equity
	Retained Earnings							
	Surplus as per Statement of Profit and Loss	General Reserve	Financial Instrument through Other Comprehensive Income	Foreign Currency Translation reserve	Effective Portion of Cash flow hedges			
Balance as at 1st April 2019	(5,03,82,427)	-	-	-	-	(5,03,82,427)	2,05,631	(5,01,76,796)
Loss for the year	(3,76,26,844)	-	-			(3,76,26,844)		(3,76,26,844)
Other Comprehensive Income/(loss) for the year	-					-	(2,05,631)	(2,05,631)
Total Comprehensive income	(3,76,26,844)	-	-	-	-	(3,76,26,844)	(2,05,631)	(3,78,32,475)
Balance as at 31st March 2020	**(8,80,09,272)**	**-**	**-**	**-**	**-**	**(8,80,09,272)**	**-**	**(8,80,09,272)**

In terms of the Company's report attached
For **SHARP & TANNAN**
Chartered Accountants
Firm's Registration No. 109982W

Edwin P. Augustine
Partner
Membership No. 043385
Date : 22nd April 2021
Place : Mumbai

For and on behalf of the Board of Directors **Aditya Birla Sun Life Pension Management Limited**

Kamlesh Rao
Director
DIN:07665616

Sandeep Asthana
Director
DIN:00401858

Jaibind Sahu
Company Secretary

Sandhya Upadhyay
Chief Financial Officer

Notes

Forming part of the Financial Statements for the year ended 31st March 2021

NOTE: 1

1.1. CORPORATE INFORMATION

Aditya Birla Sun Life Pension Management Limited ("the Company") is a wholly owned subsidiary of Aditya Birla Sun Life Insurance Company Limited. The Company is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The Company was incorporated on January 09, 2015 with Registration Number U66000MH2015PLC260801 with specific purpose of managing pension fund business. Pension Fund Regulatory and Development Authority ("PFRDA") has granted Certificate of Registration vide a letter dated February 23, 2016 (bearing registration No.: PFRDA/Birla PF/2016) to Aditya Birla Sun Life Pension Management Limited to act as pension fund under National Pension System (NPS).

1.2. SIGNIFICANT ACCOUNTING POLICIES

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. (as amended time to time)

1.3. BASIS OF PREPARATION

The accompanying financial statements have been prepared and presented under the historical cost convention except for certain financial assets and liabilities measured at fair value, on the accrual basis of accounting, in accordance with accounting principles generally accepted in India, the Indian Accounting Standards notified under Section 133 of the Companies Act,2013 (Companies (Indian Accounting Standards) Rules, 2015) The accounting policies have been consistently applied by the Company.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. The financial statements are presented in INR

1.4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Use of Estimates

The preparation of the Company's Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the reporting date. The estimates and judgements are continually evaluated. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

b) Revenue Recognition

"The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation"

Interest Income:
For all Financial instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated

Notes

Forming part of the Financial Statements for the year ended 31st March 2021

future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss(P&L).

c) Fair Values of Financial Instruments

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable, and the unobservable inputs have a significant effect on the instrument's valuation.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

d) Financial Assets

- **Initial recognition and measurement**
  All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

- **Subsequent measurement**
  For purposes of subsequent measurement, financial assets are classified in three categories:

  Financial asset at amortised cost

  Financial asset at fair value through other comprehensive income (FVTOCI)

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

  Equity instruments measured at fair value through other comprehensive income (FVTOCI)

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

  a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

  b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

  After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

- **Financial asset at FVTOCI**
  A financial asset is classified as at the FVTOCI if both of the following criteria are met:

  a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

  b) The asset's contractual cash flows represent SPPI.

  Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity in the statement of Profit or Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

- **Financial asset at FVTPL**
  FVTPL is a residual category. Any financial asset which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Notes

Forming part of the Financial Statements for the year ended 31st March 2021

- **Equity instruments at FVOCI**
  The Company subsequently measures all equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity investments as equity instruments at FVOCI when such instruments meet the definition of definition of Equity under Ind AS 32 Financial Instruments:

  Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

  Gains and losses on these equity instruments are never recycled to profit or loss. Dividends are recognised in profit or loss as dividend income when the right of the payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

e) Property, plant and equipment

i) Property, plant and equipment and depreciation

Property, plant and equipment are stated at historical cost less depreciation. Historical costs include expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate only when it is probable that the future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repair and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual values

Assets costing up to ₹5000 are fully depreciated in the year of acquisition. Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their useful lives as follows. The useful life of assets which are different from Schedule II to the Companies Act, 2013 are as under:

S .No	Asset Type	As per Schedule II of the Companies Act 2013 (years)	Estimated Useful life (years)
1	Computers	3	3
2	Vehicles	8	4
3	Office Equipment	5	5

Intangible assets

Computer Software

Costs associated with maintaining software programmes are recognised as expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets.

Amortisation methods and period

Software licenses are amortised using Straight Line Method over a period of 3 years from the date of being ready for use.

ii) Impairment of Assets

At each balance sheet date, management assesses whether there is any indication, based on internal / external factors, that an asset may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined above. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount, subject to maximum of depreciable historical cost.

f) Taxation

i) Direct Taxes

Current tax

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 in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised 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.

Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of

Notes

Forming part of the Financial Statements for the year ended 31st March 2021

assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognised for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

ii) Indirect Taxes

The Company claims credit of service tax/GST for input services, which is set off against tax on output services. The unutilised credits, if any are carried forward to the future period for set off where there is reasonable certainty of utilization.

g) Provisions and Contingencies

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect current best estimates. A disclosure for contingent liability is made when there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources or it cannot be reliably estimated. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. A contingent asset is neither recognized nor disclosed.

h) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding at the balance sheet date. For the purpose of calculating diluted earnings per share, the net 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.

i) Cash and Cash Equivalents

Cash and cash equivalents for the purposes of Statement of Cash flows include cash and cheques in hand; bank balances liquid mutual funds and other investments with original maturity of three months or less which are subject to insignificant risk of changes in value.

j) Cash Flow Statement:

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

k) Leases

The Company as a lessee

The lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

1. The contract involves the use of an identified asset
2. The Company has substantially all the economic benefits from use of the asset through the period of the lease and

Notes

Forming part of the Financial Statements for the year ended 31st March 2021

3. The Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes right – of – use ("ROU") asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the under lying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value – in – use) is determined on an individual asset basis unless the asset generates cash flows that are largely dependent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment on exercise of an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

l) Segment Reporting

Identification of Segments

Operating Segments are identified based on monitoring of operating results by the chief operating decision maker (CODM) separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss of the Company.

Operating Segment is identified based on the nature of products and services, the different risks and returns, and the internal business reporting system.

Segment Policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

Further, inter-segment revenue has been accounted for based on the transaction price agreed to between segments, which is primarily market based.

Unallocated Corporate Items include general corporate income and expenses, which are not attributable to segments.

m) Employee Benefit Expenses

Employee deputed on secondment basis by the holding company are considered under employee benefit expenses and disclosed accordingly.

Notes

Forming part of the Financial Statements for the year ended 31st March 2021

NOTE: 2 CASH AND CASH EQUIVALENTS

Amount in ₹

Particulars	As at 31 Mar 21	As at 31 Mar 20
Cash on Hand		
Balances with Banks	-	-
Current Accounts	41,44,896	12,35,686
	41,44,896	**12,35,686**

NOTE: 3 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

Amount in ₹

Particulars	As at 31 Mar 21	As at 31 Mar 20
Deposit Accounts (with maturity of more than 12 months)	35,03,039	32,94,970
	35,03,039	**32,94,970**

* As per the PFRDA regulation , the Pension Fund company needs to provide a performance bank guarantee. Accordingly the fixed deposit of ₹ 3,000,000 (Previous year ₹3,000,000) has been marked as lien against the bank guarantee.

NOTE: 4 TRADE RECEIVABLES

Amount in ₹

Particulars	As at 31 Mar 21	As at 31 Mar 20
Unsecured, Considered Good	81,673	56,829
Unsecured, Considered doubtful	-	-
	81,673	**56,829**
Less: Provision for impairment	-	-
	81,673	**56,829**

NOTE: 5 INVESTMENTS

Amount in ₹

Particulars	Face Value Per Unit	Numbers	As at 31 Mar 21	Numbers	As at 31 Mar 20
A. Carried at Fair value through profit or loss (FVTPL)					
9.34% HDFC 28th August 2024	1,00,000	100	11,61,37,374	100	11,27,25,485
9.24% LICHF 30th September 2024	1,00,000	50	5,73,80,637	50	5,53,64,280
8.47% LICHF 15th June 2026 Put 15th July 19	1,00,000	75	8,62,26,528	75	8,26,39,544
8.95% Reliance Industries 9th November 2028 (Sold on 9th April, 2020)	1,00,000	-	-	10	1,11,87,293
Sub Total		**225**		**235**	**26,19,16,602**

Particulars	Face Value Per Unit	As at 31 Mar 21	Numbers	As at 31 Mar 20
B. Carried at Fair value through profit or loss - Mutual Fund				
ABSL Cash Plus Growth Direct Plan	35,894.6410	1,19,00,251	1,891.8420	6,04,557
Sub Total	**35,894.6410**	**1,19,00,251**	**1,891.8420**	**6,04,557**
Total (A+B)		**27,16,44,790**		**26,25,21,158**

Notes

Forming part of the Financial Statements for the year ended 31st March 2021

NOTE: 6 PROPERTY, PLANT AND EQUIPMENT

Amount in ₹

Particulars	Computers	Office Equipments	Vehicles	Total
Gross Block				
As at 1st April 2019	49,02,564	1,10,870	12,97,347	63,10,781
Additions	2,41,546	9,086	-	2,50,632
Deletions	-	-	12,97,347	12,97,347
As at 31st March 2020	**51,44,110**	**1,19,956**	**-**	**52,64,066**
Additions	1,05,020	29,205	-	1,34,225
Deletions	-	-	-	-
As at 31st March 2021	**52,49,130**	**1,49,161**	**-**	**53,98,291**
Accumulated Depreciation				
As at 1st April 2019	21,79,467	41,663	5,96,246	28,17,376
For the year	16,86,534	22,793	2,71,910	19,81,237
Deletions	-	-	8,68,156	8,68,156
As at 31st March 2020	38,66,001	64,456	-	39,30,457
For the year	7,28,102	25,944	-	7,54,046
Deletions	-	-	-	-
As at 31st March 2021	**45,94,103**	**90,400**	**-**	**46,84,503**
As at 31st March 2020	**12,78,109**	**55,500**	**-**	**13,33,609**
As at 31st March 2021	**6,55,027**	**58,761**	**-**	**7,13,788**

NOTE: 7 INTANGIBLE ASSETS

Amount in ₹

Particulars	Computer Software	Total
Gross Block		
As at 1st April 2019	29,16,068.00	29,16,068
Additions	17,52,000	17,52,000
Deletions		-
As at 31st March 2020	**46,68,068**	**46,68,068**
Additions	10,78,520	10,78,520
Deletions		-
As at 31st March 2021	**57,46,588**	**57,46,588**
Accumulated Amortisation		
As at 1st April 2019	18,47,764	18,47,764
For the year	10,54,687	10,54,687
Deletions		-
As at 31st March 2020	29,02,451	29,02,451
For the year	10,92,577	10,92,577
Deletions		-
As at 31st March 2021	**39,95,029**	**39,95,029**
As at 31st March 2020	**17,65,617**	**17,65,617**
As at 31st March 2021	**17,51,559**	**17,51,559**

Notes

Forming part of the Financial Statements for the year ended 31st March 2021

NOTE: 8 OTHER NON-FINANCIAL ASSETS

Amount in ₹

Particulars	As at 31 Mar 21	As at 31 Mar 20
(Unsecured, unless stated otherwise)		
Balance with Government authorities	2,91,81,600	2,27,43,322
	2,91,81,600	**2,27,43,322**

NOTE: 9 TRADE PAYABLES

Amount in ₹

Particulars	As at 31 Mar 21	As at 31 Mar 20
-Total outstanding dues of micro enterprises and small enterprises	-	-
-Total outstanding dues of creditors other than micro enterprises and small enterprises:	76,02,432	53,16,525
	76,02,432	**53,16,525**

Note:
There are no Micro, Small and Medium Enterprises, to whom the company owes dues, which are outstanding for more than 45 days as at 31st March 2021 and no interest payment made during the year to any Micro, Small and Medium Enterprises. (Previous Year MSME/Interest: NIL), This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extend such parties has been identified on the basis of information available with the company.

NOTE: 10 OTHER FINANCIAL LIABILITIES

Amount in ₹

Particulars	As at 31 Mar 21	As at 31 Mar 20
(Carried at amortised cost, except otherwise stated)		
Accrued salaries and benefits		
Other Payables		
Payable related to employees	85,00,000	1,66,80,000
Payable to Holding Company	41,17,835	95,74,049
	1,26,17,835	**2,62,54,049**

NOTE: 11 OTHER NON FINANCIAL LIABILITIES

Amount in ₹

Particulars	As at 31 Mar 21	As at 31 Mar 20
Others		
Statutory Dues	92,573	1,13,615
	92,573	**1,13,615**

Notes

Forming part of the Financial Statements for the year ended 31st March 2021

NOTE: 12 SHARE CAPITAL

Amount in ₹

Particulars	Numbers	As at 31 Mar 21	Numbers	As at 31 Mar 20
Authorised:				
Equity Shares of ₹10/- each	4,00,00,000	40,00,00,000	4,00,00,000	40,00,00,000
		40,00,00,000		**40,00,00,000**
Issued:				
Equity Share Capital				
Equity Shares of ₹10/- each	3,90,00,000	39,00,00,000	3,50,00,000	35,00,00,000
		39,00,00,000		**35,00,00,000**
Subscribed and Fully Paid-up:				
Equity Share Capital				
Equity Shares of ₹10/- each, fully paid-up	3,90,00,000	39,00,00,000	3,50,00,000	35,00,00,000
		39,00,00,000		**35,00,00,000**

1) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Sr. No.	Description	As at 31 Mar 21		As at 31 Mar 20	
		Equity Shares	Preference Shares	Equity Shares	Preference Shares
1	No of Shares Outstanding at the beginning of the year	3,50,00,000	Nil	3,20,00,000	Nil
2	Allotment of fully paid up shares during the year	40,00,000	Nil	30,00,000	Nil
3	No. of Shares Outstanding at the end of the year	3,90,00,000	Nil	3,50,00,000	Nil

2) Term/Right Attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share.

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

There are no equity Shares issued as fully paid-up pursuant to any contract in consideration of other than cash or bonus shares or shares bought back during the preceding last five years.

3) Equity Shares in the Company held by each shareholder holding more than 5 per cent shares and the number of equity shares held are as under:

Equity Shares

Sr. No.	Name of Shareholder	31 Mar 21		31 Mar 20	
		No of Shares Held	% of Total Paid-up Equity Share Capital	No of Shares Held	% of Total Paid-up Equity Share Capital
1	Aditya Birla Sun Life Insurance Company Limited (with nominees)	3,90,00,000	100%	3,50,00,000	100%

Notes

Forming part of the Financial Statements for the year ended 31st March 2021

NOTE: 13 OTHER EQUITY

Amount in ₹

Particulars	As at 31 Mar 21	As at 31 Mar 20
i) Surplus in Profit and loss account		
Opening Balance	(8,80,09,272)	(5,03,82,428)
Addition:		
Loss for the year	(1,07,65,102)	(3,76,26,844)
	(9,87,74,375)	**(8,80,09,272)**
ii) Equity Component of ESOP		
Opening Balance	-	2,05,631
Addition		
Transferred to Statement of Profit and Loss	-	(2,05,631)
	-	-
Total Other Equity	**(9,87,74,375)**	**(8,80,09,272)**

NOTE: 14 FEE AND COMMISSION

Amount in ₹

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Investment Management Fees	2,18,145	1,31,196
PoP fees	4,76,983	1,19,201
	6,95,128	**2,50,398**

NOTE: 15 INTEREST INCOME

Amount in ₹

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Interest Income from Investments		
On Financial Assets classified at fair value through profit or loss	2,04,01,461	2,12,65,603
Interest on deposits with Banks		
On Financial Assets classified at amortised cost	2,08,068	2,08,069
	2,06,09,530	**2,14,73,671**

NOTE: 16 NET GAIN ON FAIR VALUE CHANGES

Amount in ₹

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Net gain / (loss) on financial instruments at fair value through profit or loss		
On trading portfolio		
Equity investment at FVTPL	13,99,783	8,05,016
Debt instrument at FVTPL	81,22,930	42,99,780
	95,22,713	**51,04,796**
Fair Value changes :		
Realised	11,32,920	8,77,708
Unrealised	83,89,793	42,27,088
	95,22,713	**51,04,796**

Notes

Forming part of the Financial Statements for the year ended 31st March 2021

NOTE: 17 PROVISION NO LONGER REQUIRED WRITTEN BACK

Amount in ₹

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Provision no longer required written back	1,34,08,137	-
	1,34,08,137	**-**

* The Company has made investment in units of Alternative Investment Fund ('AIF'), Category II and income generated and distributed by AIF has been recognised in likewise nature.

NOTE: 18 FEES AND COMMISSION EXPENSES

Amount in ₹

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Brokerage	1,85,718	1,77,048
Investment transaction cost	7,304	11,418
	1,93,022	**1,88,466**

NOTE: 19 EMPLOYEE BENEFITS EXPENSES

Amount in ₹

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Salaries and Wages	3,30,07,989	4,42,97,278
Contribution to Provident and Other Funds (Refer Note no 25)	13,74,788	20,42,769
Gratuity (Refer Note no 25)	29,87,719	-
Leave Encashment (Refer Note no 25)	8,53,381	-
Expense on Employee Stock Options Scheme (Refer Note no 26)	4,32,145	7,52,415
Staff Welfare Expenses	4,47,620	7,50,000
	3,91,03,642	**4,78,42,462**

NOTE: 20 DEPRECIATION AND AMORTISATION EXPENSES

Amount in ₹

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Depreciation on Property, plant and equipment	7,54,046	19,81,237
Amortisation of Intangible Assets	10,92,577	10,54,687
	18,46,624	**30,35,924**

Notes

Forming part of the Financial Statements for the year ended 31st March 2021

NOTE: 21 OTHER EXPENSES

Amount in ₹

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Rent	32,78,850	29,73,416
Rates and Taxes	22,63,309	15,20,678
Repairs and Maintenance	1,69,715	-
Software support charges	19,04,104	13,19,500
Auditors remuneration		
- Audit Fees	1,00,000	1,00,000
- Other services	3,05,000	3,05,000
- Certification charges	7,500	44,998
- Reimbursement of Expenses	-	30,688
Legal and Professional Expenses	39,31,943	38,92,800
Software license annual maintenance charges	5,56,800	5,57,040
Membership and subscription	-	19,87,304
Director sitting fees	10,40,000	7,20,000
Loss on sale of Property, Plant and Equipment	-	3,18,358
Miscellaneous Expenses	79,021	66,999
Total	**1,36,36,242**	**1,38,36,781**

NOTE: 22 DISCLOSURE AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 33 EARNINGS PER SHARE

Amount in ₹

Particulars		Year Ended 31 Mar 21	Year Ended 31 Mar 20
Earnings per Share (EPS) is calculated as under:			
Weighted-average Number of Equity Shares for calculation of Basic EPS	**(A)**	3,82,76,712	3,42,90,909
Add: Shares Held in Abeyance			
Add: Dilutive impact of Employee Stock Options			
Add: Potential Equity Shares Due to Share Warrants			
Weighted-average number of Equity Shares for calculation of Diluted EPS	**(B)**	3,82,76,712	3,42,90,909
Nominal Value of Shares (₹)		10.00	10.00
Loss attributable to equity holders :			
Continuing Operations	**(C)**	(1,07,65,103)	(3,76,26,844)
Basic EPS (₹)	(C/A)	(0.28)	(1.10)
Diluted EPS (₹)	(C/B)	(0.28)	(1.10)
Discontinued Operations	**(D)**	-	-
Basic EPS (₹)	(D/A)	-	-
Diluted EPS (₹)	(D/B)	-	-
Continuing and Discontinued Operations	**(E)**	(1,07,65,103)	(3,76,26,844)
Basic EPS (₹)		(0.28)	(1.10)
Diluted EPS (₹)		(0.28)	(1.10)

Notes

Forming part of the Financial Statements for the year ended 31st March 2021

NOTE: 23 CONTINGENT LIABILITIES NOT PROVIDED FOR

A) Claims Against the Company not acknowledged as debts

Amount in ₹

Nature of Statute	Brief description of contingent liabilty	31 Mar 21	31 Mar 20
Others	Performance Guarantee issued to Pension Fund Regulatory Development authority (PFRDA)	30,00,000	30,00,000
Grand Total		**30,00,000**	**30,00,000**

B) Commitments made and outstanding on Fixed Assets

Particular	31 Mar 21	31 Mar 20
Estimated amounts of contracts to be executed on capital account and not provided for (net of advances)	-	5,00,000.00

NOTE: 24 INCOME TAXES

Amount in ₹

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
(A) The major components of income tax expense are:		
(a) Profit or loss section		
Current income tax:		
Current income tax charge		
Adjustments in respect of current income tax of previous year	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	2,21,082	(4,47,923)
Relating to origination and reversal of temporary differences of previous year		
Income tax expense/(income) reported in Profit or Loss	**2,21,082**	**(4,47,923)**

(B) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31st March 2021 and 31st March 2020:

Particulars	31 Mar 21	31 Mar 20
Accounting profit / (loss) before income tax	(1,05,44,021)	(3,80,74,767)
Corporate tax rate	26.00%	26.00%
Tax on Accounting profit / (loss)	(27,41,446)	(98,99,440)
Adjustments in respect of current income tax of previous years	-	
Adjustments in respect of Deferred Tax not being created on tax losses	29,62,528	94,51,517
Relating to origination and reversal of temporary differences		
Tax effect on other items	-	
Income tax expense/ (income) reported in the statement of profit and loss	2,21,082	(4,47,923)

(C) Deferred tax:

Deferred tax relates to the following:

Particulars	Balance Sheet		Statement of Profit & Loss	
	31 Mar 21	31 Mar 20	31 Mar 21	31 Mar 20
Deferred tax Assets				
Other items giving rise to temporary differences				
Depreciation	5,51,578	7,11,354	(1,59,776)	4,29,021
Deferred tax Liabilities				
Depreciation	-	-	-	
Other items giving rise to temporary differences	62,039	733	61,306	(18,902)
Deferred tax (expense)/income	4,89,539	7,10,621	(2,21,082)	4,47,923

Notes

Forming part of the Financial Statements for the year ended 31st March 2021

Reflected in the balance sheet as follows:

Amount in ₹

Particulars	31 Mar 21	31 Mar 20
Deferred tax assets	5,51,578	7,11,354
Deferred tax liabilities	62,039	733
Deferred tax Assets/(liabilities), net	**4,89,539**	**7,10,621**

(D) Reconciliation of deferred tax Assets/ (liabilities) (net):

Amount in ₹

Particulars	31 Mar 21	31 Mar 20
Opening balance as of 1st April Asset/ (Liabilities)	7,10,621	2,62,698
Tax income/(expense) during the year recognised in profit or loss	(2,21,082)	4,47,923
MAT Credit recognised directly in the Balance Sheet		
Relating to origination and reversal of temporary differences of previous year		
Closing balance as at 31st March	**4,89,539**	**7,10,621**

(E) Unused tax losses on which no deferred tax asset is recognised in the Balance Sheet

Amount in ₹

Particulars	Base amount	Deferred tax asset	Expiry date (A.Y)
pertaining to Assessment year 2020-2021			
- Unabsorbed depreciation	16,65,008	4,32,902	Indefinitely
- Brought forward business loss	3,97,52,849	1,03,35,741	A.Y 2028-2029
pertaining to Assessment year 2021-2022			
- Unabsorbed depreciation	16,34,649	4,25,009	Indefinitely
- Brought forward business loss	1,68,20,328	43,73,285	A.Y 2029-2030
	5,98,72,834	**1,55,66,937**	

NOTE: 25 RETIREMENT BENEFITS

During the year the Company did not have any employees on its payroll. All employees are on deputation from the holding Company. Considering the aforesaid, the defined benefit obligation is accounted for in the books of the holding Company.

a) Defined contribution plan

During the year the company has recognised the below amounts in the statement of profit and loss under defined contribution plan

Amount in ₹

Particulars	Year Ended	
	31 Mar 21	31 Mar 20
Contribution to Employees Provident Fund	11,68,824	12,82,751
Contribution to National Pension Scheme	2,05,964	7,60,018
Total	**13,74,788**	**20,42,769**

b) Defined benefit plan

During the year the Company does not have any employees on its payroll. All employees are on deputation from the holding Company. Considering the aforesaid, the defined benefit obligations in respect of gratuity and leave encashment amounting to ₹29,87,719 and ₹8,53,381 respectively have been cross charged by the holding company to the company.

Notes

Forming part of the Financial Statements for the year ended 31st March 2021

NOTE: 26 EMPLOYEE STOCK OPTION PLAN

Pursuant to ESOP Plan being established by the intermediary holding company (i.e. Aditya Birla Capital Limited), stock options were granted to the employees of the Company during the financial year.Total cost incurred by the holding company till date is being recovered from the Company over the period of vesting. Accordingly, a sum of ₹4,32,145. has been recovered from the Company during the year (Previous year ₹7,52,415)

NOTE: 27 RELATED PARTY DISCLOSURE

(a) Relationships:

(A) List of related parties which exercise control and status of transactions entered during the year :

Name of the related party and nature of relationship		Transactions carried out during the year
(i)	**Ultimate Holding Company**	
	Grasim Industries Limited	No
(ii)	**Intermediary Holding Company**	
	Aditya Birla Capital Limited	Yes
(iii)	**Holding Company**	
	Aditya Birla Sun Life Insurance Company Limited (100%)	Yes
(iv)	**Fellow Subsidiary Company**	
	Aditya Birla Capital Technology Services Limited	Yes

(B) List of key management personnel with whom transactions were carried out during the year

Harish Engineer	- Non Executive Director
S C Barghav	- Non Executive Director
Vijay Agarwal	- Non Executive Director
Sashi Krishnan	- Chief Executive Officer (till 22nd January 2021)

(b) The following transactions were carried out with the related parties in the ordinary course of business:

Amount in ₹

Sr No.	Nature of transaction	Year Ended 31 Mar 21	Year Ended 31 Mar 20
1	Aditya Birla Sun Life Insurance Company Limited		
	Equity Share Capital	4,00,00,000	3,00,00,000
	Reimbursement of expenses (incl. taxes)	4,19,19,010	4,80,94,692
	Rent (incl. taxes)	38,50,574	32,81,319
2	Aditya Birla Capital Limited		
	- allotment of ESOP's to employees	4,32,145	9,58,046
3	Aditya Birla Capital Technology Services Limited		
	- Software devlopment service (incl. taxes)	6,46,876	-
3	Director sitting fees		
	Harish Engineer	3,20,000	2,80,000
	S.C Bhargav	3,40,000	3,00,000
	Vijay Agarwal	3,80,000	1,40,000
4	Remuneration to Key Management Personnel		
	Sashi Krishnan		
	Short term employee benefits *	1,34,93,575	2,22,16,081
	Post employment benefits *	23,64,247	13,62,972
	Sale of Property, Plant and Equipment (Vehicle)	-	1,10,833

* being amounts reimbursed to Aditya Birla Sun Life Insurance Company Limited

Notes

Forming part of the Financial Statements for the year ended 31st March 2021

(c) Amount due to related parties

Amount in ₹

Sr No.	Nature of transaction / relationship	As at 31 Mar 21	As at 31 Mar 20
1	Aditya Birla Sun Life Insurance Company Ltd.	41,17,835	95,74,049
2	Aditya Birla Capital Ltd.	-	-
		41,17,835	**95,74,049**

NOTE: 28 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement are met through equity and operating cash flows.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2020 and 31st March 2021

1 FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE – FAIR VALUE HIERARCHY

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1:** Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- **Level 2:** Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3:** Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position. The fair values include any deferred differences between the transaction price and the fair value on initial recognition when the fair value is based on a valuation technique that uses unobservable inputs.

Quantitative disclosures fair value measurement hierarchy for assets as at 31st March 2021

Amount in ₹

Particulars	Level 1	Level 2	Level 3	Total
FVTPLAssets:				
Equity				
Treasurybills				
Corporate NCDs	25,97,44,539			25,97,44,539
Mutual fund investments		1,19,00,251	-	1,19,00,251
CBLO				
Preferenceshares				
Others				
Total	**25,97,44,539**	**1,19,00,251**	**-**	**27,16,44,790**
Total	**25,97,44,539**	**1,19,00,251**	**-**	**27,16,44,790**

Notes

Forming part of the Financial Statements for the year ended 31st March 2021

Quantitative disclosures fair value measurement hierarchy for assets as at 31st March 2020:

Amount in ₹

Particulars	Level 1	Level 2	Level 3	Total
FVTPLAssets:				
Equity				
Treasurybills				
Corporate NCDs	26,19,16,602			26,19,16,602
Mutual fund investments		6,04,557	-	6,04,557
CBLO				
Preferenceshares				
Others				
Total	**26,19,16,602**	**6,04,557**	**-**	**26,25,21,158**
Total	**26,19,16,602**	**6,04,557**	**-**	**26,25,21,158**

The management assessed that cash and cash equivalents, other bank balances, trade payables and other financial liabilities, other financial assets approximate their carrying amount largely due to short term maturity of these instruments

KEY INPUTS FOR LEVEL 2 FAIR VALUATION TECHNIQUE:

1 Mutual Funds: Based on Net Asset Value of the Scheme (Level 2)

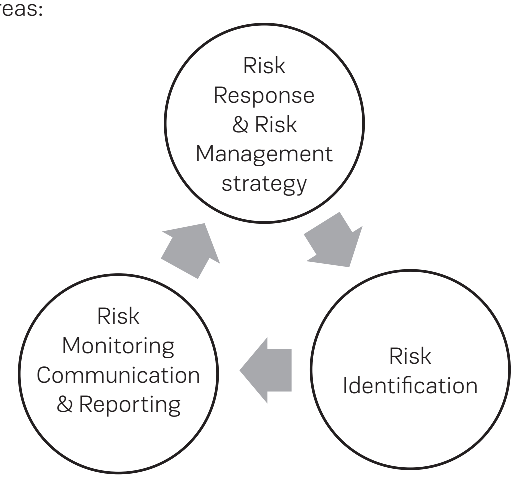
NOTE: 29 RISK MANAGEMENT FRAMEWORK

The Company has an Enterprise Risk Management (ERM) framework covering procedures to identify, assess and mitigate the key business risks. Aligned with the business planning process, the ERM framework covers all business risks including strategic risk, operational risks and investment risks. The key business risks identified are approved by the Board's Risk Management Committee and monitored by the Risk Management team thereafter. The Company also has in place an Operational Risk Management (ORM) framework that supports excellence in business processes, system and facilitates matured business decisions to move to a proactive risk assessment and is in the process of implementing the key operational risk components.

ABSLPML recognises that information is a critical business asset, and that their ability to operate effectively and succeed in a competitive market depends on their ability to ensure that business information is protected adequately through appropriate controls and proactive measures. Accordingly, BSLPML has an information security framework that ensures all the information assets are safeguarded by establishing comprehensive management processes throughout the organisation.

The Company's Investments Function is governed by the Investment Committee appointed by the Board of Directors. Investment Policy and Operating Guidelines laid down by the Board provide the framework for management and mitigation of the risks associated with investments.

ERM encompasses the following areas:



Notes

Forming part of the Financial Statements for the year ended 31st March 2021

Risk Policies

The following risk policies govern and implement effective risk management practices- Code of Conduct; Anti Money Laundering; Business Continuity Planning; Grievances redressal Policy; Information Security Policy; Information Security -Acceptable usage of assets; Investment Code of Conduct; Broker empanelment Policy; Credit Policy; Investment Policy; PPP norms; Risk Management Policy; Valuation Policy; Voting Policy; Whistle Blower Policy

Capital management objectives, policies and approach

The Company has established the following capital management objectives, policies and approach to managing the risks that affect its capital position:

1) To allocate capital efficiently and support the development of business by ensuring that returns on capital employed meet the requirements of its capital providers and shareholders

2) To maintain financial strength to support new business growth and to satisfy the requirements of the policyholders, regulators and stakeholders

3) To maintain a healthy capital ratios in order to support its business objectives and maximise shareholders value

The Company has met all of these requirements throughout the financial year.

Approach to capital management

The Company seeks to optimise the structure and sources of capital to ensure that it consistently maximises returns to the shareholders

The Company's approach to managing capital involves managing assets, liabilities and risks in a coordinated way, assessing shortfalls between reported and required capital levels (by regulated entity) on a regular basis and taking appropriate actions to influence the capital position of the Company in the light of changes in economic conditions and risk characteristics. An important aspect of the Company's overall capital management process is the setting of target risk adjusted rates of return, which are aligned to performance objectives and ensure that the Company is focused on the creation of value for shareholders.

The primary source of capital used by the Company is equity .

Available capital resources at 31st March 2021

Amount in ₹

Particulars	Total
Paid up Capital	39,00,00,000
Retained earning	(9,87,74,375)
Total	**29,12,25,625**

Available capital resources at 31st March 2020

Amount in ₹

Particulars	Total
Paid up Capital	35,00,00,000
Retained earning	(8,80,09,272)
Total	**26,19,90,728**

Regulatory framework

Regulators are primarily interested in protecting the rights of pension fund subscribers and monitor them closely to ensure that the Company is satisfactorily managing affairs for their benefit. At the same time, regulators are also interested in ensuring that the Company maintains an appropriate solvency position to meet unforeseeable liabilities arising from economic shocks or natural disasters. The operations of the Company are subject to regulatory requirements within the jurisdictions in which it operates.

Notes

Forming part of the Financial Statements for the year ended 31st March 2021

NOTE: 30 FINANCIAL RISKS

1. Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to other party by failing to discharge an obligation. We are subject to credit risk in connection with issuers of securities held in their investment portfolio. The losses may occur when a counterparty fails to make timely payments pursuant to the terms of the underlying contractual arrangement or when the counterparty's credit rating or risk profile otherwise deteriorates. The credit risk can occur at multiple levels, as a result of broad economic conditions, challenges within specific sectors of the economy, or from issues affecting individual companies. Events that result in defaults, impairments or downgrades of the securities in their investment portfolio would cause the Company to record realised or unrealised losses and increase their provisions for asset default, adversely impacting earnings

Governance structure, in form of the Investment Committee, and well defined investment policies and processes are in place to ensure that the risks involved in investments are identified and acceptable levels are defined. Stringent investment norms and approval structure ensures healthy portfolio while delivering the expected performance. All regulatory and internal norms are built in the investment system.

Industry Analysis

As on 31st March 2021

Amount in ₹

Particulars	Construction	Electricity, Gas, Steam and Air Conditioning Supply	Financial and Insurance Activities	Govt	Information and Communication	Manufacturing	Others	Total
1 **Financial Assets At FVTPL**								
Debt	-	-	25,97,44,539	-	-	-	-	25,97,44,539
Equity								-
Equity Exchange Traded Funds								-
Mutual Fund Units	-	-	1,19,00,251	-	-	-	-	1,19,00,251
Preference Shares								-
2 **Amortised Cost Financial Assets**								-
Debt								-
Total credit risk exposure	**-**	**-**	**27,16,44,790**	**-**	**-**	**-**	**-**	**27,16,44,790**

As on 31st March 2020

Amount in ₹

Particulars	Construction	Electricity, Gas, Steam and Air Conditioning Supply	Financial and Insurance Activities	Govt	Information and Communication	Manufacturing	Others	Total
1 **Financial Assets At FVTPL**								-
Debt	-	-	26,19,16,602	-	-	-	-	26,19,16,602
Equity								-
Equity Exchange Traded Funds								-
Mutual Fund Units	-	-	6,04,557	-	-	-	-	6,04,557
Preference Shares								-
2 **Amortised Cost Financial Assets**								-
Debt								-
Total credit risk exposure	**-**	**-**	**26,25,21,158**	**-**	**-**	**-**	**-**	**26,25,21,158**

Notes

Forming part of the Financial Statements for the year ended 31st March 2021

Credit exposure by credit rating

As on 31st March 2021

Amount in ₹

Particulars	UNR	SOVEREIGN	AAA	AA+	AA	A1+	Others	Total
1 **Financial Assets At FVTPL**								-
Debt	-	-	25,97,44,539	-	-	-	-	25,97,44,539
Equity								-
Equity Exchange Traded Funds								-
Mutual Fund Units	-	-		-	-	1,19,00,251	-	1,19,00,251
Preference Shares								-
2 **Amortised Cost Financial Assets**								-
Debt								-
Total credit risk exposure	**-**	**-**	**25,97,44,539**	**-**	**-**	**1,19,00,251**	**-**	**27,16,44,790**

As on 31st March 2020

Amount in ₹

Particulars	UNR	SOVEREIGN	AAA	AA+	AA	A1+	Others	Total
1 **Financial Assets At FVTPL**								-
Debt	-	-	26,19,16,602	-	-	-	-	26,19,16,602
Equity								-
Equity Exchange Traded Funds								-
Mutual Fund Units	-	-		-	-	6,04,557	-	6,04,557
Preference Shares								-
2 **Amortised Cost Financial Assets**								-
Debt								-
Total credit risk exposure	**-**	**-**	**26,19,16,602**	**-**	**-**	**6,04,557**	**-**	**26,25,21,158**

It is the Company's policy to maintain accurate and consistent risk ratings across its credit portfolio. This enables management to focus on the applicable risks and the comparison of credit exposures across all lines of business, geographic regions and products. The rating system is supported by a variety of financial analytics combined with processed market information to provide the main inputs for the measurement of counterparty risk. All internal risk ratings are tailored to the various categories and are derived in accordance with the Company's rating policy. The attributable risk ratings are assessed and updated regularly.

NOTE: 31 LIQUIDITY RISK

Liquidity risk is the possibility that the Company will not be able to fund all cash outflow commitments as they fall due. their primary funding obligations arise in connection with the payment to subscribers. Sources of available cash flow include investment related inflows (such as maturities, principal repayments, investment income and proceeds of asset sales).

An asset-liability mismatch occurs when the financial terms of an institution's assets and liabilities do not correspond. These can lead to non-payment/deferment of claims, expenses, etc. Effective cash management and capital planning, ensures that, all obligations are properly met.

Notes

Forming part of the Financial Statements for the year ended 31st March 2021

Maturity analysis on expected maturity bases

As on 31st March 2021

Amount in ₹

Particulars	Less than 3 month	More than 3 month less than 6 month	More than 6 months to not more than 12 months	More than 12 months	Total
Financial assets					
Amortised Cost					
FVOCI					
FVTPL	1,19,00,251			25,97,44,539	27,16,44,790
Investment contract liabilities					-
Other financial liabilities	1,26,17,835				1,26,17,835
Trade and other payables	76,02,432				76,02,432

As on 31st March 2020

Amount in ₹

Particulars	Less than 3 month	More than 3 month less than 6 month	More than 6 months to not more than 12 months	More than 12 months	Total
Financial assets					
Amortised Cost					
FVOCI					
FVTPL	6,04,557			26,19,16,602	26,25,21,158
Investment contract liabilities					-
Other financial liabilities	2,62,54,049				2,62,54,049
Trade and other payables	53,16,525				53,16,525

NOTE: 32 MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. We are exposed to financial and capital market risks – the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes or volatility in market prices. Market risk includes equity market and interest rate risks.

Market risk governance practices are in place, including independent monitoring and review and reporting to senior management and the Risk Management Committee. The Company has an investment policy where all the guidelines are specified for asset allocation and limits.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Floating rate instruments exposes the Company to cash flow interest risk, whereas fixed interest rate instruments expose the Company to fair value interest risk.

The following analysis is performed for reasonably possible movements in key variables with all other variables held constant, showing the impact on profit before tax and equity. The correlation of variables will have significant effect in determining the ultimate impact of interest rate risk, but to demonstrate the impact due to changes in variables, variables had to be changed on an individual basis. It should be noted that movements in these variables are non–linear. The method used for deriving sensitivity information and significant variables has not changed from the previous period.

Notes

Forming part of the Financial Statements for the year ended 31st March 2021

Market indices	Change in Interest rate	31 Mar 21	
		Impact on loss before tax	Impact on equity
Interest rate	0.0025	₹17.97 Lakh	₹17.97 Lakh

Market indices	Change in Interest rate	31 Mar 20	
		Impact on loss before tax	Impact on equity
Interest rate	0.0025	₹22.67 Lakh	₹22.67 Lakh

Operational risks

Operational risk is the risk of loss arising from system failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications or can lead to financial loss. The Company cannot expect to eliminate all operational risks, but by initiating a rigorous control framework and by monitoring and responding to potential risks, the Company is able to manage the risks. Controls include effective segregation of duties, access controls, authorisation and reconciliation procedures, staff education and assessment processes, including the use of internal audit. Business risks such as changes in environment, technology and the industry are monitored through the Company's strategic planning and budgeting process.

NOTE: 33 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. Derivatives have been classified to mature and/or be repaid within 12 months, regardless of the actual contractual maturities of the products. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR. Issued debt reflect the contractual coupon amortisations.

Amount in ₹

Particulars	31 Mar 21			31 Mar 20		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	41,44,896		41,44,896	12,35,686		12,35,686
Bank Balance other than above		35,03,039	35,03,039		32,94,970	32,94,970
Derivative financial instruments			-			-
Loans			-			-
Investments	1,19,00,251	25,97,44,539	27,16,44,790	6,04,557	26,19,16,602	26,25,21,159
Investments accounted for using the equity method			-			-
Trade receivables	81,673		81,673	56,829		56,829
Financial guarantee assets			-			-
Other financial assets			-			-
Non-financial Assets						
Deferred tax assets (net)	4,89,539		4,89,539	7,10,621		7,10,621
Contract asset			-			-
Current tax asset			-			-
Property, plant and equipment		7,13,788	7,13,788		13,33,609	13,33,609
Capital work-in-progress			-			-
Goodwill			-			-
Intangible assets under development			-			-
Other intangible assets		17,51,559	17,51,559		17,65,617	17,65,617
Other non financial assets	2,92,09,182		2,92,09,182	2,27,56,427		2,27,56,427
Total assets	**4,58,25,540**	**26,57,12,925**	**31,15,38,465**	**2,53,64,120**	**26,83,10,798**	**29,36,74,918**

Notes

Forming part of the Financial Statements for the year ended 31st March 2021

Amount in ₹

Particulars	31 Mar 21			31 Mar 20		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Liabilities						
Financial Liabilities						
Trade payables						
(i) total outstanding dues of creditors other than micro enterprises and small enterprises	76,02,432		76,02,432	53,16,525		53,16,525
Derivative financial liabilities			-			-
Debt Securities			-			-
Borrowings (other than debt security)			-			-
Subordinated Liabilities			-			-
Financial guarantee obligations			-			-
Other Financial liabilities	1,26,17,835		1,26,17,835	2,62,54,049		2,62,54,049
Non-financial Liabilities						
Current tax liabilities (net)			-			-
Contract liability			-			-
Provisions			-			-
Deferred tax liabilities (net)			-			-
Other non-financial liabilities	92,573		92,573	1,13,615		1,13,615
Total Liabilities	**2,03,12,840**	**-**	**2,03,12,840**	**3,16,84,189**	**-**	**3,16,84,189**
Net	2,55,12,700	26,57,12,925	29,12,25,626	(63,20,069)	26,83,10,798	26,19,90,728

NOTE: 34 OPERATING SEGMENTS

The Company have two major opeational segment such as POP (distribution of NPS) and managing the funds as a Pension Fund Manager (PFM).

Sr No.	Particulars	31 Mar 21	31 Mar 20
1	**Segment Revenue**		
	Pension Fund Management (PFM)	2,18,145	1,31,479
	Point of Presence (POP)	4,76,983	1,19,201
	Total Segmental Revenue	**6,95,128**	**2,50,680**
	Less: Inter Segment Revenue	-	-
	Total Income from Operations (Net)	**6,95,128**	**2,50,680**
2	**Segment Results (Profit before Finance Costs and Tax)**		
	Pension Fund Management (PFM)	(3,83,08,395)	(4,86,38,227)
	Point of Presence (POP)	(80,36,111)	(57,29,184)
	Total Segment Result	**(4,63,44,506)**	**(5,43,67,410)**
	Less: Finance Costs	-	-
	Add: Interest Income	2,06,09,530	2,14,73,671
	Less: Other Un-allocable (Expenditure) / Income - net	1,51,90,955	(47,33,106)
	Profit after Finance Costs but before Exceptional Items	**(1,05,44,021)**	**(3,76,26,845)**
	Exceptional Items	-	-
3	**Profit before Tax**	**(1,05,44,021)**	**(3,76,26,845)**
4	**Capital Employed**		
	(Segment Assets - Segment Liabilities)		
	Pension Fund Management (PFM)	6,54,256	12,16,799
	Point of Presence (POP)	18,33,697	17,75,646
	Total Segment Capital Employed	**24,87,952**	**29,92,445**
	Add: Unallocated Corporate Assets	28,87,37,673	25,89,98,283
	Total Capital Employed	**29,12,25,625**	**26,19,90,728**

Notes

Forming part of the Financial Statements for the year ended 31st March 2021

The Company is domiciled in India and conducts all its operations from within India. Hence the reporting requirements as regards revenue from customer and non currents by location of customer does not arise.

Revenues from three customers of the Company's Pension fund Management (PFM) segment represents ₹ 195,248 (approximately 40.93%) of the Company's total revenues.

Revenues from three customer of the Company's Point of presence (POP) segment represents ₹1,65,650 (approximately 34.73%) of the Company's total revenues."

NOTE: 35 LEASES

The Company has adopted Ind AS 116 - "Leases" w.e.f. 1st April 2019. Since at the date of intital application, the lease term for all lease contracts were less than 12 months, the Company has elected not to apply the requirements of Ind AS 116 to such short term leases in accordance with the said standard. Considering the aforesaid, there is no impact on the financial statements on adoption of Ind AS 116. The Company has taken computers and other accessories on cancellable operating lease. Lease rentals amounting to ₹ 1,09,814 (Previous year ₹ 1,22,200) has been charged to the Statement of Profit and Loss.

Furthermore based on the cost sharing arrangement with the holding Company , in respect of premises take on cancellable operating lease, lease rentals amounting to ₹ 31,69,036 (Previous year ₹ 2,851,216) have been charged to the Statement of Profit and Loss.

There are no restrictive covenants in the aforesaid lease agreements.

NOTE: 36 MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT 2006 (MSMED ACT)

Based on the information and records available with the Company there are no dues payable to Micro and Small Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to dues which were outstanding for more than 45 days as at 31st March 2021 together with interest payable under this Act does not arise. (Previous year - Nil)

NOTE: 37 CIVID-19

The novel coronavirus (COVID-19) pandemic continues to spread rapidly across the globe including India. The outbreak was identified in China and on 11th March 2020, the COVID-19 outbreak was declared a global pandemic by the World Health Organization. COVID-19 has taken its toll on not just human life, but business and financial markets too. Various governments have introduced a variety of measures to contain the spread of the virus. The Indian government had announced countrywide lockdown which is continued at present.

In this nation-wide lock-down period, though all the services across the nation were suspended (except the specified essential services), some establishments including securities market intermediaries could operate and were exempted from the lock-down.

The management has, at the time of approving the financial statements, assessed the potential impact of the COVID-19 on the Company. Barring any future covid 19 related escalations, based on the current assessment, the management is of the view that impact of COVID-19 on the operations of the Company and the carrying value of its assets and liabilities is not likely to be material.

As per the Company's attached Report of even date

For and on behalf of the Board of Directors **Aditya Birla Sun Life Pension Management Limited**

For **SHARP & TANNAN**
Chartered Accountants
Firm's Registration No. 109982W

Edwin P. Augustine
Partner
Membership No. 043385

Kamlesh Rao
Director
DIN:07665616

Sandeep Asthana
Director
DIN:00401858

Jaibind Sahu
Company Secretary

Sandhya Upadhyay
Chief Financial Officer

Date : 22nd April 2021
Place : Mumbai

Aditya Birla Health Insurance
Co. Limited

ADITYA BIRLA
CAPITAL

Independent Auditor's Report

To The Members of
Aditya Birla Health Insurance Co. Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the Financial Statements of Aditya Birla Health Insurance Co. Limited ('the Company'), which comprise the Balance Sheet as at 31st March 2021, the related Revenue Account (also called the "Policyholders' Account" or the "Technical Account"), the Profit and Loss Account (also called the "Shareholders' Account" or "Non-Technical Account") and the Receipts and Payments Account for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required in accordance with the Insurance Act, 1938 as amended ('the Insurance Act'), the Insurance Regulatory and Development Authority Act, 1999 (IRDAI Act), the IRDAI Financial Statements Regulations and the orders/directions issued by the IRDAI ('the Regulations') and the Companies Act, 2013 ('the Act') to the extent applicable, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, as applicable to the Insurance Companies.

Basis for Opinion

2. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ('ICAI'). 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 ICAI together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder; and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

3. Attention is drawn to Note no. 34 of the Financial Statements, which describes the effects of COVID-19 pandemic and the assessment by the Company's management about impact thereof on the Company's operations as also on financial reporting matters. Our opinion is not modified in respect of this matter.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the year. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon we do not provide a separate opinion on these matters.

Particulars of Key Audit Matters	Audit processes in the matter
Multiple IT systems:	
The Company operates and is dependent on technology considering significant number of transactions that are processed daily across multiple and discrete Information Technology ('IT') systems, some of which are integrated. The audit approach relies extensively on several reports generated by interface of these IT systems and in-built automated controls therein. The major IT systems concerning the financial reporting process include: • **Core Policy administration system** • **Distribution Management system** • **SAP Investment Module** • **SAP Core Accounting system** • **Interface/interplay of one or more of above systems in building up or generating required reports**	We performed a range of audit procedures, which included: • Review of the report of IS testing pertaining to IT systems general controls including access rights over applications, operating systems and databases relied upon for financial reporting. • Obtaining suitable representations from the management about satisfactory operations of controls built in the systems. • In the course of our audit, testing of the key IT general controls by our IT personnel and seeking management's views on identified issues.
IT general and application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner. Adequate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to the applications and data. Management of the Company continuously works on the process of implementing several remediation activities, including 'Mission Transformation'(which aims at integrating all the possible business functions for seamless transition/ recording of data, less manual intervention and automation based reporting framework) that are expected to contribute to reducing the risk over IT applications in the financial reporting process, which includes implementation of preventive and detective controls across critical applications and infrastructure, as also integration of the systems to the best possible extent. Due to the pervasive nature, in our preliminary risk assessment, we planned our audit by assessing the risk of a material misstatement arising from the technology as significant for the audit, hence identified IT systems as Key Audit Matters.	Our audit tests were designed to cover the following: • understanding the Company's IT control environment and key changes in the course of our audit that were considered relevant to the financial reporting & audit; • reviewed the workflow of core transactions as captured by the IT systems; • selectively tested key automated and manual business cycle controls including logic for system generated reports relevant to the financial reporting; • selectively recomputing workings of several data processing results critical to be used in the financial reporting; • Selectively re-evaluating masters updating, interface with resultant reports; • Selective testing of the interface of policy admin system with other allied IT systems.

Information other than the Financial Statements and Auditor's Report Thereon

5. The Company's Board of Directors is responsible for the preparation of the other information, comprising of the information included in the Board's Report including Annexures to Board's Report and such other disclosures related Information, excluding the financial statements and auditor's report thereon ('Other Information').

   In connection with our audit of the Financial Statements, our responsibility is to read the other information when it becomes available 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. Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon. The draft of other information is made available for our review. Based on our review of the certified draft of such other information, we state that there is no reportable observation under SA 720 "The Auditor's responsibilities relating to other Information".

Responsibility of Management for Financial Statements

6. 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 Balance Sheet, the related Revenue Account, the Profit and Loss Account and Receipts and Payments Account of the Company in accordance with the accounting principles generally accepted in India, including the provisions of the Insurance Act, the IRDAI Act, the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDAI Financial Statements Regulations"), orders/directions issued by the IRDAI in this regard, the Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014, and Companies (Accounting Standards) Amendment Rules, 2016, to the extent applicable.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

7. 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. Our audit process in accordance with the SAs is narrated in "Annexure 1" to this report.

Other Matters

8. The actuarial valuation of liabilities in respect of Incurred But Not Reported (IBNR) and Incurred But Not Enough Reported (IBNER) included under claims outstanding and Premium Deficiency Reserve (PDR) as at 31st March 2021 have been duly certified by the Appointed Actuary of the Company. The Appointed Actuary has also certified that the assumptions considered for such valuation are in accordance with the guidelines and norms prescribed by the IRDAI and the Institute of Actuaries of India. We have relied upon such certifications of the said Appointed Actuary.

9. Owing to restrictions in movements and partial lockdown imposed by the Governments, the entire audit finalisation process were carried from remote locations i.e. other than the offices of the Company, where books of account and other data is kept; the audit was carried based on financial and other information remitted by the management of the Company over digital medium. Our report is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by the IRDAI Financial Statements Regulations, we have issued a separate certificate dated 28th April 2021 certifying the matters specified in paragraphs 3 and 4 of Schedule C to the IRDAI Financial Statements Regulations.

11. As required by the IRDAI Financial Statements Regulations, read with Section 143(3) of the Act, we further 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. As the Company's financial accounting system is centralised, no returns for the purposes of our audit are prepared at the branches of the Company.

    d. The Balance Sheet, the Revenue Account, the Statement of Profit and Loss, and the Receipts and Payments Account dealt with by this Report are in agreement with the books of account.

    e. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016, to the extent they are not inconsistent with the accounting principles prescribed in the Regulations and orders/directions issued by IRDAI in this regard.

    f. In our opinion and to the best of our information and according to the explanations given to us, investments have been valued in accordance with the provisions of the Insurance Act, the IRDAI Financial Statements Regulations and/or orders/directions issued by the IRDAI in this regard.

    g. On the basis of the written representations received from the Directors as on 31st March 2021, taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March 2021 from being appointed as a director in terms of section 164 (2) of the Act.

h. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

i. 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 to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act read with section 34A of the Insurance Act and Regulations of IRDAI pertaining thereto.

j. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   (i) The Company does not have pending litigations which would materially impact its financial position. Refer Note III.1 of 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.

For **Khimji Kunverji & Co. LLP**
Chartered Accountants
FRN: 105146W/ W100621

Hasmukh B. Dedhia
Partner
(Membership No: 033494)
ICAI UDIN: 21033494AAAAFC6437

Date: 28th April 2021
Place: Mumbai

For **G B C A & Associates LLP**
Chartered Accountants
FRN: 103142W / W100292

Sanjeev D. Lalan
Partner
(Membership No: 045329)
ICAI UDIN: 21045329AAAAAT3661

Date: 28th April 2021
Place: Mumbai

Annexure 1 to the Independent Auditors' Report to the Members of Aditya Birla Health Insurance Co. Limited

(referred to in paragraph 7 titled "Auditor's Responsibilities for the Audit of the Financial Statements")

As part of our audit in accordance with SAs we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, to design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 management.
- Take into consideration the applicable reporting framework, relevant provisions of the Act and the Rules made there under.
- 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.
- In cases where valuation of assets and liabilities are carried out by any expert like valuer or actuary, verifying whether data given to such expert is complete.
- Recalculating the income accrual, verifying the investments and recomputing the valuation thereof.
- 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.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For **Khimji Kunverji & Co. LLP**
Chartered Accountants
FRN: 105146W/ W100621

Hasmukh B. Dedhia
Partner
(Membership No: 033494)
ICAI UDIN: 21033494AAAAFC6437

Date: 28th April 2021
Place: Mumbai

For **G B C A & Associates LLP**
Chartered Accountants
FRN: 103142W / W100292

Sanjeev D. Lalan
Partner
(Membership No: 045329)
ICAI UDIN: 21045329AAAAAT3661

Date: 28th April 2021
Place: Mumbai

Annexure 2 to the Independent Auditors' Report to the Members of Aditya Birla Health Insurance Co. Limited

[Referred to in paragraph 11(h) titled "Report on other legal and regulatory requirements"]

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (THE "ACT")

We have audited the internal financial controls with reference to financial statements of Aditya Birla Heath Insurance Co. Limited ("the Company") as at 31st March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

The actuarial valuation of liabilities in respect of Incurred But Not Reported (IBNR) and Incurred But Not Enough Reported (IBNER) included under claims outstanding and Premium Deficiency Reserve (PDR) creation is required to be certified by the Appointed Actuary as per the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDA Financial Statements Regulations") and has been relied upon by us, as mentioned in "Other Matter" para of our audit report on the financial statements of the Company as at and for the year ended 31st March 2021. Accordingly, we have not audited the internal financial controls with reference to financial statements in respect of the valuation and accuracy of the aforesaid actuarial valuation.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March 2021 based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls With reference to financial statements issued by the ICAI.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act, the provisions of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015, the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), the IRDA Financial Statements Regulations, orders/ directions issued by the Insurance Regulatory and Development Authority of India (the "IRDA") in this regard.

AUDITORS' RESPONSIBILITY

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

For **Khimji Kunverji & Co. LLP**
Chartered Accountants
FRN: 105146W/ W100621

Hasmukh B. Dedhia
Partner
(Membership No: 033494)
ICAI UDIN: 21033494AAAAFC6437

Date: 28th April 2021
Place: Mumbai

For **G B C A & Associates LLP**
Chartered Accountants
FRN: 103142W / W100292

Sanjeev D. Lalan
Partner
(Membership No: 045329)
ICAI UDIN: 21045329AAAAAT3661

Date: 28th April 2021
Place: Mumbai

Independent Auditors' Certificate

To:
The Board of Directors
Aditya Birla Health Insurance Co. Limited
9th Floor, Tower 1, One Indiabulls Centre,
Jupiter Mills Compound, 841, Senapati Bapat Marg,
Elphinstone Road, Mumbai – 400013

INDEPENDENT AUDITOR'S CERTIFICATE AS REFERRED TO IN PARAGRAPH 10 UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' FORMING PART OF THE INDEPENDENT AUDITOR'S REPORT DATED 28TH APRIL 2021.

1. This certificate is issued to **ADITYA BIRLA HEALTH INSURANCE CO. LIMITED** (the "Company") in accordance with the terms of engagement letter dated 6th August 2020 between G B C A & Associates LLP, Khimji Kunverji & Co. LLP and the Company.

2. This certificate is issued to comply with the provisions of paragraph 3 and 4 of Schedule C of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002, ("the IRDA Financial Statements Regulations") read with Regulation 3 of the IRDA Financial Statements Regulations.

MANAGEMENT'S RESPONSIBILITY

3. The Company's Management is responsible for complying with the provisions of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), the IRDA Financial Statements Regulations, orders/directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI") which includes the preparation of the Management Report. This responsibility includes collecting, collating and validating data and designing, implementing and monitoring of internal controls suitable for ensuring the aforesaid and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

INDEPENDENT AUDITOR'S RESPONSIBILITY

4. Our responsibility for the purpose of this certificate, is to provide reasonable assurance on the matters contained in paragraphs 3 and 4 of Schedule C of the IRDA Financial Statements Regulation read with Regulation 3 of the IRDA Financial Statements Regulations.

5. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Standards on Auditing issued by the Institute of Chartered Accountants of India (ICAI) in so far as applicable for the purpose of this Certificate. This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements".

OPINION

7. In accordance with the information, explanations and representations given to us and to the best of our knowledge and belief and based on our examination of the books of account and other records maintained by the Company for the year ended 31st March 2021 (Our verification was carried out, not at the premises of the Company, but from the remote locations owing to restrictions in movements and partial lockdown imposed by the Governments, as a result, the, relevant information/data required for our verification was furnished to us by the Company over digital medium), We certify that:

   a) We have reviewed the Management Report attached to the financial statements for the year ended 31st March 2021, and on the basis of our review, there is no apparent mistake or material inconsistencies with the financial statements;

   b) Based on the Management representations and compliance certificates submitted to the Board of Directors by the officers of the Company charged with compliance and the same being noted by the Board, we certify that the Company has complied with the terms and conditions of registration stipulated by IRDAI;

   c) We have verified the cash balances and securities relating to the Company's loans and investments as at 31st March 2021, by actual inspection (to the extent possible under the circumstances of restrictions, as referred to above) or on the basis of certificates/ confirmations received from the designated branch/

HO personnel of the Company, Custodian and/ or Depository Participants appointed by the Company, as the case may be. As at 31st March 2021, the Company does not have reversions and life interests;

d) Based on the Management representation, the Company is not a trustee of any trust; and

e) No part of the assets of the Policyholders' Funds has been directly or indirectly applied in contravention to the provisions of the Insurance Act, relating to the application and investments of the Policyholders' Funds.

RESTRICTION ON USE

8. This certificate is issued at the request of the Company solely for use of the Company for inclusion in the annual accounts in order to comply with the provisions of paragraph 3 and 4 of Schedule C of the IRDA Financial Statements Regulations read with Regulation 3 of the IRDA Financial Statements Regulations and is not intended to be and should not be used for any other purpose without our prior consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this Certificate is shown or into whose hands it may come without our prior consent in writing.

For **Khimji Kunverji & Co. LLP**
Chartered Accountants
FRN: 105146W/ W100621

Hasmukh B. Dedhia
Partner
(Membership No: 033494)
ICAI UDIN: 21033494AAAAFC6437

Date: 28th April 2021
Place: Mumbai

For **G B C A & Associates LLP**
Chartered Accountants
FRN: 103142W / W100292

Sanjeev D. Lalan
Partner
(Membership No: 045329)
ICAI UDIN: 21045329AAAAAT3661

Date: 28th April 2021
Place: Mumbai

Form B- RA

Aditya Birla Health Insurance Co. Limited

CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Revenue Account

For the year ended 31st March 2021

(₹ '000)

	Particulars	Schedule	Year Ended 31 Mar 21	Year Ended 31 Mar 20
1	Premiums earned (Net)	1	84,72,330	58,54,079
2	Profit/ Loss on sale/ redemption of investments (Net)		1,33,599	23,658
3	Accretion/(Amortisation) of Debt Securities		(29,561)	(8,499)
4	Others		-	-
5	Interest, Dividend & Rent (Gross)		5,16,638	3,32,396
	Total (A)		**90,93,006**	**62,01,634**
1	Claims Incurred (Net)	2	42,35,677	28,73,257
2	Commission	3	4,94,930	5,15,040
3	Operating Expenses related to Insurance Business	4	64,75,363	52,95,823
4	Premium Deficiency		-	-
	Total (B)		**1,12,05,970**	**86,84,120**
	Operating Loss from miscellaneous business [C= (A - B)]		(21,12,964)	(24,82,486)
	Appropriations			
	Transfer to Shareholders' Account		(21,12,964)	(24,82,486)
	Transfer to Catastrophe Reserve		-	-
	Transfer to Other Reserves		-	-
	Total (D)		**(21,12,964)**	**(24,82,486)**
	SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS	16		

The Schedules referred to above and the notes to accounts form an integral part of the Financial Statements.

As per the Company's report of even date attached

For **Khimji Kunverji & Co. LLP**
Chartered Accountants
FRN : 105146W/W100621

For **G B C A & Associates LLP**
Chartered Accountants
FRN : 103142W / W100292

Hasmukh B. Dedhia
Partner
(Membership No: 033494)

Date : 28th April 2021
Place : Mumbai

Sanjeev D. Lalan
Partner
(Membership No: 045329)

Date : 28th April 2021
Place : Mumbai

For and on behalf of Board of Directors of Aditya Birla Health Insurance Co. Limited

Ajay Srinivasan
Director
DIN: 00121181

Asokan Naidu
Director
DIN: 07425396

Mayank Bathwal
CEO and Whole Time Director
DIN: 06804440

Jigar Mehta
Finance Controller

Maheshkumar Radhakrishnan
Company Secretary
(Membership No: 27720)

Date : 28th April 2021
Place : Mumbai

Form-B-PL

Aditya Birla Health Insurance Co. Limited

CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Profit And Loss Account

For the year ended 31st March 2021

(₹ '000)

Particulars	Schedule	Year Ended 31 Mar 21	Year Ended 31 Mar 20
1 **Operating Loss**			
(a) Miscellaneous Insurance		(21,12,964)	(24,82,486)
2 **Income From Investments**			
(a) Interest, Dividend and Rent (Gross)		2,08,442	1,56,175
(b) Profit on sale of Investments		29,422	23,977
Less: Loss on sale of Investments		-	-
(c) Accretion/(Amortisation) of Debt Securities		(18,027)	(7,595)
3 **Other Income**			
(a) Gain on Foreign Exchange Fluctuation		-	-
(b) Interest Income		-	-
(c) Liabilities no longer required written back		-	-
Total (A)		**(18,93,127)**	**(23,09,929)**
4 **Provisions (Other than Taxation)**			
(a) For diminution in the value of Investments		35,000	40,000
(b) For doubtful debts		-	-
(c) Others		-	-
5 **Other Expenses**			
(a) Expenses other than those related to Insurance Business		47,835	61,458
(b) For doubtful debts		-	-
(c) Interest on delayed refund		645	214
(d) Others		-	-
Total (B)		**83,480**	**1,01,672**
Loss Before Tax [C = (A-B)]		**(19,76,607)**	**(24,11,601)**
Provision for Taxation		-	-
Loss After Tax		**(19,76,607)**	**(24,11,601)**
Appropriations			
(a) Interim dividends paid during the period		-	-
(b) Proposed final dividend		-	-
(c) Dividend distribution tax		-	-
(d) Transfer to any Reserves or Other Accounts		-	-
Balance of Loss brought forward from last Year		(78,67,562)	(54,55,961)
Balance carried forward to Balance Sheet		**(98,44,169)**	**(78,67,562)**
Earnings per Share [Nominal value per share ₹10]			
- Basic	21	**(5.80)**	**(9.17)**
- Diluted	21	**(5.80)**	**(9.17)**
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS	16		

The Schedules referred to above and the notes to accounts form an integral part of the Financial Statements.

As per the Company's report of even date attached

For **Khimji Kunverji & Co. LLP**
Chartered Accountants
FRN : 105146W/W100621

Hasmukh B. Dedhia
Partner
(Membership No: 033494)

Date : 28th April 2021
Place : Mumbai

For **G B C A & Associates LLP**
Chartered Accountants
FRN : 103142W / W100292

Sanjeev D. Lalan
Partner
(Membership No: 045329)

Date : 28th April 2021
Place : Mumbai

For and on behalf of Board of Directors of
Aditya Birla Health Insurance Co. Limited

Ajay Srinivasan
Director
DIN: 00121181

Asokan Naidu
Director
DIN: 07425396

Mayank Bathwal
CEO and Whole Time Director
DIN: 06804440

Jigar Mehta
Finance Controller

Date : 28th April 2021
Place : Mumbai

Maheshkumar Radhakrishnan
Company Secretary
(Membership No: 27720)

FORM-B-BS

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Balance Sheet

as at 31st March 2021

(₹ '000)

Particulars	Schedule	As at 31 Mar 21	As at 31 Mar 20
Sources of funds			
Share capital	5	36,03,943	29,88,558
Reserves and surplus	6	1,02,06,057	76,21,442
Fair value change account - Shareholders		-	-
Fair value change account - Policy holders		3,183	2,180
Borrowings	7	-	-
Total		**1,38,13,183**	**1,06,12,180**
Application of funds			
Shareholders' investments	8	29,40,592	23,11,045
Policyholders' investments	8A	95,24,081	60,99,433
Less : Provision made		(85,000)	(50,000)
Net Policyholders' investments	9	**94,39,081**	**60,49,433**
Loans		-	-
Fixed assets	10	9,45,171	7,46,391
Current assets:			
Cash and bank balances	11	5,15,157	3,51,657
Advances and other assets	12	11,19,856	9,46,371
Sub-total (A)		**16,35,013**	**12,98,028**
Current liabilities	13	56,73,868	38,58,322
Provisions	14	53,16,975	38,01,957
Sub-total (B)		**1,09,90,843**	**76,60,279**
Net current assets (C) = (A - B)		**(93,55,830)**	**(63,62,251)**
Miscellaneous expenditure (To the extent not written off or adjusted)	15	-	-
Debit balance in profit and loss account		98,44,169	78,67,562
Total		**1,38,13,183**	**1,06,12,180**
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS	16		

The Schedules referred to above and the notes to accounts form an integral part of the Financial Statements.

As per the Company's report of even date attached

For **Khimji Kunverji & Co. LLP**
Chartered Accountants
FRN : 105146W/W100621

Hasmukh B. Dedhia
Partner
(Membership No: 033494)

Date : 28th April 2021
Place : Mumbai

For **G B C A & Associates LLP**
Chartered Accountants
FRN : 103142W / W100292

Sanjeev D. Lalan
Partner
(Membership No: 045329)

Date : 28th April 2021
Place : Mumbai

For and on behalf of Board of Directors of
Aditya Birla Health Insurance Co. Limited

Ajay Srinivasan
Director
DIN: 00121181

Asokan Naidu
Director
DIN: 07425396

Mayank Bathwal
CEO and Whole Time Director
DIN: 06804440

Jigar Mehta
Finance Controller

Date : 28th April 2021
Place : Mumbai

Maheshkumar Radhakrishnan
Company Secretary
(Membership No: 27720)

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Receipt and Payment Account

For The Year Ended 31st March 2021

(₹ '000)

Particulars		As at 31 Mar 21	As at 31 Mar 20
CASH FLOWS FROM OPERATING ACTIVITIES			
Premium received from policy holder, including advance receipts, other receipts		1,30,91,800	91,20,249
Payments to the re-insurer, net of commission and Claims		(4,87,905)	(2,21,753)
Payments of claims		(42,73,266)	(29,80,281)
Payments of commission and brokerage		(15,84,810)	(9,98,337)
Payments of other operating expenses		(64,50,911)	(49,51,719)
Deposit, advances and staff loans		16,875	(1,27,113)
Service Tax / Goods and service tax paid		28,801	(19,897)
Other payments		9,837	10,640
Cash inflows / (outflows) before extraordinary items		**3,50,421**	**(1,68,209)**
Cash flows from extraordinary operations		-	-
Net cash inflows / (outflows) from operating activities	**(A)**	**3,50,421**	**(1,68,209)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of fixed assets (including intangible asset under development and capital advances)		(4,47,565)	(3,28,223)
Sale / Disposal of fixed assets		2,48,779	1,99,264
Purchase of investments		(1,44,08,572)	(55,97,579)
Sale of investments		1,04,08,817	20,22,027
Rent / Interest / Dividends received		8,11,620	4,40,937
Net cash flows from investing activities	**(B)**	**(33,86,921)**	**(32,63,574)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from share capital (including share premium)		32,00,000	35,60,000
Net cash flows from financing activities	**(C)**	**32,00,000**	**35,60,000**
Effect of foreign exchange rates on cash and cash equivalents, net		-	-
Net changes in cash and cash equivalents	**(A+B+C)**	**1,63,500**	**1,28,217**
Cash and cash equivalents at the beginning of the year		3,51,657	2,23,440
Cash and cash equivalents at the end of the year (Refer Schedule 11)		5,15,157	3,51,657
Net increase / (decrease) in cash and cash equivalents		1,63,500	1,28,217
Cash and cash equivalents comprise (Refer Schedule 11)			
Balances with banks			
On current accounts		5,09,148	3,45,826
On Deposits		4,395	4,142
Cash on hand		1,614	1,689
Total cash and bank balances at end of the Year		**5,15,157**	**3,51,657**

Note :
Cash comprises cash on hand, Current Accounts and deposits with banks. Cash equivalents are short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of change in value.

For **Khimji Kunverji & Co. LLP**
Chartered Accountants
FRN : 105146W/W100621

Hasmukh B. Dedhia
Partner
(Membership No: 033494)

Date : 28th April 2021
Place : Mumbai

For **G B C A & Associates LLP**
Chartered Accountants
FRN : 103142W / W100292

Sanjeev D. Lalan
Partner
(Membership No: 045329)

Date : 28th April 2021
Place : Mumbai

For and on behalf of Board of Directors of
Aditya Birla Health Insurance Co. Limited

Ajay Srinivasan
Director
DIN: 00121181

Asokan Naidu
Director
DIN: 07425396

Mayank Bathwal
CEO and Whole Time Director
DIN: 06804440

Jigar Mehta
Finance Controller

Maheshkumar Radhakrishnan
Company Secretary
(Membership No: 27720)

Date : 28th April 2021
Place : Mumbai

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Schedules

Forming part of Financial Statements

SCHEDULE – 1 PREMIUM EARNED [NET]

(₹ '000)

Particulars	For the year ended 31 Mar 21			For the year ended 31 Mar 20		
	Health	Personal Accident	Total	Health	Personal Accident	Total
Premium from direct business written*	1,16,58,420	13,47,956	1,30,06,376	75,53,812	11,66,562	87,20,374
Add: Premium on reinsurance accepted	-	-	-	-	-	-
Less: Premium on reinsurance ceded	(29,14,806)	(98,780)	(30,13,586)	(16,91,052)	(83,373)	(17,74,425)
Net Premium	**87,43,614**	**12,49,176**	**99,92,790**	**58,62,760**	**10,83,189**	**69,45,949**
Less: Adjustment for change in reserve for unexpired risks**	(14,34,622)	(85,838)	(15,20,460)	(8,94,209)	(1,97,661)	(10,91,870)
Total Premium Earned (Net)	**73,08,992**	**11,63,338**	**84,72,330**	**49,68,551**	**8,85,528**	**58,54,079**

* Net of Goods and Service Tax

** Includes Freelook Reserves

SCHEDULE – 2 CLAIMS INCURRED [NET]

(₹ '000)

Particulars	For the year ended 31 Mar 21			For the year ended 31 Mar 20		
	Health	Personal Accident	Total	Health	Personal Accident	Total
Claims paid						
Direct	41,27,849	1,45,375	42,73,224	28,63,394	1,16,817	29,80,211
Add: Re-insurance accepted	-	-	-	-	-	-
Less: Re-insurance ceded	(8,26,625)	(33,183)	(8,59,808)	(3,89,675)	(7,587)	(3,97,262)
Net Claims paid	**33,01,224**	**1,12,192**	**34,13,416**	**24,73,719**	**1,09,230**	**25,82,949**
Add: Claims outstanding at the end of the year	13,13,575	3,07,951	16,21,526	6,11,574	1,87,691	7,99,265
Less:Claims outstanding at the beginning of the year	(6,11,574)	(1,87,691)	(7,99,265)	(4,10,968)	(97,989)	(5,08,957)
Total Claims Incurred (Net)	**40,03,225**	**2,32,452**	**42,35,677**	**26,74,325**	**1,98,932**	**28,73,257**

SCHEDULE – 3 COMMISSION

(₹ '000)

Particulars	For the year ended 31 Mar 21			For the year ended 31 Mar 20		
	Health	Personal Accident	Total	Health	Personal Accident	Total
Commission paid						
Direct	14,67,497	1,70,364	16,37,861	9,09,518	1,50,684	10,60,202
Add: Re-insurance accepted	-	-	-	-	-	-
Less: Commission on Re-insurance ceded	(11,33,407)	(9,524)	(11,42,931)	(5,37,426)	(7,736)	(5,45,162)
Net Commission	**3,34,090**	**1,60,840**	**4,94,930**	**3,72,092**	**1,42,948**	**5,15,040**

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

(₹ '000)

Particulars	For the year ended 31 Mar 21			For the year ended 31 Mar 20		
	Health	Personal Accident	Total	Health	Personal Accident	Total
Break Up of expenses incurred to procure business:						
Agents	3,33,353	15,870	3,49,223	1,98,200	15,320	2,13,520
Brokers	3,09,804	34,894	3,44,698	2,04,893	27,668	2,32,561
Corporate Agency	2,25,616	4,554	2,30,170	2,15,753	4,905	2,20,658
Bank assurance	5,32,909	1,15,038	6,47,947	2,42,414	1,02,782	3,45,196
Others	65,815	8	65,823	48,258	9	48,267
	14,67,497	**1,70,364**	**16,37,861**	**9,09,518**	**1,50,684**	**10,60,202**

SCHEDULE – 4 OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

(₹ '000)

Particulars	For the year ended 31 Mar 21			For the year ended 31 Mar 20		
	Health	Personal Accident	Total	Health	Personal Accident	Total
1 Employee's remuneration and welfare benefits	28,98,880	3,19,657	32,18,537	21,59,396	5,09,282	26,68,678
2 Travel, conveyance and vehicle running expenses	27,675	3,200	30,875	1,24,266	19,191	1,43,457
3 Training expenses	(25,859)	(2,990)	(28,849)	72,300	11,166	83,466
4 Rent, rates and taxes	99,895	11,550	1,11,445	1,20,725	18,644	1,39,369
5 Repairs	32,179	3,721	35,900	10,153	1,568	11,721
6 Printing and stationery	51,867	3,888	55,755	60,294	25,151	85,445
7 Communication	51,918	6,003	57,921	36,647	5,660	42,307
8 Legal and professional charges	84,916	9,801	94,717	1,23,778	19,116	1,42,894
9 Auditor's fees, expenses etc					-	
(a) as auditor	2,869	331	3,200	2,599	401	3,000
(b) Certification services	560	65	625	108	17	125
(c) Out of Pocket Expenses	13	19	32	151	23	174
10 Advertisement and publicity	18,97,148	2,19,350	21,16,498	12,86,913	-	12,86,913
11 Interest and bank charges	20,814	2,407	23,221	8,505	1,313	9,818
12 Others						
(a) Membership and subscription	8,872	665	9,537	3,757	1,567	5,324
(b) Loss / (Profit) on Foreign Exchange Fluctuation	8	1	9	51	8	59
(c) Insurance	1,117	129	1,246	683	105	788
(d) Director's sitting fees	1,434	166	1,600	1,265	195	1,460
(e) Miscellaneous expenses	13,689	1,583	15,272	9,056	1,399	10,455
(f) Stamp duty	13,097	982	14,079	11,327	4,725	16,052
(g) Information Technology expenses	1,11,483	8,357	1,19,840	58,500	24,403	82,903
(h) Electricity expense	13,819	1,598	15,417	20,490	3,164	23,654
(i) Housekeeping charges	44,105	5,099	49,204	41,478	6,406	47,884
(j) Data center charges	11,212	1,296	12,508	14,802	2,286	17,088
(k) Agent training expenses	(1,585)	(183)	(1,768)	19,080	2,947	22,027
(l) Wellness expense	93,456	23,771	1,17,227	53,508	22,320	75,828
(m) Medical fees	8,903	2,264	11,167	32,902	13,725	46,627
(n) Call centre charges	31,898	3,688	35,586	38,044	5,875	43,919
(o) Transaction processing services	84,466	9,766	94,232	73,932	11,417	85,349
(p) Loss on Sale of Fixed Assets	2,160	250	2,410	3,344	516	3,860
13 Depreciation	2,31,190	26,730	2,57,920	1,69,069	26,110	1,95,179
	58,12,199	**6,63,163**	**64,75,362**	**45,57,124**	**7,38,699**	**52,95,823**

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Schedules

Forming part of Financial Statements

SCHEDULE – 5 SHARE CAPITAL

(₹ '000)

	Particulars	As at 31 Mar 21	As at 31 Mar 20
1	**Authorised Capital**		
	390,00,00,000 equity shares of ₹10 each (31 Mar 20: 31,50,00,000 Equity shares of ₹10 each)	39,00,000	31,50,000
2	**Issued Capital**		
	36,03,94,275 Equity Shares of ₹10 each (31 Mar 20: 29,88,55,813 Equity Shares of ₹10 each)	36,03,943	29,88,558
3	**Subscribed and paid up Capital**		
	36,03,94,275 Equity Shares of ₹10 each (31 Mar 20: 29,88,55,813 Equity Shares of ₹10 each)	36,03,943	29,88,558
	Total	**36,03,943**	**29,88,558**

Of the above 18,38,01,084 shares (31st March 2020: 15,24,16,467) are held by the holding Company, Aditya Birla Capital Limited along with its nominee's.

SCHEDULE – 5A PATTERN OF SHAREHOLDING

[As certified by the Management]

Shareholders	As at 31 Mar 21		As at 31 Mar 20	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Promoters				
- Indian	18,38,01,084	51.00%	15,24,16,467	51.00%
- Foreign	17,65,93,191	49.00%	14,64,39,346	49.00%
Total	**36,03,94,275**	**100.00%**	**29,88,55,813**	**100.00%**

SCHEDULE – 6 RESERVES AND SURPLUS

(₹ '000)

	Particulars	As at 31 Mar 21	As at 31 Mar 20
1	Capital Reserve	-	-
2	Capital Redemption Reserve	-	-
3	Share Premium		
	Balance at the beginning of the year	76,21,442	49,29,735
	Add: Additions during the year	25,84,615	26,91,707
	Balance at the end of the year	**1,02,06,057**	**76,21,442**
4	General Reserves	-	-
	Less: Debit balance in Profit and Loss Account	-	-
	Less: Amount utilised for Buy-back	-	-
5	Catastrophe Reserve	-	-
6	Other Reserves	-	-
7	Balance of Profit in Profit & Loss Account	-	
	Total	**1,02,06,057**	**76,21,442**

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Schedules
Forming part of Financial Statements

SCHEDULE – 7 BORROWINGS

(₹ '000)

Particulars		As at 31 Mar 21	As at 31 Mar 20
1	Debentures/ Bonds	-	-
2	Banks	-	-
3	Financial Institutions	-	-
4	Others	-	-
	Total	**-**	**-**

SCHEDULE – 8 SHAREHOLDERS' INVESTMENTS

(₹ '000)

Particulars		As at 31 Mar 21	As at 31 Mar 20
LONG TERM INVESTMENTS			
1	Government securities and Government guaranteed bonds including Treasury Bills	9,17,198	8,48,116
2	Other Approved Securities	14,66,515	11,08,696
3	Other Investments		
	(a) Shares		
	(aa) Equity	-	-
	(bb) Preference	-	-
	(b) Mutual Funds	-	-
	(c) Derivative Instruments	-	-
	(d) Debentures/ Bonds	-	1,02,726
	(e) Other Securities	-	-
	(f) Subsidiaries	-	-
	(g) Investment Properties - Real Estate	-	-
4	Investments in Infrastructure and Social Sector		
	(a) Infrastructure Bonds	2,59,162	-
	(b) Infrastructure Equity	-	-
	(c) Housing Bonds	50,254	50,483
5	Other than Approved Investments	-	-
SHORT TERM INVESTMENTS			
1	Government securities and Government guaranteed bonds including Treasury Bills	2,47,463	-
2	Other Approved Securities	-	-
3	Other Investments		
	(a) Shares		
	(aa) Equity	-	-
	(bb) Preference	-	-
	(b) Mutual Funds	-	1,01,846
	(c) Derivative Instruments	-	-
	(d) Debentures/ Bonds	-	99,178
	(e) Other Securities		
	(aa) Fixed Deposits	-	-
	(bb) Commercial Papers	-	-
	(cc) Certificate of Deposits	-	-
	(f) Subsidiaries	-	-
	(g) Investment Properties-Real Estate	-	-

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Schedules
Forming part of Financial Statements

(₹ '000)

Particulars	As at 31 Mar 21	As at 31 Mar 20
4 Investments in Infrastructure and Social Sector		
(aa) Infrastructure Bonds	-	-
(bb) Infrastructure Equity	-	-
(cc) Housing Bonds	-	-
5 Other than Approved Investments	-	-
Total	**29,40,592**	**23,11,045**
Investments in India	29,40,592	23,11,045
Investments outside India	-	-

Notes:

1 Aggregate Book Value of Investments (Other Than Listed Equities & Derivative Instruments) is ₹ 29,40,592 thousand (previous year ₹ 23,11,045 thousand).

2 Aggregate Market Value of Investments (Other Than Listed Equities & Derivative Instruments) is ₹ 29,79,571 thousand (previous year ₹ 23,51,461 thousand).

3 Includes investment in mutual fund amounting to ₹ NIL (previous year 1,01,846)

4 Includes investments qualifying for infrastructure and social sector investments of ₹ 3,09,416 thousand (previous year ₹ 50,483 thousand)

SCHEDULE – 8A POLICYHOLDERS' INVESTMENTS

(₹ '000)

Particulars	As at 31 Mar 21	As at 31 Mar 20
LONG TERM INVESTMENTS		
1 Government securities and Government guaranteed bonds including Treasury Bills	32,45,254	11,25,579
2 Other Approved Securities	26,15,214	15,08,474
3 Other Investments		
(a) Shares		
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual Funds	-	-
(c) Derivative Instruments	-	-
(d) Debentures/ Bonds	8,57,588	9,52,724
(e) Other Securities	-	-
(f) Subsidiaries	-	-
(g) Investment properties - Real Estate	-	-
4 Investments in Infrastructure and Social Sector		
(aa) Infrastructure Bonds	2,02,595	4,05,836
(bb) Infrastructure Equity	-	-
(cc) Housing Bonds	6,06,081	4,04,786
5 Other than Approved Investments	1,50,300	3,49,814
SHORT TERM INVESTMENTS		
1 Government securities and Government guaranteed bonds including Treasury Bills	4,95,653	-
2 Other Approved Securities	-	-
3 Other Investments		
(a) Shares		
(aa) Equity	-	-
(bb) Preference	-	-
(b) Mutual Funds	10,00,865	5,70,335
(c) Derivative Instruments	-	-
(d) Debentures/ Bonds	50,208	2,99,706
(e) Other Securities		
- Fixed Deposits	-	82,500
(f) Subsidiaries	-	-

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Schedules

Forming part of Financial Statements

(₹ '000)

Particulars	As at 31 Mar 21	As at 31 Mar 20
(g) Investment properties - Real estate	-	-
4 Investments in Infrastructure and Social Sector		
(aa) Infrastructure Bonds	2,00,648	1,50,091
(bb) Infrastructure Equity	-	-
(cc) Housing Bonds	-	2,49,588
5 Other than Approved Investments	99,675	-
Total	**95,24,081**	**60,99,433**
Investments in India	95,24,081	60,99,433
Investments outside India	-	-

Notes :

1 Aggregate Book Value of Investments (Other Than Listed Equities & Derivative Instruments) is ₹ 95,24,081 thousand (previous year ₹ 60,99,433 thousand).

2 Aggregate Market Value of Investments (Other Than Listed Equities & Derivative Instruments) is ₹ 95,25,437 thousand (previous year ₹ 61,57,895 thousand).

3 Includes investment in mutual fund amounting to ₹ 10,00,866 thousand (previous year ₹ 5,70,335 thousand)

4 Includes investments qualifying for infrastructure and social sector investments of ₹ 10,09,324 thousand (previous year ₹ 12,10,301 thousand)

SCHEDULE – 9 LOANS

(₹ '000)

Particulars	As at 31 Mar 21	As at 31 Mar 20
1 Security-Wise Classification		
Secured		
(a) On mortgage of property		
(aa) In India	-	-
(bb) Outside India	-	-
(b) On Shares, Bonds, Govt. Securities	-	-
(c) Others	-	-
Unsecured loans		
(aa) against policies	-	-
(bb) Others	-	-
Total	**-**	**-**
2 Borrower-Wise Classification		
(a) Central and State Governments	-	-
(b) Banks and Financial Institutions	-	-
(c) Subsidiaries	-	-
(d) Companies	-	-
(e) Loans against policies	-	-
(f) Others	-	-
Total	**-**	**-**
3 Performance-Wise Classification		
(a) Loans classified as standard		
(aa) In India	-	-
(bb) Outside India	-	-
(b) Non-performing loans less provisions		
(aa) In India	-	-
(bb) Outside India	-	-
Total	**-**	**-**
4 Maturity-Wise Classification		
(a) Short Term	-	-
(b) Long Term	-	-
Total	**-**	**-**

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Schedules
Forming part of Financial Statements

SCHEDULE – 10 FIXED ASSETS

(₹ '000)

SN	Particulars		Gross Block				Depreciation				Net Block	
			As at 1 Apr 20	Additions	Deletion	As at 31 Mar 21	Upto 1 Apr 20	For the Period	On Sales/ Adjustments	Up to 31 Mar 21	As at 31 Mar 21	As at 31 Mar 20
	Intangibles											
1	Software		7,19,995	3,25,447	-	10,45,442	2,88,631	1,71,867	-	4,60,498	5,84,944	4,31,364
	Total	A	**7,19,995**	**3,25,447**	**-**	**10,45,442**	**2,88,631**	**1,71,867**	**-**	**4,60,498**	**5,84,944**	**4,31,364**
	Intangible Assets Under Development	B	1,26,532	3,57,447	3,21,555	1,62,424	-	-	-	-	1,62,424	1,26,532
	Tangibles											
1	Freehold Land		-	-	-	-	-	-	-	-	-	-
2	Leasehold Property		-	-	-	-	-	-	-	-	-	-
3	Buildings		-	-	-	-	-	-	-	-	-	-
4	Furniture & Fittings		22,558	4,084	6,726	19,916	17,076	2,249	4,427	14,898	5,018	5,482
5	Leasehold Improvement		85,092	55,022	-	1,40,114	31,813	21,095	-	52,908	87,206	53,279
6	Information Technology Equipment		1,69,896	40,337	120	2,10,113	91,418	41,666	120	1,32,964	77,149	78,478
7	Vehicles		22,234	2,189	2,312	22,111	11,104	7,030	1,240	16,894	5,217	11,130
8	Office Equipment		53,056	9,840	3,657	59,239	29,778	14,013	3,346	40,445	18,794	23,278
	Total	C	**3,52,836**	**1,11,472**	**12,815**	**4,51,493**	**1,81,189**	**86,053**	**9,133**	**2,58,109**	**1,93,384**	**1,71,647**
	Capital work in progress	D	16,848	10,941	23,370	4,419	-	-	-	-	4,419	16,848
	Grand total (A + B + C + D)		**12,16,211**	**8,05,307**	**3,57,740**	**16,63,778**	**4,69,820**	**2,57,920**	**9,133**	**7,18,607**	**9,45,171**	**7,46,391**
	Previous year		**8,98,615**	**5,04,980**	**1,87,384**	**12,16,211**	**2,81,183**	**1,95,179**	**6,542**	**4,69,820**	**7,46,391**	**6,17,433**

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Schedules

Forming part of Financial Statements

SCHEDULE – 11 CASH AND BANK BALANCES

(₹ '000)

	Particulars	As at 31 Mar 21	As at 31 Mar 20
1	Cash (including cheques, drafts and stamps)	1,614	1,689
2	Bank Balances		
	(a) Deposit Accounts	-	-
	(aa) Short-term (due within 12 months)	651	611
	(bb) Others - Long -term (Maturity more than 12 months)	3,200	3,200
	Add: Interest Accrued on Deposit	544	331
	(b) Current Accounts	5,09,148	3,45,826
	(c) Others	-	-
3	Money at Call and Short Notice		
	(a) With Banks	-	-
	(b) With other Institutions	-	-
4	Others	-	-
	Total	**5,15,157**	**3,51,657**
	Cash and bank balance In India	5,15,157	3,51,657
	Cash and bank balance outside India	-	-

Balances with non-scheduled banks included in 2 above

SCHEDULE – 12 ADVANCES AND OTHER ASSETS

(₹ '000)

	Particulars	As at 31 Mar 21	As at 31 Mar 20
ADVANCES			
1	Reserve deposits with ceding companies	-	-
2	Advance to ceding companies	-	-
3	Application money for investments	-	-
4	Prepayments	34,550	26,288
5	Advances to Directors / Officers	-	-
6	Advance tax paid and taxes deducted at source	-	-
7	Others (to be specified)		
	(a) Advance to Suppliers	1,10,458	1,20,981
	Less: Provisions made	-	-
	Sub-total	1,10,458	1,20,981
	(b) Other advances	52,793	72,087
	Total (A)	**1,97,801**	**2,19,356**
OTHER ASSETS			
1	Income accrued on investments	2,61,190	2,32,291
2	Outstanding Premiums	-	-
3	Agents' Balances	2,078	2,133
	Less: Provisions made	-	-
	Sub-total	2,078	2,133
4	Foreign Agencies Balances	-	-
5	Due from other entities carrying on insurance business	81,124	8,690
6	Due from subsidiaries/ holding*	1,281	1,892
7	Deposit with Reserve Bank of India [Pursuant to section 7 of Insurance Act, 1938]	-	-

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Schedules

Forming part of Financial Statements

(₹ '000)

Particulars	As at 31 Mar 21	As at 31 Mar 20
8 Others		
(a) Rent and other deposits	1,11,771	1,11,171
(b) Input tax credit (net)	3,74,804	2,41,758
(c) Cenvat credit on capital goods	-	-
(d) Deferred lease assets	-	-
(e) Recoverable from employees	-	-
(f) Unclaimed Investment account	1,409	1,359
(g) Other Recoverable	2,329	557
(h) Contribution to group gratuity plan	86,069	73,727
(i) Receivable for Investment	-	53,437
Total (B)	**9,22,055**	**7,27,015**
Total (A+B)	**11,19,856**	**9,46,371**

* Subsidiaries also includes fellow subsidiaries

SCHEDULE – 13 CURRENT LIABILITIES

(₹ '000)

Particulars	As at 31 Mar 21	As at 31 Mar 20
1 Agents' balances	1,99,689	1,46,693
2 Balances due to other insurance companies	13,00,666	7,05,290
3 Deposits held on re-insurance ceded	-	-
4 Premiums received in advance	1,12,776	60,384
5 Unallocated premium	8,67,563	8,36,172
6 Sundry creditors	9,26,174	8,69,961
7 Due to subsidiaries/ holding Company*	76,624	69,293
8 Claims Outstanding	16,21,519	7,99,205
9 Unclaimed amount of policyholders/ insured	1,024	1,069
10 Due to Officers/ Directors	-	-
11 Others		
(a) Tax deducted payable	79,348	42,380
(b) Other statutory dues	4,11,614	2,49,767
(c) Provident fund payable	16,452	15,011
(d) Premium refund payable	8,734	7,092
(e) Due to employees	51,685	56,005
(f) Payable for investment	-	-
Total	**56,73,868**	**38,58,322**

* Subsidiaries also includes fellow subsidiaries

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Schedules

Forming part of Financial Statements

SCHEDULE – 14 PROVISIONS

(₹ '000)

	Particulars	As at 31 Mar 21	As at 31 Mar 20
1	Reserve for Unexpired Risk	49,56,096	34,40,995
2	For taxation (less advance tax paid and taxes deducted at source)	-	-
3	For proposed dividends	-	-
4	For dividend distribution tax	-	-
5	Bonus payable to policy holders	-	-
6	Others		
	(a) For Gratuity	87,906	73,261
	(b) For Compensated absence	22,289	28,538
	(c) For Other operating expense related	-	-
	(d) Premium Deficiency Reserve	-	-
	(e) Bonus Payable	2,40,773	2,54,610
	(f) Free look Reserve	9,911	4,553
	Total	**53,16,975**	**38,01,957**

SCHEDULE – 15 MISCELLANEOUS EXPENDITURE

(To the extent not written off or adjusted)

(₹ '000)

	Particulars	As at 31 Mar 21	As at 31 Mar 20
1	Discount Allowed in issue of shares/ debentures	-	-
2	Others	-	-
	Total	**-**	**-**

Schedules Forming Part of the Financial Statement

For The Year Ended 31st March 2021

SCHEDULE 16 – SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

I BACKGROUND

"Aditya Birla Health Insurance Co. Limited ("the Company") was incorporated on 22nd April 2015 as a Company under the Companies Act, 2013. As on 31st March 2021, Aditya Birla Capital Limited (Formerely Known as "Aditya Birla Financial Services Limited") holds 51% and MMI Strategic Investment Pty Ltd. holds 49% of paid up capital of the Company respectively. The Company is registered with the Insurance Regulatory and Development Authority of India ("IRDAI") for conducting health insurance business, under section 3 of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015.

The Certificate of Registration (Form – IRDA/ R3) has been issued by the Authority on 11th July 2016. Pursuant to Section 3 read with Section 3A of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015, said certificate shall consequentially continue to be in force from the date of registration.

II SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

These financial statements have been prepared under the historical cost convention, on an accrual basis of accounting, in accordance with the accounting principles generally accepted in India, including the applicable provisions of the Insurance Act, 1938 (the "Insurance Act") as amended by Insurance Laws (Amendment) Act, 2015, the Insurance Regulatory and Development Authority Act, 1999, Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, orders/ directions issued by IRDAI in this regard, from time to time (including circular no. IRDA/F&A/CIR/CPM/ 056/03/2016 dated 4th April 2016), Accounting Standards (AS) specified under Section 133 of the Companies Act, 2013, to the extent applicable and various circulars/notifications issued by IRDAI and practices prevailing in the insurance industry in India.

Accounting policies applied have been consistent with previous year except where different treatment is required as per new pronouncements made by the regulatory authorities. The management evaluates, all recently issued or revised accounting pronouncements, on an ongoing basis.

(b) Use of estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in India (GAAP) requires that the Company's management make estimates and assumptions that affect the reported amount of assets and liabilities as of the Balance Sheet date, reported amounts of revenues and expenses for the year and disclosures relating to contingent liabilities as of the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results could differ from these estimates. Differences between the actual and estimates, if any, are recognised in the year in which they materialise or are known.

(c) Revenue recognition

(i) Premium income

Premium including Reinsurance accepted (net of service tax / goods and service tax) is recognised as income over the contract period or period of risk, as appropriate, after adjusting for unearned premium (unexpired risk). Reinstatement premium is recorded as and when such premiums are recovered. Any subsequent revisions to or cancellations of premiums are accounted for in the year in which they occur. Premium received in advance represents premium received prior to commencement of the risk.

(ii) Income earned on investments

Interest income on investments is recognised on an accrual basis. Accretion of discount and amortisation of premium relating to debt securities including Commercial Paper (CP), Certificate of Deposits (CD) and T-bills is recognised on effective interest rate method over the holding / maturity period.

The net realised gains or losses on the debt securities is the difference between the net sale consideration and the amortised cost, which is computed on a weighted average basis, as on the date of sale. In case of mutual fund units, the profit or loss on sale of investment includes the accumulated changes in the fair value previously recognised under "Fair Value Change Account".

Sale consideration for the purpose of realised gain/ loss is net of brokerage and taxes, if any, and excludes interest received on sale.Such investments income shall be allocated between the revenue account and profit and loss account on actual basis.

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Schedules Forming Part of the Financial Statement
For The Year Ended 31st March 2021

(d) Reinsurance ceded

Reinsurance premium ceded is accounted in the year in which the risk commences and over the period of risk in accordance with the treaty arrangements with the reinsurers. Reinsurance premium ceded on unearned premium is carried forward to the period of risk and is set off against related unearned premium. Any subsequent revisions to or cancellations of premiums are accounted for in the year in which they occur.

(e) Commission received

Commission on reinsurance ceded is recognised as income on ceding of reinsurance premium. Profit commission under reinsurance treaties, wherever applicable, is recognised in the year of final determination of the profits and as intimated by the Reinsurer.

(f) Reserve for unexpired risk

Reserve for unexpired risk represents that part of the net premium written which is attributable to and allocated to the succeeding accounting period. Reserve for unexpired risk is calculated on the basis of 50% of net written premium of preceding twelve month.

(g) Premium deficiency

Premium deficiency is recognised for the Company at segmental revenue account level. Premium deficiency is recognised if the sum of the expected claim costs, related expenses and maintenance cost (related to claims handling) exceeds related reserve for unexpired risk. The expected claim costs is calculated and duly certified by the Appointed Actuary.

(h) Claims incurred

Claims incurred comprises of claims paid, change in estimated liability for outstanding claims made following a loss occurrence reported, change in estimated liability for claims incurred but not reported (IBNR) and claims incurred but not enough reported (IBNER) and specific settlement costs comprising legal and investigation fees and other directly attributable expenses.

Provision is made for estimated value of outstanding claims at the Balance Sheet date net of reinsurance. Such provision is made on the basis of the ultimate amounts that are likely to be paid on each claim, established by the management in light of past experience and progressively modified for changes as appropriate, on availability of further information and include claim settlement costs likely to be incurred to settle outstanding claims.

Claims (net of amounts receivable from reinsurers/ coinsurers) are recognised on the date of intimation based on estimates from surveyors/insured in the respective revenue accounts.

The estimated liability for claims incurred but not reported (IBNR) and claims incurred but not enough reported (IBNER) has been estimated by the Appointed Actuary in compliance with guidelines issued by IRDAI vide circular No. 11/IRDA/ACTL/ IBNR/2005-06 dated 8th June 2005 and applicable provisions of Guidance Note 21 issued by the Institute of Actuaries of India. The Appointed Actuary has used generally accepted actuarial methods for each product category as considered appropriate depending upon the availability of past data as well as appropriateness of the different methods to the different lines of businesses.

(i) Acquisition costs

Acquisition costs are defined as costs that vary with, and are primarily related to the acquisition of new and renewal insurance contracts viz. commission, policy issue expenses, etc. These costs are expensed in the period in which they are incurred. Acquisition cost on premium received in advance are recognised as prepaid expenses.

(j) Fixed assets

(i) Tangible:

Tangible assets, capital work in progress are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price, borrowing costs, if capitalisation criteria are met and any cost attributable to bringing the assets to its working condition for its intended use which includes taxes, freight, and installation and allocated incidental expenditure during construction/ acquisition and exclusive of CENVAT credit / Goods and Service Tax credit or other tax credit available to the Company.

Subsequent expenditure relating to tangible assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

(ii) Intangible:

An intangible asset is recognised when it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortisation and impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use which includes taxes, freight, and installation and allocated incidental expenditure during construction/ acquisition and exclusive of CENVAT credit / Goods and Service Tax credit or other tax credit available to the Company.

Subsequent expenditure incurred on existing assets expensed out except where such expenditure increases the future economic benefits from the existing assets, in which case the expenditure is amortised over the remaining useful life of the original asset.

(iii) Capital work in progress

Capital work in progress includes assets not ready for the intended use and are carried at cost, comprising direct cost and related incidental expenses.

(k) Depreciation on fixed assets

Based on management's evaluation, useful life prescribed in Schedule II of the Companies Act, 2013 represent actual useful life of fixed assets except for Leasehold Improvement and furniture and fittings at leased premises, Office Equipment other than electronic and servers. The Company uses straight line method for differnt class of it's fixed assets :

Category of Fixed Assets	Useful Life
Leasehold Improvements and Furniture and fittings at leased premises	6 years or the maximum renewable period of the respective leases, whichever is lower
Office Equipment (Other than Electronic equipment)	5 Years
Servers	6 years
Software	5 years

Depreciation on property, plant and equipment comprising of furniture and fittings other than at leased premises, Information Technology Equipment, Vehicles, Electronic office equipment and mobile phone is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, which are different as compared to those prescribed under the Schedule II to the Companies Act, 2013. The estimates of useful life of these assets based on technical evaluation have not undergone a change on account of transition to the Companies Act, 2013. The Company has used the following useful lives to provide depreciation on such class of asset:

Category of Fixed Assets	Useful Life
Furniture & fittings (other than installed at leased premises)	7 years
Information Technology Equipment	4 years
Vehicles	4/5 Years (As per OYCS Policy)
Office Equipment (Electronic equipment)	4 Years
Mobile Phones (included in office equipment under schedule 10)	2 Years

(l) Impairment of assets

The carrying values of assets forming part of any cash generating units at Balance Sheet date are reviewed for impairment at each balance sheet date. If any indication for such impairment exists, the recoverable amounts of those assets are estimated and impairment loss is recognised, if the carrying amount of those assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the estimated future cash flows to their present value based on appropriate discount factor. If at the Balance Sheet date there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that extent.

(m) Operating leases

As lessee:

Leases where the lessor effectively retains substantially all the risks and rewards of ownership of the leased asset are classified as Operating lease. Operating lease rentals including escalations, in respect of an asset taken on operating lease, are charged to the Revenue Account on a straight line basis over the lease

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Schedules Forming Part of the Financial Statement

For The Year Ended 31st March 2021

term. Initial direct costs incurred specifically for an operating lease are charged to the Revenue Account.

(n) Foreign currency transactions

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

At the Balance Sheet date, monetary items denominated in foreign currencies are converted into rupee equivalents at the exchange rates prevailing at that date.

All exchange differences arising on settlement/ conversion of foreign currency transactions are included in the Revenue Account.

(o) Investments

Investments are made and accounted for in accordance with the Insurance Act, 1938, as amended by Insurance Laws (Amendment) Act, 2015, the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 as amended and various other circulars/notifications issued by the IRDAI in this context from time to time.

Investments are recorded at cost, which include brokerage, taxes, if any, stamp duty and excludes broken period interest.

Investments maturing within twelve months from the Balance Sheet date and investments made with the specific intention to be disposed off within twelve months from the balance sheet date are classified as short-term investments.

Investments other than short-term investments are classified as long-term investments.

The Investment made by the Company are segregated between Policyholder's funds and Shareholder's funds.

All debt securities including CPs, CDs, T-Bills are considered as 'held to maturity' and accordingly stated at historical cost subject to amortisation of premium or accretion of discount on effective interest rate basis in the Revenue Account and in the Profit and Loss Account over the period of maturity/ holding.

All mutual fund investments are valued at net asset value as at Balance Sheet date.

In accordance with the Regulations, any unrealised gains/losses arising due to change in fair value of mutual fund investments are accounted in "Fair Value Change Account" and carried forward in the Balance Sheet and is not available for distribution.

The Company assesses, whether any impairment has occurred on its investments, at each Balance Sheet date. If any such indication exists, then carrying value of such investment is reduced to its recoverable amount/ market value on the Balance Sheet date and the impairment loss is recognised in the Profit and Loss Account. If at the Balance Sheet date there is any indication that a previously assessed impairment loss no longer exists then impairment loss, earlier recognised in Profit and loss Account, is reversed in Profit and loss account and the investment is restated to that extent.

(p) Employee benefits

(i) Short-term employee benefits

All employee benefits payable within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, bonuses, short term compensated absences and other non-monetary benefits are recognised in the period in which the employee renders the related service. All short term employee benefits are accounted on undiscounted basis.

(ii) Long term employee benefits

The Company has both defined contribution and defined benefit plans, of which some have assets in special funds or similar securities. The plans are financed by the Company and in case of some defined contribution plans, by the Company along with its employees.

Defined contribution plans

These are plans in which the Company pays predefined amounts to recognised provident fund and does not have any legal or informal obligation to pay additional sums. These comprise of contributions to the employees' provident fund, family pension fund and superannuation fund. The Company's payments to the defined contribution plans are reported as expenses during the period in which the employees perform the services that the payment covers.

Defined benefit plans

Gratuity are defined benefit plans is calculated as at the Balance Sheet date by independent actuaries using projected unit credit method in a manner that distributes expenses over the employee's working life. These commitments are valued at the present value of expected future payments, with consideration for

Schedules Forming Part of the Financial Statement

For The Year Ended 31st March 2021

calculated future salary increases, utilising a discount rate corresponding to the interest rate estimated by the actuary, having regard to the interest rate on government bonds with a remaining term that is almost equivalent to the average balance working period of employees.

The Company recognises the net obligation of the scheme in Balance Sheet as an asset or liability in accordance with AS 15 "Employee Benefits". The discount rate used for estimation of liability is based on Government securities yield. Gain or loss arising from change in actuarial assumptions / experience adjustments is recognised in the Revenue Account for the period in which they emerge. Expected long term rate of return on assets has been determined based on historical experience and available market information.

(iii) Other long term benefits

Other long term employee benefits include accumulated long term compensated absences and long term incentive plans.

i. The employees are entitled for 21 days leave during the calendar year, which can be accumulated up to 36 days. The Company provides for the liability at year end on account of unavailed leave as per the independent actuarial valuation using the Projected Unit Credit Method.

   Actuarial gains and losses are recognised in the Statement of Profit and Loss as and when incurred.

ii. The cost of performance based compensation incentive under long term incentive plan is measured considering the achievement of the performance indicators applicable to the plans and applying the actuarial assumptions and principles in accordance with AS 15 (Revised 2005) Employee Benefits as valued by an independent actuary on each Balance Sheet date.

(q) Taxation

Income tax expense comprises current tax (i.e. amount of tax payable on the taxable income for the period determined in accordance with the Income-tax Act, 1961), and deferred tax charge or credit (reflecting the tax effects of timing differences between the accounting income and taxable income for the period). Current tax is the amount expected to be paid to the tax authorities after taking credit for allowances and exemptions in accordance with the Income-tax Act, 1961. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only to the extent there is virtual certainty backed by convincing evidence that sufficient future taxable income will be available against which deferred tax assets can be realised. Deferred tax assets are reviewed as at each Balance Sheet date and written down or written up to reflect the amount that is reasonably or virtually certain to be realised.

In accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India and in accordance with the provisions of the Income Tax Act, 1961, Minimum Alternate Tax ('MAT') credit is recognised as an asset to the extent there is convincing evidence that the Company will pay normal income tax in future by way of a credit to the profit and loss account and shown as MAT credit entitlement.

(r) Service Tax / Goods and Service Tax (GST)

Service Tax / GST collected is considered as a liability against which Service Tax/ GST paid for eligible input tax credit, to the extent claimable, is adjusted and the net liability is remitted to the appropriate authority. Service Tax/ GST paid for eligible input services not recoverable by way of credits is recognised in the Revenue Account as expenses.

(s) Segment reporting

In case of Health insurance business, based on the primary segments identified under Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 read with AS 17 on "Segment Reporting" specified under Section 133 of the Companies Act, 2013, the Company has classified and disclosed segment information for Health Insurance and Personal Accident Insurance.

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Schedules Forming Part of the Financial Statement

For The Year Ended 31st March 2021

There are no reportable geographical segments, since all business is written in India.

The allocation of revenue and expenses to specific segments is done in the following manner, which is applied on a consistent basis.

The Revenue is directly attributable and identifiable to the business segments and is apportioned on an actual basis.

Operating Expenses relating to Insurance Business: are allocated on the following basis

(i) Acquisition Cost shall be directly allocated to the respective business segment.

(ii) Expenses, which are directly attributable and identifiable to the business segments, are apportioned on an actual basis.

(iii) Expenses, which are not directly identifiable though attributable to a class of business segments collectively, are apportioned amongst the respective segments on a gross written premium basis.

The accounting policies used in segment reporting are same as those used in the preparation of financial statements.

(t) Earnings Per Share ("EPS")

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. 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 numbers of equity shares are adjusted for events such as bonus issue, bonus element in the rights issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without corresponding change in resources.

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

(u) Provisions and contingencies

A provision is recognised when the Company has a present legal obligation as a result of past event and it is probable that an outflow of resources embodying economic resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect current best estimates. Contingent liabilities are not recognised. A Contingent asset is neither recognised nor disclosed.

(v) Receipts and payments account

(i) Receipts and Payments Account is prepared and reported using the Direct Method, in conformity with para 2.2 of the Master Circular on Preparation of Financial Statements - General Insurance Business dated 5th October 2012, issued by the IRDAI.

(ii) Cash and cash equivalents comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(w) Unclaimed amount of policyholders

Assets held for unclaimed amount of policyholders is created & maintain in accordance with requirement of IRDAI master circular on "unclaimed amounts of policyholders" dated 25th July 2017 and investment regulations, 2016 as amended from time to time.

Unclaimed amount of policyholders is invested in money market instruments which is valued at maket value.

Income on unclaimed amount of policyholders (net of fund management) charges is credited to respective unclaimed account & accounted for on accrual basis

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Schedules Forming Part of the Financial Statement

For The Year Ended 31st March 2021

III NOTES FORMING PART OF FINANCIAL STATEMENTS

1 Contingent liability

(₹ '000)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Partly paid up Investments	-	-
Underwriting commitments outstanding	-	-
Claims, other than against Policies, not acknowledged as debts	58,834	20,746
Claims estimates towards Covid-19	-	5,000
Guarantees given by or on behalf of the Company	3,000	3,000
Statutory demands / liabilities in dispute, not provided for	-	-
Reinsurance obligations to the extent not provided for in Accounts	-	-
Total	**61,834**	**28,746**

2 Encumbrances on assets

All the assets of the Company are free from any encumbrances except deposits in banks amounting to ₹3,850.71 thousands (31st March 2020 - ₹3,811.27 thousand). The deposits have been placed with banks for the purposes of executing bank guarantees. The Company has all assets within India.

3 Commitments

(₹ '000)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Loans	-	-
Investment	-	-
Property, Plant , Equipment & Software	1,64,272	80,917
Total	**1,64,272**	**80,917**

4 Claims, less Reinsurance paid to Claimants

(₹ '000)

Class of business	In India		Outside India	
	For the year ended 31 Mar 21	For the year ended 31 Mar 20	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Health	33,01,224	24,73,719	-	-
Personal Accident	1,12,192	1,09,230	-	-
Total	**34,13,416**	**25,82,949**	**-**	**-**

5 Age-wise breakup of Claims Outstanding*

(₹ '000)

Class of business	Outstanding for more than six months		Outstanding for six months or less	
	As at 31 Mar 21	As at 31 Mar 20	As at 31 Mar 21	As at 31 Mar 20
Health	60	3,383	4,76,118	2,76,625
Personal Accident	-	15	5,287	55,835
Total	**60**	**3,398**	**4,81,405**	**3,32,460**

*Excluding IBNR provisions, amounts payable to service providers and third party administrator.

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Schedules Forming Part of the Financial Statement

For The Year Ended 31st March 2021

6 Claims Settled and remaining unpaid for a period of more than six months upon class of business

(₹ '000)

Class of business	As at 31 Mar 21	As at 31 Mar 20
Health	-	56
Personal Accident	-	-

7 Number of claims intimated, disposed of and pending

(₹ '000) (₹ '000)

Particulars	As at 31 Mar 21			As at 31 Mar 20		
	Health	Personal Accident	Total	Health	Personal Accident	Total
Claims pending at the beginning of the year	4,983	100	5,083	3,914	168	4,082
Claims intimated	1,09,533	769	1,10,302	99,554	1,416	1,00,970
Claims paid	(96,856)	(675)	(97,531)	(78,395)	(688)	(79,083)
Claims rejected	(10,999)	(173)	(11,172)	(20,090)	(796)	(20,886)
Claims pending at the end of the year	**6,661**	**21**	**6,682**	**4,983**	**100**	**5,083**

8 Ageing of pending claims

(₹ '000)

Particulars	As at 31 Mar 21			As at 31 Mar 20		
	Health	Personal Accident	Total	Health	Personal Accident	Total
0 to 30 days	4,28,232	4,603	4,32,835	2,32,029	49,389	2,81,418
31 days to 6 months	47,886	684	48,570	44,596	6,446	51,042
6 months to 1 year	60	-	60	3,383	15	3,398
1 year to 5 years	-	-	-	-	-	-
5 years and above	-	-	-	-	-	-
Total	**4,76,178**	**5,287**	**4,81,465**	**2,80,008**	**55,850**	**3,35,858**

9 (a) Premiums, less reinsurance written from business in/outside India

(₹ '000)

Class of business	In India		Outside India	
	For the year ended 31 Mar 21	For the year ended 31 Mar 20	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Health	87,43,614	58,62,760	-	-
Personal Accident	12,49,176	10,83,189	-	-
Total	**99,92,790**	**69,45,949**	**-**	**-**

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Schedules Forming Part of the Financial Statement

For The Year Ended 31st March 2021

(b) Premium income recognised on "Varying Risk Pattern" is Nil (31st March 2020 NIL).

10 Extent of risk retained and reinsured

Extent of risk retained and reinsured with respect to gross written premium is set out below:

For the year ended on 31st March 2021:

Particulars	Basis	Gross Premium (₹ '000)	Retention (₹ '000)	Ceded (₹ '000)	Retention %	Ceded %
Health	Sum Insured	1,16,58,420	87,43,614	29,14,806	75%	25%
Personal Accident	Sum Insured	13,47,956	12,49,176	98,780	93%	7%
Total		**1,30,06,376**	**99,92,790**	**30,13,586**	**77%**	**23%**

For the year ended on 31st March 2020:

Particulars	Basis	Gross Premium (₹ '000)	Retention (₹ '000)	Ceded (₹ '000)	Retention %	Ceded %
Health	Sum Insured	75,53,812	58,62,760	16,91,052	78%	22%
Personal Accident	Sum Insured	11,66,562	10,83,189	83,373	93%	7%
Total		**87,20,374**	**69,45,949**	**17,74,425**	**80%**	**20%**

11 Investment

Value of contracts in relation to investments for:

- Purchases where deliveries are pending NIL (31st March 2020: NIL); and
- Sales where payments are overdue NIL (31st March 2020 : NIL).

Historical cost of investments that are valued on fair value basis is ₹9,97,683 thousand (31st March 2020 : ₹6,70,000 thousand).

All investments are made in accordance with Insurance Act, 1938 as amended by Insurance Laws (Amendment) Act, 2015 and Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 as amended from time to time. The Company has classified below mentioned securities as NPA in line with Investments- Master Circular version- 2nd May 2017 issued by IRDAI. Furthermore,

1. 70% provision is made on face value for DHFL and
2 15% provision is made on face value for JRPICL.

(₹ '000)

Security Name	Security ISIN	Total Face Value	Maturity Date
9.05% Dewan Housing Finance Corporation Limited 09 09 2021	INE202B07IL9	100000	9th September 2021
8.40% Jharkhand RPI Co. Ltd. Ser B Tran 1 Deb S20 20 04 2022	INE746N07648	100000	20th April 2022

(A) Allocation of investment

- Investments are allocated separately to policy holders and share holders, as applicable;

(B) Allocation of investment income

Investment income is allocated on actuals basis between revenue account(s) and profit and loss account.

(C) Investment Properties – Real Estate

The Company does not have any Investment Properties - Real Estate as at 31st March 2021 (Previous year: NIL)

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Schedules Forming Part of the Financial Statement

For The Year Ended 31st March 2021

12 Statement showing the Age-wise Analysis of the Unclaimed Amount of the Policyholders

For the year ended on 31st March 2021:

(₹ '000)

Particulars	Total Amount	Age-wise analysis (in months)						
		00-06 m	07-12 m	13-18 m	19-24 m	25-30 m	31-36 m	Beyond 36 m
Claims settled out not paid to the policyholders / insured due to any reasons except under litigation from the insured /policyholders	7	7	-	-	-	-	-	-
Sum due to the insured / policyholders on maturity or otherwise	-	-	-	-	-	-	-	-
Excess collection of the premium / tax or any other charges which is refundable to the policyholders either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far	832	671	53	53	16	34	2	1
Cheques issued but not encashed by the policyholder/insured	150	85	14	27	22	2	-	-
Total	**989**	**763**	**67**	**80**	**38**	**36**	**2**	**1**

For the year ended on 31st March 2020:

(₹ '000)

Particulars	Total Amount	Age-wise analysis (in months)						
		00-06 m	07-12 m	13-18 m	19-24 m	25-30 m	31-36 m	Beyond 36 m
Claims settled out not paid to the policyholders / insured due to any reasons except under litigation from the insured /policyholders	56	55	-	1	-	-	-	-
Sum due to the insured / policyholders on maturity or otherwise	-	-	-	-	-	-	-	-
Excess collection of the premium / tax or any other charges which is refundable to the policyholders either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far	875	565	155	119	34	1	-	-
Cheques issued but not encashed by the policyholder/insured	-	-	-	-	-	-	-	-
Total	**931**	**620**	**155**	**120**	**34**	**1**	**-**	**-**

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Schedules Forming Part of the Financial Statement

For The Year Ended 31st March 2021

(₹ '000)

Particulars	31 Mar 21	31 Mar 20
Opening Balance	1,069	1,013
Add: Amount transferred to Unclaimed Fund	7,489	2,412
Add: Cheques issued out of the unclaimed amount but not encashed by the policyholders (To be included only when the cheques are stale)	137	-
Add: Investment Income	50	80
Less: Amount of paid during the year	7,721	2,436
Less: Amount transferred to SCWF claims paid in respect of amounts transferred earlier	-	-
Closing Balance of Unclaimed Amount Fund	**1,024**	**1,069**

13 Employee Stock Option Plan

Pursuant to ESOP Plan being established by the holding Company (i.e. Aditya Birla Capital Limited), stock options were granted to the employees of the Company during the financial year.Total cost incurred by the holding Company till date is being recovered from the Company over the period of vesting. Accordingly, a sum of ₹9,643 thousand (31st March 2020- ₹21,091 thousand) has been recovered from the Company during the year, which has been charged to the Statement of Profit and Loss. The balance sum of ₹6,459 thousand (31st March 2020- ₹16,043 thousand) will be recovered in future period.

14 Segment Information

a) Business Segments

The Company's primary reportable segments are identified in accordance with the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002. Segment revenue and segment results have been incorporated in the financial statements.

(₹ '000)

Particulars	As at 31 Mar 21			As at 31 Mar 20		
	Health	Personal Accident	Total	Health	Personal Accident	Total
Segmental Revenue	78,65,342	12,27,664	90,93,006	52,69,612	9,32,022	62,01,634
Segmental Result	(22,84,166)	1,71,202	(21,12,964)	(23,33,930)	(1,48,556)	(24,82,486)
Segmental Liabilities	57,64,775	9,35,527	67,00,302	35,75,764	7,29,428	43,05,192
Unallocated Liabilities	-	-	42,90,541	-	-	33,55,087
Segmental Assets	-	-	-	-	-	-
Unallocated Assets	-	-	1,49,59,857	-	-	1,04,04,897

b) Geographical Segment

Since the Company's entire business is conducted within India, there is no reportable Geographical Segmentation for the year

15 Managerial Remuneration

The Managing Director and Chief Executive Officer (MD & CEO) and the Executive Director are remunerated in terms of the approval granted by IRDAI.

Details of their remuneration included in employee remuneration and welfare benefits are as follows:

(₹ '000)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Salary, perquisites and bonus*	55,018	72,087
Contribution to Provident Fund	3,079	3,048
Total	**58,097**	**75,135**

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Schedules Forming Part of the Financial Statement
For The Year Ended 31st March 2021

Out of the above ₹15,000 thousand (31st March 2020 ₹15,000 thousand) remuneration for each Director has been charged to Revenue Account and balance has been transferred to Profit and Loss Account. Expenses towards gratuity funding and leave encashment provision are determined actuarially on an overall Company basis annually and accordingly have not been considered in the above information.

* Salary includes LTIP & ESOP

16 (a) Expenditure in foreign currency:

(₹ '000)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Travelling	-	2,764
Remuneration	-	-
Software License Fees	3,744	3,969
Purchase of Fixed Assets	-	-
Professional fees Others	4,640	303
Total	**8,384**	**7,036**

(b) During the year foreign exchange loss aggregating 9 thousand (31st March 2020: ₹59 thousand).

(c) The year end foreign currency exposure is Nil (31st March 2020: 104 thousands)

17 Leases

In respect of premises taken on operating lease, the lease agreements are generally mutually renewable / cancelable by the lessor/lessee.

Non Cancelable operating lease

The detail of future rentals payable are given below:

(₹ '000)

Particulars	As at 31 Mar 21	As at 31 Mar 20
a. not later than one year	12,092	11,824
b. later than one year and not later than five years	12,092	36,277
c. later than five years	-	-

An amount of ₹98,911 thousand (31st March 2020: ₹124,715 thousand) towards lease payments has been recognised in the statement of revenue account.

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Schedules Forming Part of the Financial Statement

For The Year Ended 31st March 2021

18 Related Party Disclosures:

As per Accounting Standard (AS) 18 on Related Party Disclosures the related parties of the Company are as follows:

(a) Name of the related parties and description of their relationship:

(i) Holding Company
(ii) Subsidiaries of immediate Holding Companies
(iii) Subsidiaries of fellow Subsidiaries
(iv) Associates and joint ventures
(v) Individuals owning, directly or indirectly, interest in the voting power that gives them control
(vi) Key management personnel
(vii) Enterprises over which any person described in (v) and (vi) are able to exercise significant influence with whom transactions have taken place.

Annexure 2

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

DISCLOSURES IN RESPECT OF TRANSACTIONS WITH RELATED PARTIES AND OUTSTANDING FOR THE YEAR ENDED ON 31ST MARCH 2021

(A) Enterprises where control exists

Ultimate Holding Company	Grasim Industries Limited
Holding Company	Aditya Birla Capital Ltd.
Foreign Promoter	Momentum Metropolitan Strategic Investments (Pty) Ltd. (Formerly known as MMI Strategic Investments (Pty) Ltd.)
Key Managerial Personnel	Mayank Bathwal - Chief Executive Officer and Whole Time Director
	Shikha Bagai - Chief Financial Officer (Till 30th January 2021)
	Mahesh kumar Radhakrishanan - Company Secretary

(B) Disclosures of transaction between the company and related parties and outstanding balances for the Year ended:

(₹ '000)

Sr. No.	Name of the related party with Whom the transaction has been made	Description of relationship with the party	Nature of Transaction	Year ended 31 Mar 21	Year ended 31 Mar 20
1	2	3	4	5	6
1	Aditya Birla Capital Ltd.	Holding Company	a) Group Insurance Receipts (Net of Refund)	110	764
			b) Reimbursement of expenses (inc ESOP)	13,884	25,082
			c) Transfer of Liability	-	1,595
			d) Transfer of Assets	-	2,831
			e) Issue of Additional Share Capital	16,32,000	18,15,600
			f) Balance Payable	1,736	1,882
			g) Balance Receivable	-	-
			h) Securities Premium	44,55,089	31,36,935
			i) Share Capital	18,38,011	15,24,165

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Schedules Forming Part of the Financial Statement

For The Year Ended 31st March 2021

(₹ '000)

Sr. No.	Name of the related party with Whom the transaction has been made	Description of relationship with the party	Nature of Transaction	Year ended 31 Mar 21	Year ended 31 Mar 20
1	2	3	4	5	6
2	Aditya Birla PE Advisors Private Limited	Fellow Subsidiary	a) Group Insurance Receipts (Net of Refund)	-	22
3	Aditya Birla Finance Limited	Fellow Subsidiary	a) Group Insurance Receipts (Net of Refund)	3,005	15,197
			b) Recovery of Expenses	249	1,681
			c) Transfer of Liability	126	-
			d) Transfer of Asset	39	-
			e) Balance Receivable	135	991
4	Aditya Birla Financial Shared Services Limited	Fellow Subsidiary	a) Group Insurance Receipts (Net of refund)	4,225	1,862
			b) Reimbursement of expenses (exc gst)	1,94,737	1,82,372
			c) Transfer of Asset (Employee Transfer)	118	-
			d) Transfer of Liability (Employee Transfer)	67	33
			e) Recovery of Expenses	18	252
			f) Prepaid Balance	2,502	1,988
			g) Balance Payable	39,097	34,580
5	Aditya Birla Housing Finance Limited	Fellow Subsidiary	a) Group Insurance Receipts (Net of refund)	668	4,182
			b) Commission Exp	12,184	11,850
			c) Recovery of Expenses	12	145
			d) Balance Payable	6,779	4,422
			e) Balance Receivable	-	43
6	Aditya Birla Insurance Brokers Limited	Fellow Subsidiary	a) Group Insurance Receipts (Net of refund)	577	2,865
			b) Brokerage Expenses	14,431	18,435
			c) Transfer of Liability (Employee Transfer)	-	-
			d) Reimbursement of expenses	430	408
			e) Balance Payable	387	895
7	Aditya Birla Money Limited	Fellow Subsidiary	a) Group Insurance Receipts (Net of refund)	2,732	4,470
			b) Recovery of Expenses	23	285
			c) Balance Receivable	-	85
8	Aditya Birla Capital Technology Services Ltd. (Formerly known as "Aditya Birla MyUniverse Ltd.")	Fellow Subsidiary	a) Group Insurance Receipts (Net of refund)	(970)	-
			b) Reimbursement of Expenses	11,836	-
			c) Transfer of Liability (Employee Transfer)	-	-
			d) Prepaid Balance	123	-
			e) Balance Payable	946	-
9	Aditya Birla Money Mart Limited	Fellow Subsidiary	a) Advertisement Cost	-	-
			b) Balance Payable	-	-

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Schedules Forming Part of the Financial Statement
For The Year Ended 31st March 2021

(₹ '000)

Sr. No.	Name of the related party with Whom the transaction has been made	Description of relationship with the party		Nature of Transaction	Year ended 31 Mar 21	Year ended 31 Mar 20
1	2	3		4	5	6
10	Aditya Birla Sun Life Insurance Company Limited	Fellow Subsidiary	a)	Group Insurance Receipts	43,731	39,129
			b)	Group Insurance Refund	28,501	10,000
			c)	Reimbursement of Expenses	-	27
			d)	Rent Expenses- Space Sharing	-	7,398
			e)	Transfer of Asset (Employee Transfer)	591	1,244
			f)	Transfer of Liability (Employee Transfer)	265	-
			g)	Insurance Deposit	1,146	774
			h)	Balance Payable	-	-
			I)	Balance Receivable	-	-
11	Aditya Birla Wellness Private Limited	Fellow Subsidiary	a)	Group Insurance Receipts (Net of refund)	-	446
			b)	Recovery of Expenses	-	-
			c)	Outsourcing Contract wellness tracking services	1,16,924	75,828
			d)	Transfer of Assets	36	694
			e)	Transfer of Liability	111	227
			f)	Reimbursement of Expenses	123	78
			g)	Rent Expenses- Space Sharing	8,208	5,508
			h)	Balance Receivable	-	-
			i)	Balance Payable	26,119	25,729
12	Aditya Birla Sun Life AMC Limited	Fellow Subsidiary	a)	Group Insurance Receipts (Net of refund)	2,752	7,155
			b)	Recovery of Expenses	-	35
			c)	Transfer of Asset (Employee Transfer)	2,333	588
			d)	Transfer of Liability	2,189	-
			e)	Annual Subscription (Online)	35	-
			f)	Balance Payable	195	40
13	Aditya Birla IDEA Payments Bank Limited	Fellow Subsidiary	a)	Group Insurance Receipts (Net of refund)	(344)	2,442
			b)	Reimbursement of Expenses	-	120
			c)	Transfer of Asset (Employee Transfer)	36	398
			d)	Transfer of Liability	1,100	-
			e)	Leave Encashment of Employee	-	-
14	Metropolitan International Support (Pty) Ltd.	Foreign Promoter	a)	Reimbursement of expenses	-	1,729
			b)	Recovery of Expenses	-	-
			c)	IT Development & Support	-	-
			d)	Balance Receivable	-	-
			e)	Balance Payable	-	-
15	Momentum Metropolitan Strategic Investments (Pty) Ltd. (Formerly known as MMI Strategic Investments (Pty) Ltd.)	Foreign Promoter	a)	Issue of Additional Share Capital	15,68,000	17,44,400
			b)	Recovery of Expenses	-	-
			c)	Securities Premium	57,50,968	44,84,507
			d)	Share Capital	17,65,932	14,64,393

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Schedules Forming Part of the Financial Statement
For The Year Ended 31st March 2021

(₹ '000)

Sr. No.	Name of the related party with Whom the transaction has been made	Description of relationship with the party		Nature of Transaction	Year ended 31 Mar 21	Year ended 31 Mar 20
1	2	3		4	5	6
16	M/S Ultratech Cement Ltd.	Fellow Subsidiary	a)	Group Insurance Receipts	9,244	93,185
			b)	Group Insurance Refund	11,019	2,859
17	M/s Aditya Birla ARC Limited	Fellow Subsidiary	a)	Group Insurance Receipts (Net of refund)	37	96
18	Grasim Industries Limited	Ultimate Holding Company	a)	Group Insurance Receipts	31,409	24,844
			b)	Group Insurance Refund	1,583	1,583
19	Aditya Birla Money Insurance Advisory Services Ltd.	Fellow Subsidiary	a)	Commission Expenses	5,700	3,100
			b)	Balance Payable	865	1,745
20	Aditya Birla Management Corporation Private Limited	Fellow Subsidiary	a)	Group Insurance Receipts(Net of Refund)	(1,540)	-
			b)	Reimbursement of Expenses	429	-
			c)	Transfer of Asset (Employee Transfer)	483	-
			d)	Balance Payable	500	-
21	Momentum Metropolitan Services Private Limited (Formerly nown as MMI BUSINESS AND TECHNOLOGY SOLUTIONS PRIVATE LIMITED)	Fellow Subsidiary	a)	Group Insurance Receipts(Net of Refund)	-	-
			b)	Reimbursement of expenses (exc gst)	3,842	-
			c)	Balance Payable	933	-
22	Mr. Mayank Bathwal	Key Managerial Personnel	a)	Managerial Remuneration	51,669	62,578
			b)	Insurance Receipts Received	59	59
23	Mr. Rahil Bathwal	Relative of Key Managerial Personnel	a)	ABG Pratibha Scholarship	2,372	2,296
24	Mrs. Shikha Bagai	Key Managerial Personnel	a)	Remuneration	15,269	12,804
			b)	Insurance Receipts Received	11	-
25	Mr. Maheshkumar Radhakrishanan	Key Managerial Personnel	a)	Remuneration	10,046	10,471
26	Aditya Birla Renewables Limited	Fellow Subsidiary	a)	Group Insurance Receipts(Net of Refund)	540	-
27	Applause Entertainment Private Limited	Fellow Subsidiary	a)	Group Insurance Receipts(Net of Refund)	240	-

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Schedules Forming Part of the Financial Statement

For The Year Ended 31st March 2021

19 Employee Benefits

(a) Defined contribution plan:

(₹ '000)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Contribution to Provident Fund	84,614	75,139
Contribution to Superannuation Fund	-	-
Contribution to National Pension Scheme	-	-

(b) Defined Benefit Plans - Gratuity and Leave Encashment

The following tables summarise the components of the net employee benefit expenses recognised in the Profit and Loss Account, the fund status and amount recognised in the balance sheet for the gratuity and leave encashment.

Disclosures relating to actuarial valuation of Leave encashment and gratuity liability:

(₹ '000)

	Gratuity		Leave Encashment	
	2020-21	2019-20	2020-21	2019-20
(i) Assumptions	Indian Assured lives Mortality (2012-14) Modified Ultimate*	Indian Assured lives Mortality (2012-14) Modified Ultimate*	Indian Assured lives Mortality (2012-14) Modified Ultimate*	Indian Assured lives Mortality (2012-14) Modified Ultimate*
Discount Rate	5.45%	5.74%	5.45%	5.74%
Rate of increase in compensation	7%	7%	7%	7%
Rate of leave Availment (Per Annum)	NA	NA	0%	0%
Rate of leave encashment during employment (Per Annum)	NA	NA	0%	0%
(ii) Changes in present value of obligations				
PBO at beginning of year	73,261	69,976	28,538	25,664
Interest Cost	4,051	4,939	1,329	1,540
Past service Cost				
Current Service Cost	17,325	10,521	16,704	16,389
Actuarial loss/(gain) on obligations arising from:				
- Change in demographic assumption	-	(33,350)	-	(6,580)
- Change in financial assumption	1,511	5,950	291	1,124
- Experience Variance	(8,012)	12,722	(18,212)	(2,816)
Benefits paid including transfer in / (out)	1,040	4,831	(7,043)	(7,592)
Acquisition / Divestiture			682	809
Employer contributions	(1,270)	(2,329)		
PBO at end of year	87,906	73,261	22,289	28,538
(iii) Amounts to be recognised in balance sheet				
PBO at end of year	87,906	73,261	22,289	28,538
Net (Asset) / Liability recognised in the balance sheet	1,837	(464)	(6,249)	2,874
(iv) Expense Recognised				
Current Service Cost	17,325	10,521	16,704	16,389
Interest Cost	4,051	4,939	1,329	1,540
Past Service Cost	-	-	-	-
Acturial (gain)/ loss				
-Changes in demographic assumption	-	(33,350)	-	(6,580)
-Changes in financial assumption	1,511	5,950	291	1,124

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Schedules Forming Part of the Financial Statement

For The Year Ended 31st March 2021

(₹ '000)

	Gratuity		Leave Encashment	
	2020-21	2019-20	**2020-21**	2019-20
-changes in experience variance	(8,012)	12,722	(18,212)	(2,816)
Return on plan assets, excluding amount recognised in net interest expense	(12,343)	(2,717)	-	-
Expense recognised in the revenue account	2,532	(1,935)	112	9,657
(v) Movements in the liability recognised in Balance Sheet				
Opening Net liability	73,261	69,976	28,538	25,664
Expenses as above	14,875	783	112	9,657
Benefits paid/Contribution made	(230)	2,502	(6,361)	(6,783)
Closing Net Liability	87,906	73,261	22,289	28,538
(vi) Changes in fair value of plan assets				
Fair Value of Plan Assets at beginning of year	73,727	71,009	-	-
Investment Income	4,232	5,042	-	-
Contributions made	-	-	-	-
Benefits paid	-	-	-	-
Return on plan assets, excluding amount recognised in net interest expense	8,111	(2,324)	-	-
Fair Value of Plan Assets at end of year	86,069	73,727	-	-
(vii)Investment details of plan assets				
Insurer Managed Fund	100%	100%	-	-
Others	-	-	-	-
Total fund balance	**100%**	**100%**	**-**	**-**

General discription of plan :

The Company operates gratuity plan through a trust wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service. In case of some employees, the Company's scheme is more favorable as compared to the obligation under Payment of Gratuity Act, 1972.

viii. Net assets/liability and actuarial experience gain/(loss) for present benefit obligation ('PBO') and plan assets

(₹ '000)

Particulars	As at 31 Mar 21	As at 31 Mar 20	As at 31 Mar 19	As at 31 Mar 18	As at 31 Mar 17
PBO	87,906	73,261	69,977	51,619	31,044
Plan assets	86,069	73,727	71,009	48,642	-
Net assets/(liability)	(1,837)	465	1,032	(2,977)	(31,044)
Experience gain/(loss) on PBO	(8,012)	12,722	5,844	2,534	2,374
Experience gain/(loss) on plan assets	-	-	-	-	-
Actuarial gain due to change in assumptions	1,511	(27,400)	3,936	(5,116)	1,214

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Schedules Forming Part of the Financial Statement

For The Year Ended 31st March 2021

Best estimate of contibution for next year :

(₹ '000)

Particulars	Amount
Employees gratuity fund	7,006

(c) Other Benefit Plans - Long Term Incentive Plan

The following tables summarise the components of the net employee benefit expenses recognised in the Profit and Loss Account and amount recognised in the balance sheet for long term incentive plan.

Disclosures relating to actuarial valuation of long term incentive plan

(₹ '000)

Particulars	Long term incentive plan	
	2020-21	2019-20
(i) Assumptions	Indian Assured lives Mortality {2012-14) Modified Ultimate*	Indian Assured lives Mortality {2012-14) Modified Ultimate*
Discount Rate	5.45%	6.65%
(II) Amounts to be recognised in balance sheet		
PBO at end of year	50,870	55,379
Net (Asset) / Liability recognised in the balance sheet	**50,870**	**55,379**

20 Earnings Per Share (EPS)

(₹ '000)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Net profit after tax for the year (₹ '000)	(19,76,607)	(24,11,601)
Weighted average no. of equity shares for basic	34,05,30,208	26,29,93,490
Weighted average no. of equity shares for diluted	34,05,30,208	26,29,93,490
Basic earnings per share	(5.80)	(9.17)
Diluted earnings per share	(5.80)	(9.17)
Nominal value per share	10.00	10.00

21 In pursuant to circular 067 dated 28th March 2008 issued by IRDA, following operating expenses are separately disclosed:

(₹ '000)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Transaction processing charges	94,232	85,349
Call centre charge	35,586	43,919
Electricity and water	15,417	23,654
Medical charges-policy issuance	11,167	46,627

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Schedules Forming Part of the Financial Statement
For The Year Ended 31st March 2021

22 Expenses of Management

As per the IRDA's Order No.: IRDA/F&A/ORD/EMT/042/03/2013 dated 4th March 2013, the Company has been exempted from necessary compliances required under section 40C(l) of the Insurance Act, 1938 as amended by Insurance Laws (Amendment) Act, 2015 read with Rule 17E of the Insurance Rules, 1939 for the first five years of its operations.

23 Sector Wise Business

Disclosure of Sector wise business based on Gross Direct Premium Income (GDPI) as per Insurance Regulatory and Development Authority (Obligations of Insurers to Rural or Social Sectors) Regulations, 2015 is as under:

(₹ '000)

Business Sector	For the year ended 31 Mar 21		For the year ended 31 Mar 20	
	GDPI	% of GDPI	GDPI	% of GDPI
Rural	26,85,452	21%	12,24,532	14%
Urban	1,03,20,924	79%	74,95,842	86%
Total	**1,30,06,376**	**100%**	**87,20,374**	**100%**

(₹ '000)

Social Sector	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Number of lives	7,00,939	118,685
GDPI(₹ '000)	1,34,429	33,489

24 Premium Deficiency Reserve

In accordance with Master Circular and Corrigendum on Master Circular on preparation of financial statement issued by IRDAI vide circular number IRDA/F&I/CIR/F&A/231/10/2012 dated 5th October 2012 and circular number IRDA/F&A/CIR/FA/126/07/2013 dated 3rd July 2013 respectively, in respect of calculation and recognition of Premium deficiency, the premium deficiency for the following segments is:

(₹ '000)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Health	-	-
Personal Accident	-	-

25 Actuarial Valuation of Claims where Claims Period Exceeds Four Years

Currently the Company does not offer any product where the claim payment term exceeds four years. Hence, no actuarial assumptions have been disclosed.

26 Micro, Small and Medium Enterprises

There is no Micro, Small and Medium Enterprise to which the Company owes dues, which are outstanding for more than 45 days during the year ended 31st March 2021. This information-as required to be disclosed under Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Schedules Forming Part of the Financial Statement

For The Year Ended 31st March 2021

27 Share Capital

During the year the Company has increased its authorised share capital from -: ₹31,50,000 thousands to ₹39,00,000 thousands. The Company has allotted ₹3,20,00,00,024 worth of equity shares as per below details:

Allotment date : 28th May 2019

Name of Shareholder	No. of shares	Price per share	Amount (₹ '000)	Proportion of holding
Aditya Birla Capital Limited (ABCL)	1,11,95,122	41	4,59,000	51%
Momentum Metropolitan Strategic Investments (Pty) Ltd.*	1,07,56,098	41	4,41,000	49%

Allotment date : 31st July 2019

Name of Shareholder	No. of shares	Price per share	Amount (₹ '000)	Proportion of holding
Aditya Birla Capital Limited (ABCL)	1,80,36,586	41	7,39,500	51%
Momentum Metropolitan Strategic Investments (Pty) Ltd.*	1,73,29,268	41	7,10,500	49%

Allotment date : 27th November 2019

Name of Shareholder	No. of shares	Price per share	Amount (₹ '000)	Proportion of holding
Aditya Birla Capital Limited (ABCL)	1,24,39,025	41	5,10,000	51%
Momentum Metropolitan Strategic Investments (Pty) Ltd.*	1,19,51,219	41	4,90,000	49%

Allotment date : 6th March 2020

Name of Shareholder	No. of shares	Price per share	Amount (₹ '000)	Proportion of holding
Aditya Birla Capital Limited (ABCL)	26,12,196	41	1,07,100	51%
Momentum Metropolitan Strategic Investments (Pty) Ltd.*	25,09,756	41	1,02,900	49%

Allotment date : 20th May 2020

Name of Shareholder	No. of shares	Price per share	Amount (₹ '000)	Proportion of holding
Aditya Birla Capital Limited (ABCL)	66,69,232	52	3,46,800	51%
Momentum Metropolitan Strategic Investments (Pty) Ltd.*	64,07,692	52	3,33,200	49%

Allotment date : 3rd August 2020

Name of Shareholder	No. of shares	Price per share	Amount (₹ '000)	Proportion of holding
Aditya Birla Capital Limited (ABCL)	1,78,50,000	52	9,28,200	51%
Momentum Metropolitan Strategic Investments (Pty) Ltd.*	1,71,50,000	52	8,91,800	49%

Allotment date : 25th November 2020

Name of Shareholder	No. of shares	Price per share	Amount (₹ '000)	Proportion of holding
Aditya Birla Capital Limited (ABCL)	68,65,385	52	3,57,000	51%
Momentum Metropolitan Strategic Investments (Pty) Ltd.*	65,96,153	52	3,43,000	49%

* (Formerly known as MMI Strategic Investments (Pty) Ltd.)

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Schedules Forming Part of the Financial Statement

For The Year Ended 31st March 2021

28 Penal action taken by various Authorities

IRDA circular no 005/IROA/F&A/CIR/MAY-09 requires disclosure as per given format in respect of penal actions taken by various Government Authorities.

Authority	Non-Compliance / Violation	Penalty Awarded	Penalty Paid	Penalty Waived / Reduced
1. Insurance Regulatory and Development Authority	N/A	-	-	-
	(N/A)	(-)	(-)	(-)
2. Service Tax Authorities	N/A	-	-	-
	(N/A)	(-)	(-)	(-)
3. Good and Service Tax Authorities	N/A	-	-	-
	(N/A)	(-)	(-)	(-)
3. Income Tax Authorities	N/A	-	-	-
	(N/A)	(-)	(-)	(-)
4. Any other Tax Authorities	N/A	-	-	-
	(N/A)	(-)	(-)	(-)
5. Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	N/A	-	-	-
	(N/A)	(-)	(-)	(-)
6. Registrar of Companies/ NCLT/CLB/Department of Corporate Affairs or any Authority under Companies Act, 2013/1956	N/A	-	-	-
	(N/A)	(-)	(-)	(-)
7. Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	N/A	-	-	-
	(N/A)	(-)	(-)	(-)
8. Securities and Exchange Board of India	N/A	-	-	-
	(N/A)	(-)	(-)	(-)
9. Competition Commission of India	N/A	-	-	-
	(N/A)	(-)	(-)	(-)
10. Any other Central/State/Local Government/Statutory Authority	N/A	-	-	-
	(N/A)	(-)	(-)	(-)

(31st March 2020 figures are in brackets)

29 Summary of financial statements is provided as under:

(₹ '000)

Particulars	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16*
OPERATING RESULTS						
Gross Premium Written	**1,30,06,376**	87,20,374	49,68,026	24,31,676	5,40,424	-
Net Earned Premium Income	**84,72,330**	58,54,079	34,82,280	15,19,812	1,34,830	-
Income from Investments (net)	**6,20,676**	3,47,555	1,84,675	1,01,211	59,391	-
Other Income	**-**	-	597	107	-	-
Total Income	**90,93,006**	62,01,634	36,67,552	16,21,130	1,94,221	-
Commissions (Net) (Including Brokerage	**4,94,930**	5,15,040	5,39,851	1,89,173	32,497	-
Operating Expenses	**64,75,363**	52,95,823	36,49,990	20,62,158	8,34,768	-
Net Incurred Claims	**42,35,677**	28,73,257	20,41,111	13,60,680	1,66,396	-
Premium deficiency reserve	**-**	-	-	(37,847)	37,847	-
Operating Profit/(Loss)	**(21,12,964)**	(24,82,486)	(25,63,400)	(19,53,035)	(8,77,287)	-

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Schedules Forming Part of the Financial Statement

For The Year Ended 31st March 2021

(₹ '000)

Particulars	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16*
NON-OPERATING RESULTS						
Total Income under Shareholders Account	1,36,357	70,885	18,397	60,801	10,571	-
Profit /(loss) before tax	(19,76,607)	(24,11,601)	(25,45,003)	(18,92,235)	(8,66,716)	(1,52,007)
Provision for Tax	-	-	-	-	-	-
Profit/(Loss) after tax	(19,76,607)	(24,11,601)	(25,45,003)	(18,92,235)	(8,66,716)	(1,52,007)
MISCELLANEOUS						
Policyholder's Account:						
a) Total funds	95,24,081	60,99,433	34,41,875	13,51,558	11,92,504	-
b) Total Investments	95,24,081	60,99,433	34,41,875	13,51,558	7,70,979	-
c) Yield on Investments	7.88%	7.51%	7.75%	7.65%	6.33%	-
Shareholder's Account:						
a) Total funds	29,40,592	23,11,045	14,44,639	7,49,189	15,18,255	-
b) Total Investments	29,40,592	23,11,045	14,44,639	7,49,189	15,18,255	-
c) Yield on Investments	7.74%	8.47%	7.43%	6.92%	7.85%	-
Paid Up Equity Capital	36,03,943	29,88,558	21,20,265	13,28,802	10,04,412	1,80,000
Net Worth	39,65,831	27,42,438	15,94,039	8,94,042	14,56,276	27,993
Total Assets	1,49,59,857	1,04,04,897	63,40,631	33,93,855	31,25,096	1,80,452
Yield on total investments	7.85%	7.81%	7.65%	7.29%	7.72%	-
Earning Per Share(₹)	(5.80)	(9.17)	(14.43)	(16.30)	(10.22)	(39.38)
Book value per Share (₹)	11.00	9.18	7.52	6.73	14.50	10.00
Total Dividend	-	-		-	-	-
Dividend Per share	-	-		-	-	-

* The Company had received the certificate of registration with IRDAI on 11th July 2016 and thus summary of financial statement is not provided for FY 2015-16.

30 Accounting Ratios:

Performance Ratios	As at 31 Mar 21	As at 31 Mar 20
	In times or %	In times or %
Gross Premium Growth Rate (Overall)	49%	76%
Gross Premium Growth Rate (Health)	54%	78%
Gross Premium Growth Rate (Personal Accident)	16%	59%
Gross Direct Premium to Net worth Ratio	3.28	3.18
Growth rate of Net Worth	45%	72%
Net Retention Ratio (Overall)	77%	80%
Net Retention Ratio (Health)	75%	78%
Net Retention Ratio (Personal Accident)	93%	93%
Net Commission Ratio (Overall)	5%	7%
Net Commission Ratio (Health)	4%	6%
Net Commission Ratio (Personal Accident)	13%	13%
Expense of Management to Gross Direct Premium Ratio	62%	73%
Expense of Management to Net Written Premium Ratio	70%	84%
Net Incurred Claims to Net Earned Premium	50%	49%
Combined Ratio	120%	133%
Technical Reserves to net premium ratio	66%	61%
Underwriting balance ratio	(32%)	(48%)

Aditya Birla Health Insurance Co. Limited
CIN:U66000MH2015PLC263677 and IRDA Registration No. 153 Dated 11th July 2016

Schedules Forming Part of the Financial Statement

For The Year Ended 31st March 2021

Performance Ratios	As at 31 Mar 21 In times or %	As at 31 Mar 20 In times or %
Operating profit ratio	(25%)	(42%)
Liquid Assets to liabilities ratio	0.12	0.08
Net earnings ratio	(20%)	(35%)
Return on net worth ratio	(50%)	(88%)
Reinsurance Ratio	23%	20%
Available Solvency Margin (ASM) to Required Solvency Margin (RSM) ratio	1.82	1.81

31 Corporate Social Responsibility

The provision of section 135 of Companies Act, 2013, relating to corporate social responsibility do not apply to the Company for the year under audit.

32 Provision for Free Look Period

The provision for Free Look period is ₹9,911 Thousand (31st March 2020 : ₹4,553 Thousand) as duly certified by the Appointed Actuary.

33 Loan Restructuring

The Company has not given any loans during the financial year and in the previous year.

34 Impact Of COVID-19 Outspread

The Company has considered the possible effects that may arise out of still unfolding COVID-19 including but not limited to its assessment of various elements of the Financial Statement. The Company is well-positioned to manage the Covid-19 impact given its focus on digital, customer experience, and health-first model.

The Company has launched various covid-related products and benefits and enabled digital journeys to enable revenue. On customer and wellness management, various initiatives such as healthcare at home, fitness at home, tele-medicines, digital servicing, etc to improve overall customer experience and health outcomes. The Company will continue to closely monitor any impact on revenue due to regional or local lockdown as well as covid related claims.

Institute of Chartered Accountants of India (ICAI) has issued an advisory on "Impact of Corona Virus on Financial Reporting" to be considered for Financial Reporting. The impact of Covid-19 has been assessed on different components of Financial Statements specifically those required under the Guidance.

- Pursuant to such assessment, there are no indicators of impairment to Non-Financial Assets and Financial Assets as at Reporting Date
- An assessment was also carried out of the Investment portfolio considering the impact on the economic and credit environment of the economy and there is no additional impairment required specific due to Covid -19 event.
- There is no change in the discount rate emanating from the impact of Covid on the Company's lease/defined benefit plan other than what has already been factored in.

The Company remains comfortable on Solvency and there is no indication or reason to believe that there is any uncertainty in continuing as a Going Concern in light of Covid's impact on business.

35 Previous year figures have been regrouped / reclassified wherever necessary to conform to current years grouping / classification.

Aditya Birla Health Insurance Co. Limited
IRDA Registration No: 153
Date of Registration with the IRDAI: 11th July 2016

Management Report

In accordance with Part IV Schedule B of the Insurance Regulatory and Development Authority of India (IRDAI) (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002, the following management report for the year ended 31st March 2021 is submitted:

1. We confirm the validity of Certificate of Registration granted by the Insurance Regulatory and Development Authority to transact health insurance business.
2. To the best of our knowledge and belief, all the material dues payable to the statutory authorities have been duly paid.
3. We confirm that the shareholding pattern and the transfer of shares during the year ended 31st March 2021 are in accordance with the statutory or regulatory requirements.
4. We declare that funds of holders of policies issued in India have not been directly or indirectly invested outside India.
5. We confirm that the Company has maintained the required solvency margins laid down by Insurance Regulatory and Development Authority.
6. We certify that all the assets of the Company have been reviewed on the date of the Balance Sheet and to the best of our knowledge and belief the assets set forth in the Balance Sheet are shown in the aggregate at amounts not exceeding their realisable or market value under the several headings – "Loans", "Investments", "Agents balances", "Outstanding Premiums", "Interest, Dividends and Rents outstanding", "Interest, Dividends and Rents accruing but not due", "Amounts due from other persons or Bodies carrying on insurance business", "Sundry Debtors", "Bills Receivable", "Cash" and the several items specified under "Other Accounts" except debt securities which are stated at historical cost (amortised cost) .
7. The Company is exposed to a variety of risks associated with health insurance business such as quality of risks undertaken, fluctuations in value of assets and higher expenses in the initial years of operation. The Company monitors these risks closely and effective remedial action is taken wherever deemed necessary. The Company has, through an appropriate reinsurance program kept its risk exposure at a level commensurate with its capacity.
8. The Company does not have operations outside India.

Aditya Birla Health Insurance Co. Limited
IRDA Registration No: 153
Date of Registration with the IRDAI: 11th July 2016

Management Report

9. (a) Ageing Analysis of Claims outstanding and the Average Claims settlement period is given below:

Particulars	As at 31 Mar 21			As at 31 Mar 20			As at 31 Mar 19			As at 31 Mar 18			As at 31 Mar 17		
	Health	Personal Accident	Total	Health	Personal Accident	Total	Health	Personal Accident	Total	Health	Personal Accident	Total	Health	Personal Accident	Total
0 to 30 days	4,28,232	4,603	4,32,835	2,32,029	49,389	2,81,418	1,68,022	49,115	2,17,137	1,11,121	2,499	1,13,620	36,881	60	36,941
31 days to 6 months	47,886	684	48,570	44,596	6,446	51,042	24,979	21,121	46,100	7,768	-	7,768	7,013	-	7,013
6 months to 1 years	60	-	60	3,383	15	3,398	2,644	-	2,644	-	-	-	-	-	-
1 years to 5 years	-	-	-	-	-	-	367	-	367	-	-	-	-	-	-
5 years and above	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	**4.76.179**	**5,287**	**4,81,466**	**2.80,008**	**55,850**	**3,35,858**	**1,96,012**	**70,236**	**2,66,248**	**1,18,889**	**2,499**	**1,21,388**	**43,894**	**60**	**43,954**

(b) Details of average claim settlement time

Particulars	2020-21	2019-20	2018-19	2017-18	2016-17
Overall Average Claims Settlement Period (In Working Days)	7	7	7	7	10

Aditya Birla Health Insurance Co. Limited
IRDA Registration No: 153
Date of Registration with the IRDAI: 11th July 2016

Management Report

10. Details of payments to individuals, firms, Companies and organisations in which directors are interested during the year ended on 31st March 2021 (Refer Annexure 1).
11. We certify that all debt securities and non convertible preference shares are considered as 'held to maturity' and accordingly stated at historical cost subject to amortisation of premium or accretion of discount on constant yield to maturity basis in the Revenue Accounts and in the Profit and Loss Account over the period of maturity/ holding. All mutual fund investments are valued at net asset value as at balance sheet date. In accordance with the Regulations, any unrealised gains/losses arising due to change in fair value of mutual fund investments or listed equity shares are accounted in "Fair Value Change Account" and carried forward in the balance sheet and is not available for distribution.
12. The Company has adopted a prudent investment policy with emphasis on optimising return with minimum risk. Investments are managed in consonance with the investment policy laid down by the board from time to time and are within the investment regulation and guidelines of IRDA. The Company has carried out periodic review of the investment portfolio. All investments are made in accordance with Insurance Act, 1938 as amended by Insurance Laws (Amendment) Act, 2015 and Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 as amended from time to time. The Company has a security that has been classified as NPA in line with Investments - Master Circular version – 02nd May 2017 issued by IRDAI and 70% provision is made as per conservative management estimate. The Company has no other non-performing assets for the purpose of income recognition as per the directions of IRDAI. Also, in respect of security although not an NPA but Substandard Asset as per RBI norms provision of 15% has been made with respect to this.
13. The Management of Aditya Birla Health Insurance Co. Limited certifies that:
    i. The financial statements have been prepared in accordance with the applicable provisions of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, the Insurance Act, 1938 as amended by Insurance Laws (Amendment) Act, 2015, the Insurance Regulatory and Development Authority Act, 1999, circulars/notifications issued by IRDA from time to time (including Circular No. IRDA/F&A/CIR/CPM/056/03/2016 dated 04th April 2016), the Accounting Standards (AS) specified under Section 133 of the Companies Act, 2013, to the extent applicable and the relevant provisions of the Companies Act, 2013, and disclosures have been made, wherever the same is required. There is no material departure from the said standards, principles and policies.
    ii. The Company has adopted accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at 31st March 2021 and of the operating profit or loss and of the profit or loss of the company for the year ended on that date.
    iii. The Company has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act, 1938, (4 of 1938) as amended by Insurance Laws (Amendment) Act, 2015 / Companies Act, 1956, (1 of 1956)/ the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
    iv. The financial statements of the Company have been prepared on a going concern basis.
    v. The Company's internal audit is conducted by an in-house audit team and an appointed audit firm. The scope of work of internal audit is commensurate with the size and nature of the Company's business. The management has ensured that an internal audit system commensurate with the size and nature of business exists and is operating effectively.

For and On behalf of the Board of Directors

Ajay Srinivasan
Director
DIN – 00121181

Asokan Naidu
Director
DIN: 07425396

Mayank Bathwal
CEO and Whole Time Director
DIN - 06804440

Jigar Mehta
Financial Controller

Mahesh Radhakrishnan
Company Secretary
(Membership No : 27720)

Mumbai
28th April 2021

Aditya Birla Health Insurance Co. Limited
IRDA Registration No: 153
Date of Registration with the IRDAI: 11th July 2016

Management Report

Annexure 1

Details of payments to individuals, firms, Companies and organisations in which directors are interested during the year ended on 31st March 2021:

S No.	Name of the Director	Entity in which Director is interested	Interested as	Amount of payment during the FY 2020-21 (₹ in ‘ 000)
1	Mr. Ajay Srinivasan Mr. Sushil Agarwal	Aditya Birla Management Corporation Private Limited	Director	425
2	Mr. Sushil Agarwal Mr. Asokan Poogesen Naidu Mr. Mayank Bathwal	Aditya Birla Wellness Private Limited	Director	1,26,518
3	Mr. Devajyoti Bhattacharya Mr. Sushil Agarwal	Aditya Birla Fashion and Retail Limited	Director	736
4	Mr. Asokan Poogesen Naidu	Momentum Metropolitan Services Private Limited (Formerly MMI Business And Technology Solutions Private Limited)	Director	4,687
5	Mr. Mayank Bathwal	Rahil Bathwal	Son	2,371

Aditya Birla Wellness
Private Limited

ADITYA BIRLA
CAPITAL

Independent Auditors' Report

To
The Members of
Aditya Birla Wellness Private Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of Aditya Birla Wellness Private Limited ("the Company"), which comprise the balance sheet as at 31st March 2021, 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 then ended, and notes to the financial statements including 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 Standard prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standard) Rules 2015 as amended ("Ind AS") and the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2021, the loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Emphasis of matter

We draw attention to Note 34 of the financial statements which describe the management's assessment of the impact of COVID-19 pandemic on the financial result of the Company, which are dependent on future developments regarding the severity and duration of the pandemic. Our opinion is not modified in respect of this matter.

Information other than the financial statements and auditor's report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Board's Report including Annexures to Board's Report and Shareholder's Information, 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.

Management's responsibility 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 Indian Accounting Standards (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 the 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.

Auditors' responsibility for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 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 financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure "A" 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, statement of cash flows and statement of changes in equity dealt with by this Report are in agreement with the books of account;
   d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards 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 31^{st} March 2021 and taken

on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021, from being appointed as a director in terms of Section 164(2) of the Act;

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company 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 control 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 to the best of our information and according to the explanations given to us, the remuneration paid or provided to its directors/ manager during the year is in accordance with the provision of 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 statements – Refer Note 20 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; and

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For PYS & Co. LLP
Chartered Accountants
Firm's Reg. No.: 012388S / S200048

G. D. Joglekar
Partner
Membership No. 39407
UDIN: 21039407AAAAHR5774
Place: Mumbai
Date: 23rd April 2021

Annexure 'A' to the Independent Auditors' Report

(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)

(i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has regular programme of physical verification of its fixed assets by which all the fixed assets are verified in a phased manner, which is reasonable having regard to size of the Company and the nature of its fixed assets. However, during the year, the management of the Company has not conducted physical verification of fixed assets. The discrepancy, if any between fixed assets register and physical verification, will be dealt with in the books of account as and when ascertained.

(c) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any immovable properties. In view of this, paragraph 3 (i) (c) of the Order is not applicable to the Company.

(ii) Considering the nature of business, the Company does not have Inventory. In view of this, paragraph 3(ii) of the Order is not applicable to the Company.

(iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable to the Company.

(iv) According to information and explanations given to us, the Company has not granted loans, made investments, given guarantees and security during the year in accordance with Section 185 and 186 of the Act. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.

(v) The Company has not accepted any deposits during the year from the public to which the directives issued by the Reserve Bank of India and provision of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder apply. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.

(vi) According to the information and explanations given to us, the requirement for maintenance of cost records specified by the Central Government under Section 148(1) of the Act are not applicable to the Company during the year. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us, the Company has been generally regular in depositing the undisputed statutory dues including provident fund, income tax, cess, goods and service tax and any other statutory dues applicable to it with the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the financial year for the period of more than six month from the date they became payable. As explained to us, the Company did not have any dues on account of duty of customs and value added tax. As informed, statutory dues in the nature of employees' state insurance, duty of excise and sales tax are not applicable to the Company.

(b) According to the information and explanations given to us, there are no dues of income tax, goods and service tax and other statutory dues which have not been deposited on account of any dispute with the appropriate authorities except the following:

Name of the statute	Nature of the dues	Period to which the amount relates	Amount (₹)#	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	Financial Year 2016-17	60,383,564	Commissioner of Income Tax (Appeals) Mumbai

(# net of ₹15,095,890 which is paid under protest against the said demand)

(viii) According to the information and explanations given to us, the Company does not have any loans or borrowings from banks, financial institutions, and government or debenture holders. Accordingly, paragraph 3(viii) of the Order is not applicable to the Company.

(ix) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and the term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.

(x) According to the information and explanations given to us, no instances of fraud by the Company or any fraud on the Company by its officers or employees have been noticed or reported during the year.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) The Company is not a Nidhi Company. Accordingly, the paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, during the year the Company has not made preferential allotment or private placement of equity shares. Accordingly, the paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For PYS & Co. LLP
Chartered Accountants
Firm's Reg. No.: 012388S / S200048

G. D. Joglekar
Partner
Membership No. 39407
UDIN: 21039407AAAAHR5774
Place: Mumbai
Date: 23rd April 2021

Annexure 'B' to the Independent Auditors' Report

(Referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

We have audited the internal financial controls over financial reporting of Aditya Birla Wellness Private Limited as of 31st March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 further periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, 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 31st March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For PYS & Co. LLP
Chartered Accountants
Firm's Reg. No.: 012388S / S200048

G. D. Joglekar
Partner
Membership No. 39407
UDIN: 21039407AAAAHR5774
Place: Mumbai
Date: 23rd April 2021

Standalone Balance Sheet

as at 31st March 2021

₹ in '000

		Note No.	As at 31 Mar 21	As at 31 Mar 20
I	**ASSETS**			
	Non Current assets			
	(a) Property, plant and equipment	3	1,224	2,050
	(b) Other intangible assets	3	88,080	76,228
	(c) Intangible assets under development	3	-	7,957
	(d) Income tax assets		18,939	17,082
			1,08,243	**1,03,317**
	Current assets			
	(a) Financial Assets			
	(i) Investments	4	75,343	59,710
	(ii) Trade receivables	5	29,128	25,880
	(iii) Cash and cash equivalents	6	2,126	7,284
	(iv) Other financial assets	7	3,353	3,369
	(b) Other current assets	8	16,129	21,733
			1,26,079	**1,17,976**
	Total assets		**2,34,322**	**2,21,293**
II	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity share capital	9	1,16,661	1,16,661
	(b) Other equity	10	71,672	72,464
	Total equity		**1,88,333**	**1,89,125**
	LIABILITIES			
	Non-current liabilities			
	(a) Long-term provisions	11	4,941	4,256
			4,941	**4,256**
	Current liabilities			
	(a) Financial liabilities			
	(i) Trade payables			
	(a) Outstanding dues to micro and small enterprises		-	-
	(b) Outstanding dues to other than micro and small enterprises	12	17,258	9,043
	(ii) Other financial liabilities	13	12,094	10,185
	(b) Other current liabilities	14	9,264	6,734
	(c) Short-term provisions	15	2,432	1,950
			41,048	**27,912**
	Total liabilities		**45,989**	**32,168**
	Total equity and liabilities		**2,34,322**	**2,21,293**
Significant accounting policies		**1 & 2**		

The accompanying notes are an integral part of the financial statements

For PYS & CO. LLP
Chartered Accountants
Firm's Reg. No.: 012388S / S200048

G.D. Joglekar
Partner
Membership No: 39407

Place: Mumbai
Date: 23rd April 2021

For and behalf of Board of Directors of Aditya Birla Wellness Private Limited

Asokan Naidu
Director
DIN: 07425396

Mayank Bathwal
Director
DIN: 06804440

Manoj Korgaonkar
Chief Financial Officer

Deepak Savalge
Company Secretary
Membership No: A46791

Place: Mumbai
Date: 23rd April 2021

Statement of Profit and Loss Account

for the year ended 31st March 2021

₹ in '000

	Particulars	Note No.	Year ended 31 Mar 21	Year ended 31 Mar 20
I.	**Income**			
	Revenue from operations	16	1,23,989	85,614
	Other income	17	5,376	7,720
	Total Revenue		**1,29,365**	**93,334**
II.	**Expenses**			
	(a) Employee benefits expense	18	52,005	49,875
	(b) Depreciation and amortisation expense	3	25,700	20,737
	(c) Other expenses	19	52,784	48,518
	Total Expenses		**1,30,489**	**1,19,130**
III.	**Loss before Tax (I-II)**		**(1,124)**	**(25,796)**
IV.	**Tax expenses**			
	- Current tax		-	-
	- Deferred tax		-	-
V.	**Loss for the year (III-IV)**		(1,124)	(25,796)
VI.	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	1) Remeasurement of defined benefit plan		332	(672)
	2) Income tax relating to items that will not be reclassified to profit or loss		-	-
	Total Other Comprehensive Income		**332**	**(672)**
	Total Comprehensive Income for the year (V+VI)		**(792)**	**(26,468)**
	Earnings per equity share (in Rupees):	23		
	(1) Basic		(0.10)	(2.21)
	(2) Diluted		(0.10)	(2.21)
	Nominal value of equity shares (in Rupees)		10	10
Significant accounting policies		1 & 2		

The accompanying notes are an integral part of the financial statements

For PYS & CO. LLP
Chartered Accountants
Firm's Reg. No.: 012388S / S200048

For and behalf of Board of Directors of Aditya Birla Wellness Private Limited

G.D. Joglekar
Partner
Membership No: 39407

Asokan Naidu
Director
DIN: 07425396

Mayank Bathwal
Director
DIN: 06804440

Manoj Korgaonkar
Chief Financial Officer

Deepak Savalge
Company Secretary
Membership No: A46791

Place: Mumbai
Date: 23rd April 2021

Place: Mumbai
Date: 23rd April 2021

Cash Flow Statement

for the year ended 31st March 2021

₹ in '000

	Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
(A)	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Loss for the year	(1,124)	(25,796)
	Add: Depreciation and amortisation expense	25,700	20,737
	Less: (Gain)/ Loss on current investments (measured at fair value through profit and loss)	(62)	4,169
	Less: Profit on sale of investments	(4,069)	(11,889)
	Operating loss before working capital changes	**20,445**	**(12,779)**
	Adjustments for working capital changes:		
	(Increase) / decrease in other financial assets	5,620	(1,233)
	(Increase) / decrease in trade receivables	(3,248)	(25,679)
	Increase / (decrease) in trade payables and other current liabilities	10,745	(24,990)
	Increase / (decrease) in other financial liabilities	1,906	884
	Increase / (decrease) in long term and short term provisions	1,503	1,162
	Net change in working capital	**16,526**	**(49,856)**
	Operating cash flows after working capital changes	**36,971**	**(62,635)**
	Direct taxes paid	(1,857)	(15,116)
	Net cash (used) in operating activities	**35,113**	**(77,751)**
(B)	**CASH FLOWS FROM INVESTMENT ACTIVITIES**		
	Purchase \ Sale of current investments (net)	(11,502)	73,216
	Purchase of Property, plant and equipment (including intangible asset under development)	(28,769)	(22,323)
	Net cash (used) in investment activities	**(40,271)**	**50,893**
(C)	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Net cash generated from in financing activities	-	-
	Net changes in cash and cash equivalents (A+B+C)	**(5,158)**	**(26,858)**
	Cash and cash equivalents - opening balance	7,284	34,142
	Cash and cash equivalents - closing balance	2,126	7,284
	Net increase in cash and cash equivalents	**(5,158)**	**(26,858)**

Note:
The above cash flow statement has been prepared under "Indirect method" as set out in the Indian Accounting standards (AS)-7 on "Statement of Cash Flow".

The accompanying notes are an integral part of the financial statements
As per the Company's report of even date attached

For PYS & CO. LLP
Chartered Accountants
Firm's Reg. No.: 012388S / S200048

G.D. Joglekar
Partner
Membership No: 39407

Place: Mumbai
Date: 23rd April 2021

For and behalf of Board of Directors of Aditya Birla Wellness Private Limited

Asokan Naidu
Director
DIN: 07425396

Mayank Bathwal
Director
DIN: 06804440

Manoj Korgaonkar
Chief Financial Officer

Deepak Savalge
Company Secretary
Membership No: A46791

Place: Mumbai
Date: 23rd April 2021

Statement of Changes in Equity

for the year ended 31st March 2021

₹ in '000

Particulars	Equity share capital	Share application money pending allotment	Securities premium	Retained earnings	Total Equity
Opening balance as on 1st April 2020	1,16,661	-	2,31,116	(1,58,652)	1,89,125
Loss for the period	-	-	-	(1,124)	(1,124)
Share issue expenses	-	-	-	-	-
Comprehensive profit during the year	-	-	-	332	332
Closing balance as on 31st March 2021	**1,16,661**	**-**	**2,31,116**	**(1,59,444)**	**1,88,333**
Opening balance as on 1st April 2019	1,16,661	-	2,31,116	(1,32,184)	2,15,593
Loss during the year	-	-	-	(25,796)	(25,796)
Comprehensive loss during the year	-	-	-	(672)	(672)
Closing balance as on 31st March 2020	**1,16,661**	**-**	**2,31,116**	**(1,58,652)**	**1,89,125**

For PYS & CO. LLP
Chartered Accountants
Firm's Reg. No.: 012388S / S200048

G.D. Joglekar
Partner
Membership No: 39407

Place: Mumbai
Date: 23rd April 2021

For and behalf of Board of Directors of Aditya Birla Wellness Private Limited

Asokan Naidu
Director
DIN: 07425396

Mayank Bathwal
Director
DIN: 06804440

Manoj Korgaonkar
Chief Financial Officer

Deepak Savalge
Company Secretary
Membership No: A46791

Place: Mumbai
Date: 23rd April 2021

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

1. CORPORATE INFORMATION:

Aditya Birla Wellness Private Limited ("the Company") is a subsidiary Company of Aditya Birla Capital Limited (Formerly known as Aditya Birla Financial Services Limited) and the ultimate holding Company is Grasim Industries Limited. The Company is a private limited Company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The Company was incorporated on 23rd June 2016 with Corporate Identification Number (CIN): U74999MH2016PTC282782 with specific purpose of providing and servicing incentives wellness programs and related programs.

Registered office and principal place of business of the Company is situated at D- Wing, 1st Floor, Aditya Birla Centre, S.K. Ahire Marg, Worli Mumbai Mumbai - 400030.

2. SIGNIFICANT ACCOUNTING POLICIES:

a Basis of preparation of financial statements

These Financial Statements are prepared on accrual basis of accounting and all principal accounting policies applied in the preparation of these Financial Statements are set out below. These policies have been consistently applied to all the financial years presented.

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, and relevant amendment rules issued there after.

b Basis of measurement

The financial statements have been prepared on the historical cost basis except for financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

c Use of estimates

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

- Valuation of financial instruments
- Useful life of property, plant and equipment
- Employee Benefits

d Functional and presentation currency

These financial statements are presented in Indian Rupees, which is the Company's functional currency. All amounts have been rounded off up to the nearest thousands except where otherwise indicated.

e Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

f Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from service fees and charges

Service fees and charges are recognised on the basis of services rendered as per the terms of contract entered into for the period to which they relate. Amount received or billed in advance for services as per terms of contract are recorded as unearned revenue.

In accordance with Ind AS 115, Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue from wellness services is recognised over period of time. The entity measures the progress towards completion of the performance obligation on the basis of the entity's efforts to the satisfaction of a performance obligation.

Interest income from financial assets is recognised when it is probable that economic benefits will flow to the Company and the amount of income can be measured reliably

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable which is the rate which exactly discounts estimated future cash receipts through the expected life of financial assets to that asset's net carrying amount on initial recognition.

g 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. The Company recognises a financial asset or financial liability in its balance sheet only when the entity becomes party to the contractual provisions of the instrument.

(i) Financial assets

A financial asset inter-alia includes any asset that is cash, equity instrument of another entity or contractual obligation to receive cash or another financial asset or to exchange financial asset or financial liability under condition that are potentially favourable to the Company.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories;

- at amortised cost through profit or loss
- at fair value through other comprehensive income (FVTOCI)
- at fair value through profit or loss (FVTPL)

Financial Assets at amortised cost

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

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company i.e. Trade Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables do not carry any interest and are stated at their nominal value as reduced by impairment amount.

After initial measurement such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

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 lay 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.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment of financial assets

The Management has evaluated the impairment provision requirement under IND AS 109 and has listed down below major facts for trade and other receivables impairment provisioning:

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Expected Credit Loss (ECL) impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head ‘other expenses’ in the statement of profit & loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost and other contractual revenue receivables- ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

(ii) Financial liabilities

The Company’s financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Initial recognition and measurement

All financial liabilities are recognised initially at fair value net of directly attributable transaction costs in case of same subsequently measured at amortised cost. Transaction costs are directly recorded in Statement of Profit and Loss where financial liabilities are subsequently measured at fair value.

The Company's financial liabilities include trade and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to statement profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through statement profit and loss.

Financial liabilities at amortised cost

This is the category most relevant to the Company. Financial Liabilities that are not held for trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to interest-bearing loans and borrowings.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Fair value measurement

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 -Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

h Property, plant and equipment

Tangible assets stated at cost less accumulated depreciation. Cost includes the purchase price and any cost directly attributable to bringing the asset to its working condition for its intended use. Subsequent expenditure incurred on such assets is expensed out in the year of expense except where such expenditure increases the future economic benefits from the existing assets.

Intangible assets are recognised only if it is probable that the future economic benefits are attributable to the assets which will flow to the enterprise and the cost of the asset can be measured easily.

Depreciation on tangible assets is provided using the straight-line method based on the economic useful life of assets as determined by the management is as below;

S No.	Asset Type	Estimated Useful life (Years)
1	IT Equipment	3 - 6
2	Office Equipment	2 - 5

The useful lives of tangible fixed assets are assessed taking into account technical advice, the nature of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes etc. Further, for the class of assets, the management believes that the useful lives as given above best represent the period which management expects to use these assets. Hence, the useful lives of these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Assets having a value of less than ₹5000, have been fully depreciated in the year of purchase.

Amortisation of Intangible assets is provided using the straight-line method based on the economic useful life of assets as determined by the management is as below;

S No.	Asset Type	Estimated Useful life (Years)
1	Software and Website	5

i Impairment of non financial assets:

At each balance sheet date, management assesses whether there is any indication, based on internal / external factors, that an asset may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal.

j Cash and cash equivalents

Cash and cash equivalents for the purposes of Statement of Cash flows include cash and cheques in hand; bank balances liquid mutual funds and other investments with original maturity of three months or less which are subject to insignificant risk of changes in value.

k Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgment in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

j Direct and indirect tax

i) Direct taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The Company determines the tax as per the provisions of Income Tax Act, 1961 and other rules specified thereunder.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

tax items are recognised 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.

Deferred income tax is recognised for future tax consequences attributable to timing differences between income as determined by the financial statements and the recognition for income tax purposes. The effect on deferred tax assets and liabilities of a change in tax rates is recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

Defered Tax assets and liabilities is not recognised in the books owing to the fact that difference will not be reversed in forseaable future and the taxable profit is not available against which the temporary difference can be utilised.

ii) Indirect taxes

The Company claims credit of service tax for input services, which is set off against tax on output services. The unutilised credits, if any are carried forward to the future period for set off where there is reasonable certainty of utilisation.

l Employee benefits

a) Short term employee benefits

All employee benefits payable within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries & bonuses are recognised in the period in which the employee renders the related service.

b) Other long term employment benefits (Earned leave, long term employment benefit)

Compensated absences are entitled to be carried forward for future encashment or availment, at the option of the employee during the tenure of the employment, subject to the rules framed by the Company in this regard. Accumulated compensated absences entitlements outstanding at the close of the year are accounted on the basis of an independent actuarial valuation. Accumulated entitlements at the time of separation are entitled to be encased.

c) Long term employment benefits

The Company also has deferred compensation plans ith the objective of employee retention.

i) Post employment obligations

The Company operates the following post - employment schemes:

- defined benefit plans such as gratuity and,
- defined contribution plans such as provident fund.

ii) Defined contribution scheme

The Company defined contribution schemes for provident fund to provide retirement benefits to its employees. These are plans in which the Company pays predefined amounts to recognised provident fund and does not have any legal or informal obligation to pay additional sums. These comprise of contributions to the employees' provident fund. The Company's payments to the defined contribution plans are reported as expenses during the period in which the employees perform the services that the payment covers.

iii) Defined benefit scheme

The Company provides for gratuity as per the Payment of Gratuity Act, 1972. Employee who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / terminations is the employee last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

Gratuity liability is defined benefit obligation and is funded. The Company accounts for liability for future gratuity benefits based on independent actuarial valuation under IND AS 19 'Employee Benefits'. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earning in the statement of changes in equity and in the balance sheet. The liability or assets recognised in the balance sheet in respect of defined benefit gratuity scheme is the present value of the defined benefit obligation at the end of the reporting period less the fair value of the plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

m Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding at the balance sheet date. For the

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

purpose of calculating diluted earnings per share, the net 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.

n Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect current best estimates. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A disclosure for contingent liability is made when there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources or it cannot be reliably estimated. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. A contingent asset is neither recognised nor disclosed.

o Recent pronouncements

On 24th March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1st April 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a Company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of Company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

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

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

NOTE 3.1 PROPERTY, PLANT AND EQUIPMENT

₹ in '000

Particulars	Office Equipement	IT equipments	Total
Gross Block			
Gross carrying value			
Balance as at 1st April 2020	39	5,316	5,355
Additions	-	-	-
Disposals	-	-	-
Balance as at 31st March 2021	**39**	**5,316**	**5,355**
Accumulated Depreciation			
Balance as at 1st April 2020	30	3,275	3,305
Depreciation for the year	8	818	826
Disposals	-	-	-
Balance as at 31st March 2021	**38**	**4,093**	**4,131**
Net Block			
As at 31st March 2021	**1**	**1,223**	**1,224**
Gross carrying value			
Balance as at 1st April 2019	29	5,316	5,345
Additions	10	-	10
Disposals	-	-	-
Balance as at 31st March 2020	**39**	**5,316**	**5,355**
Accumulated Depreciation			
Balance as at 1st April 2019	8	2,351	2,359
Depreciation for the year	22	924	946
Disposals	-	-	-
Balance as at 31st March 2020	**30**	**3,275**	**3,305**
Net Block			
As at 31st March 2020	**9**	**2,041**	**2,050**

NOTE 3.2 INTANGIBLE ASSETS

₹ in '000

Particulars	Software and website	Total
Gross carrying value		
Balance as at 1st April 2020	1,05,366	1,05,366
Additions	36,726	36,726
Disposals	-	-
Balance as at 31st March 2021	**1,42,092**	**1,42,092**
Accumulated Depreciation		
Balance as at 1st April 2020	29,138	29,138
Depreciation/amortisation for the year	24,874	24,874
Disposals	-	-
Balance as at 31st March 2021	**54,012**	**54,012**
Net Block		
As at 31st March 2021	**88,080**	**88,080**
Gross carrying value		
Balance as at 1st April 2019	81,182	81,182
Additions	24,184	24,184
Disposals	-	-
As at 31st March 2020	**1,05,366**	**1,05,366**

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

₹ in '000

Particulars	Software and website	Total
Accumulated Depreciation		
Balance as at 1st April 2019	9,347	9,347
Depreciation/amortisation for the year	19,791	19,791
Disposals	-	-
As at 31st March 2020	**29,138**	**29,138**
Net Block		
As at 31st March 2020	**76,228**	**76,228**

NOTE 3.3 INTANGIBLE ASSETS UNDER DEVELOPMENT

₹ in '000

Particulars	Software and website	Total
Balance as at 1st April 2020	7,957	7,957
Additions	28,769	28,769
Assets capitalised during the year	(36,726)	(36,726)
Balance as at 31st March 2021	**-**	**-**
Balance as at 1st April 2019	9,827	9,827
Additions	22,313	22,313
Assets capitalised during the year	(24,183)	(24,183)
Balance as at 31st March 2020	**7,957**	**7,957**

NOTE 4 CURRENT INVESTMENTS

₹ in '000

Particulars	As at 31 Mar 21	As at 31 Mar 20
Investment in mutual fund (unquoted):		
(fair value through profit or loss)		
176,515.68 (As at 31st March 2020; 148,965.37) Units of Aditya Birla Sun Life Saving Fund - Growth - Direct Plan	75,343	59,710
	75,343	**59,710**
Aggregate amount of unquoted investments	75,343	59,710
Aggregate amount of impairment in value of Investemnts	-	-
Reduction in the fair value of assets held for sale	-	-
Investments carried at cost	75,343	59,710
Investments carried at amortised cost	-	-
Investments carried at fair value through other comprehensive income	-	-
Investments carried at fair value through profit or loss	75,343	59,710

NOTE 5 TRADE RECEIVABLES

₹ in '000

Particulars	As at 31 Mar 21	As at 31 Mar 20
Unsecured, considered good		
Due from related party	26,804	25,729
Other receivables	2,324	151
	29,128	**25,880**

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

Note 5.1

The Company has used a practical expedient for computing expected credit loss allowance for trade receivables taking into account historical credit loss experience. As per management assessment, no provision was made for expected credit loss as there is no history of significant default and significant delay.

Note 5.2

The average credit period from the date of invoice is 30 - 90 days.

Note 5.3

The Company does not have Trade Receivables which have significant increase in credit risk and trade receivables- credit impaired

NOTE 6 CASH AND CASH EQUIVALENTS

₹ in '000

	As at 31 Mar 21	As at 31 Mar 20
Balances with banks		
In current account	2,126	7,284
	2,126	**7,284**

NOTE 7 OTHER FINANCIAL ASSETS

₹ in '000

	As at 31 Mar 21	As at 31 Mar 20
Other receivables (including unbilled revenue of ₹98 Thousand; previous year ₹209 Thousand)	3,353	3,369
	3,353	**3,369**

NOTE 8 OTHER CURRENT ASSETS

₹ in '000

	As at 31 Mar 21	As at 31 Mar 20
Other advances	2,506	1,315
Prepaid expenses	1,447	1,480
Balances with statutory/government authorities	12,176	18,938
	16,129	**21,733**

NOTE 9 SHARE CAPITAL

₹ in '000

	As at 31 Mar 21	As at 31 Mar 20
Authorised:		
15,000,000 (as at 31st March 2020; 15,000,000) equity shares of ₹10 each	1,50,000	1,50,000
	1,50,000	**1,50,000**
Issued, subscribed and fully paid-up		
11,666,100 (as at 31st March 2020; 11,666,100) equity shares of ₹10 each, fully paid up	1,16,661	1,16,661
	1,16,661	**1,16,661**

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

S. No.	Description	As at 31 Mar 21	As at 31 Mar 20
		Equity Shares	Equity Shares
1	At the beginning of the year	1,16,66,100	1,16,66,100
2	Add: Shares issued during the year	-	-
3	No of Shares outstanding at the end of the year	1,16,66,100	1,16,66,100

b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution to all Preference Shareholders. The distribution will be in proportion to the number of the equity shares held by the shareholders.

c) Equity shares held by holding company "Aditya Birla Capital Limited" along with its nominee - No. of Shares - 5,949,712 (as at 31st March 2020; 5,949,712).

d) Shares in the Company held by each shareholder holding more than 5 percent shares and the number of shares held are as under:-

Equity Shares

S. No.	Name of the shareholder	As at 31 Mar 21		As at 31 Mar 20	
		No of Shares held	% of total paid-up equity share capital	No of Shares held	% of total paid-up equity share capital
1	Aditya Birla Capital Limited along with its nominee	59,49,712	51.00%	59,49,712	51.00%
2	MMI Strategic Investment Pty Ltd.	57,16,388	49.00%	57,16,388	49.00%

NOTE 10 OTHER EQUITY

₹ in '000

Particulars	As at 31 Mar 21	As at 31 Mar 20
Securities Premium Account		
Balance as per last financial statements	2,31,116	2,31,116
Total (a)	**2,31,116**	**2,31,116**
Retained earnings		
Balance as per last financial statements	(1,58,652)	(1,32,184)
Loss for the year	(1,124)	(25,796)
Comprehensive profit / loss during the year	332	(672)
Total (b)	**(1,59,444)**	**(1,58,652)**
Total (a+b)	**71,672**	**72,464**

NOTE 11 LONG-TERM PROVISIONS

₹ in '000

	As at 31 Mar 21	As at 31 Mar 20
Provision for employee benefits:		
Gratuity (unfunded) (Refer Note 25)	4,353	3,555
Leave encashment	588	701
	4,941	**4,256**

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

NOTE 12 TRADE PAYABLES

₹ in '000

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
Outstanding dues to micro and small enterprises	-	-
Outstanding dues to other than micro and small enterprises	17,258	9,043
	17,258	**9,043**

Information relating to micro and small enterprises, as per the Micro, Small and Medium Enterprises Development Act, 2006:

₹ in '000

Particulars		Year ended 31 Mar 21	Year ended 31 Mar 20
(a)	the principal amount overdue and the interest thereon remaining unpaid to any supplier at the end of each accounting year;	-	-
(b)	the amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c)	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 Micro, Small and Medium Development Act, 2006	-	-
(d)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

NOTE 13 OTHER FINANCIAL LIABILITIES

₹ in '000

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
Salary payable	11,741	9,691
Other payable due to a related party (Refer note 24)	343	483
Others	10	11
	12,094	**10,185**

NOTE 14 OTHER CURRENT LIABILITIES

₹ in '000

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
Statutory dues payable	4,934	2,630
Unearned revenue	4,330	3,967
Advance from customers	-	128
Others	-	9
	9,264	**6,734**

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

NOTE 15 SHORT-TERM PROVISIONS

₹ in '000

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
Provisions for employee benefits:		
Gratuity (unfunded) (Refer Note 25)	55	27
Leave encashment	196	180
Other long-term benefits	2,181	1,743
	2,432	**1,950**

NOTE 16 REVENUE FROM OPERATIONS

₹ in '000

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
Service fees and charges	1,23,989	85,614
	1,23,989	**85,614**

NOTE 17 OTHER INCOME

₹ in '000

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
Profit on sale of investments (measured at fair value through profit and loss)	4,069	11,889
Miscellaneous Income	1,245	-
Gain/ (Loss) on current investments (measured at fair value through profit and loss)	62	(4,169)
	5,376	**7,720**

NOTE 18 EMPLOYEE BENEFITS EXPENSE

₹ in '000

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
Salaries and allowances	48,954	46,722
ESOP expenses	-	77
Gratuity expenses	1,186	863
Contribution to provident fund and other funds	1,817	1,633
Staff welfare expenses	48	580
	52,005	**49,875**

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

NOTE 19 OTHER EXPENSES

₹ in '000

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
Rent	5,976	3,924
Repairs and maintenance - building	620	270
Housekeeping and security expenses	1,182	738
Rates and taxes	672	225
Advertisement	19,068	1,350
Legal and professional expenses	19,843	10,001
Printing and stationery	439	571
Travelling and conveyance	393	3,124
Call centre charges	1,209	2,939
Communication expenses	134	95
Auditors' remuneration:		
Statutory audit fees	562	350
Tax audit fees	99	85
Other services	86	163
Postage expenses	-	1
Electricity charges	330	313
Foreign exchange loss (Net)	18	47
Sales promotion	347	162
Wellness tracking expenses*	1,078	22,496
Recruitment expenses	39	572
Refferal commission	396	837
Miscellaneous expenses	293	254
	52,784	**48,517**

NOTE 20

CONTINGENT LIABILITIES (TO THE EXTENT NOT PROVIDED FOR)

The Company has received Income Tax demand for Asessment Year 2017-18 of ₹75,479 thousand (PY ₹75,479 thousand) against which the Company has paid ₹15,096 thousand (PY ₹15,096 thousand) under protest.

NOTE 21 CAPITAL COMMITMENT

₹ in '000

Particulars	As at 31 Mar 21	As at 31 Mar 20
Estimated amount of contracts remaining to be executed on capital account and not provided for	2,821	11,094
	2,821	**11,094**

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

NOTE 22

a) EXPENDITURE IN FOREIGN CURRENCY (ON ACCRUAL BASIS)

₹ in '000

Particulars	As at 31 Mar 21	As at 31 Mar 20
Legal and professional expenses	4,670	-
Wellness tracking expenses	673	1,053
	5,343	**1,053**

b) FOREIGN CURRENCY EXPOSURES AS AT YEAR END NOT HEDGED ARE AS FOLLOWS:

Particulars	Currency Type	As at 31 Mar 21		As at 31 Mar 20	
		Foreign currency ('000)	Equivalent ₹ ('000)	Foreign currency ('000)	Equivalent ₹ ('000)
Trade payable	ZAR	854	4,203	-	-

NOTE 23 EARNINGS PER SHARE

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders 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 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.

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

Particulars	As at 31 Mar 21	As at 31 Mar 20
Loss attributable to equity holders for basic earnings (₹ in '000)	(1,124)	(25,796)
Weighted average number of equity shares for basic EPS* (Numbers)	1,16,66,100	1,16,66,100
Weighted average number of equity shares adjusted for the effect of dilution* (Numbers)	1,16,66,100	1,16,66,100
Face value per share (₹)	10	10
Basic earning per share (₹)	(0.10)	(2.21)
Diluted earning per share (₹)	(0.10)	(2.21)

** There have been no other transactions involving equity shares or potential equity shares between the reporting date and the date of authorisation of these financial statements.*

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

NOTE 24 RELATED PARTY DISCLOSURES FOR THE YEAR ENDED 31ST MARCH 2021

During the year, the following transactions were carried out with the related parties in the ordinary course of business:

Related party relationships:

Nature of relationship	Name of related parties
Ultimate Holding Company	Grasim Industries Limited with effect from 01.07.2017
Holding Company	Aditya Birla Capital Limited
Fellow Subsidiaries	Aditya Birla Health Insurance Co. Limited.
	Aditya Birla Sun Life Insurance Co. Limited.
	Aditya Birla Capital Limited
	Aditya Birla ARC Limited
	Aditya Birla Capital Technology Services Limited
	Aditya Birla Finance Limited
	Aditya Birla Financial Shared Services Limited
	Aditya Birla Money Limited.
	Aditya Birla Stressed Asset AMC Private Limited
	Aditya Birla Sun Life AMC Limited
	Aditya Birla Housing Finance Limited
	Aditya Birla Sun Life Insurance Company Limited
Associates and other related parties	Momentum Metropolitan Strategic Investment (Pty) Limited. (Formerly known as MMI Strategic Investment (Pty) Limited.)
	Momentum Multiply (Pty) Limited
	Metropolitan International Support (Pty) Limited
	MMI Business and Technology Solutions Private Limited
Key Managerial Personal	Murtuza Arsiwala (Manager w.e.f. 1st April 2019)
	Manoj Korgaonkar (Chief Financial Officer w.e.f. 1st April 2019)
	Chetan Shigvan (Company Secretary upto 31st July 2020)
	Deepak Savalge (Company Secretary w.e.f. 23rd October 2020)

Notes:

a) No amounts in respect of related parties have been written off/back during the year.

b) The relationships as mentioned above pertain to those related parties with whom transactions have taken place during the year.

c) Related party relationships have been determined on the basis of the requirement of the Accounting Standard (IND AS) - 24 "Related Party Disclosure" and the same have been identified by the management and relied upon by the auditors.

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

₹ in '000

Sr.	Transaction with related parties:	Year Ended 31 Mar 21	Year Ended 31 Mar 20
1	**Service fees and charges**	-	
	Aditya Birla Health Insurance Co. Limited	1,16,924	75,828
2	**ESOP Expenses**	-	
	Aditya Birla Capital Limited	-	77
3	**Group Medical Insurance Premium Paid**		
	Aditya Birla Sun Life Insurance Company Limited	82	-
	Aditya Birla Health Insurance Co. Limited	-	446
4	**Reimbursement of professional tax paid**		
	Aditya Birla Health Insurance Co. Limited	71	75
5	**Rent, advertisement and other expense**	-	
	Momentum Multiply (Pty) Limited	4,670	-
	Aditya Birla Health Insurance Co. Limited	8,261	5,511
6	**GST Input received**		
	Aditya Birla Capital Limited	1,715	2,656
7	**Transfer of Assets**		
	Aditya Birla Health Insurance Co. Limited	111	227
8	**Transfer of Liability**		
	Aditya Birla Sun Life Insurance Company Limited	81	-
	Aditya Birla Health Insurance Co. Limited	36	694
9	**Addition in Intangible Assets**		
	Momentum Metropolitan Services Private Limited	12,670	-
10	**Income from Sale of Multiply Products/Contracts**		
	Aditya Birla Capital Limited	5	-
	Aditya Birla ARC Limited	2	-
	Aditya Birla Capital Technology Services Limited	4	-
	Aditya Birla Finance Limited	170	-
	Aditya Birla Financial Shared Services Limited	53	-
	Aditya Birla Money Limited.	20	-
	Aditya Birla Stressed Asset AMC Private Limited	0.2	-
	Aditya Birla Sun Life AMC Limited	63	-
	Aditya Birla Housing Finance Limited	40	-
	Aditya Birla Sun Life Insurance Company Limited	248	-
11	**Key Managerial Remuneration**		
	Murtuza Arsiwala	9,402	9,668
	Manoj Korgaonkar	1,967	1,671
	Chetan Shigvan	328	729
	Deepak Savalge	457	-
	Closing balances:		
1	**Trade receivable**		
	Aditya Birla Health Insurance Co. Limited.	26,119	25,729
	MMI International Support (Ply) Limited	-	1,189
	Aditya Birla ARC Limited	2	-
	Aditya Birla Capital Technology Services Limited	5	-
	Aditya Birla Finance Limited	188	-
	Aditya Birla Financial Shared Services Limited	58	-
	Aditya Birla Money Limited.	24	-
	Aditya Birla Stressed Asset AMC Private Limited	0.2	-
	Aditya Birla Sun Life AMC Limited	70	
	Aditya Birla Housing Finance Limited	47	-
	Aditya Birla Sun Life Insurance Company Limited	292	-

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

₹ in '000

Sr.	Transaction with related parties:	Year Ended 31 Mar 21	Year Ended 31 Mar 20
2	**Trade Payable**		
	Momentum Multiply (Pty) Limited	4,203	-
3	**Other Financial Liabilities**		
	Momentum Metropolitan Services Private Limited	-	-
	Aditya Birla Capital Limited	343	483
4	**Share Capital balance**		
	Aditya Birla Capital Limited	59,497	59,497
	Momentum Metropolitan Strategic Investment (Pty) Limited	57,164	57,164
5	**Securities Premium balance**		
	Aditya Birla Capital Limited	1,17,994	1,17,994
	Momentum Metropolitan Strategic Investment (Pty) Limited	1,14,328	1,14,328

NOTE 25 EMPLOYEE BENEFITS

Defined benefit plans (Gratuity)

The scheme (non funded) is a non-contributory defined benefit arrangement providing gratuity benefits expressed in terms of final monthly salary and service. The following table shows the amounts recognised in the 'Balance Sheet and the Statement of Profit and Loss.'

₹ in '000

	Change in benefit obligation	As at 31 Mar 21	As at 31 Mar 20
a	**Liability at the beginning of the year**	3,582	2,551
	Transfer in/out	(28)	(504)
	Past service cost	-	-
	Interest cost	242	193
	Current service cost	944	670
	Benefits paid	-	-
	Actuarial (gain) / loss on obligations	(332)	672
	Liability at the end of the year	**4,408**	**3,582**
b	**Net actuarial (gain) / loss**		
	Actuarial gain / (loss) on obligations	(332)	672
	Actuarial gain / (loss) on plan assets	-	-
	Net actuarial gain / (loss)	**(332)**	**672**
c	**Amount recognised in the balance sheet**		
	Defined benefit obligation as at end of the year	4,408	3,582
	Fair value of plan assets at the end of the year	-	-
	Net liability / (asset)	**4,408**	**3,582**
	Current liability	55	27
	Non current liability	4,353	3,554
d	**Expense recognised in the statement of profit and loss**		
	Past service cost	-	-
	Current service cost	944	670
	Interest cost	242	193
	Total included in "employee benefits"	**1,186**	**863**
e	**Expense recognised in other comprehensive income (OCI)**		
	Net actuarial (gain) / loss	(332)	672
	Total included in other comprehensive income (OCI)	**(332)**	**672**
f	**Principal actuarial assumptions**		
	Discount rate	6.94%	6.77%
	Salary escalation rate	7.00%	7.00%
	Mortality rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

A quantitative sensitivity analysis for significant assumption as at 31st March 2021 is as shown below, the sensitivity analysis is calculated by actuaries using the projected unit credit method.

Particulars	As at 31 Mar 21		As at 31 Mar 20	
	Increase	Decrease	Increase	Decrease
Discount Rate (-/+ 1%)	(13.74%)	16.42%	(13.90%)	16.78%
(% change compared to base due to sensitivity)	3,802	5,131	3,084	4,183
Salary Rate (-/+ 1%)	16.21%	(13.61%)	16.71%	(14.08%)
(% change compared to base due to sensitivity)	5,122	3,808	4,180	3,077
Attrition Rate (-/+ 0.5%)	(3.48%)	4.02%	(6.61%)	7.72%
(% change compared to base due to sensitivity)	4,254	4,585	3,345	3,858
Mortality Rate (-/+ 0.1%)	(0.06%)	0.06%	(0.09%)	0.09%
(% change compared to base due to sensitivity)	4,405	4,410	3,579	3,585

The following payments are expected contributions to the defined benefit plan in future years:

₹ in '000

Particulars	Amount
Within the next 12 months (next annual reporting period)	55
Between 2 and 5 years	378
Between 6 and 10 years	587
Total expected payments	**1,020**

NOTE 26 CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is not required to constitute a CSR Committee as the Company does not fulfill the condition given under section 135 of Companies Act, 2013.

NOTE 27 TAXES

The Company provides for current tax on taxable income for the current accounting period as per the provision of the Income Tax Act, 1961.

Deferred tax charge or credit and corresponding deferred tax liabilities or assets are recognised for future tax consequences attributable to timing differences between accounting income and taxable income for the year.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the asset can be realised in future. However, where there is unabsorbed depreciation or carry forward of losses under taxation laws, deferred tax assets are recognised only to the extent there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available against which deferred tax assets can be realised.

The Company has not made provision against current tax as it is not having taxable income as per provisions of the Income Tax Act, 1961. Further, the Company is having unabsorbed depreciation or carry forward losses under as per the provisions of Income Tax Act, 1961. Deferred tax assets has not been recognised on unabsorbed depreciation and carry forward losses as there is no virtual certainty supported by convincing evidence that there will be sufficient future taxable income available against which deferred tax assets can be realised.

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

Details of deferred tax asset not recognised in the financial statements are as under:

₹ in '000

Deferred Tax Asset (Net)	As at 31 Mar 21	As at 31 Mar 20
Deferred tax asset		
Accumulated Business Loss	1,67,581	1,58,294
Unamortised share issue expense	191	287
Expenses allowable u/s 43B on payment basis	11,117	14,706
	1,78,889	**1,73,287**
Deferred tax Liability		
Difference between tax depreciation and book depreciation	10,568	12,697
	10,568	**12,697**
Net Impact on timing difference (i-ii)	**1,68,321**	**1,60,590**
Effective Tax Rate	26.00%	26.00%
Net Deferred tax Asset (i-ii)	**43,764**	**41,753**

NOTE 28 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The risk management policies of the Company are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Management has overall responsibility for the establishment and oversight of the Company's risk management framework.

In performing its operating, investing and financing activities, the Company is exposed to the Credit risk, Liquidity risk and Market risk.

NOTE 29 FINANCIAL INSTRUMENTS- FAIR VALUES AND RISK MANAGEMENT

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hiearchy:

₹ in '000

Particulars	Carrying amount as at 31 Mar 21			Fair value as at 31 Mar 21		
	Mandatorly at FVTPL	At amortised cost	Total	Level 1 (NAV Prices)	Level 2 (Significant observable inputs)	Level 3 (Significant unobservable inputs)
Financial assets measured at Fair value						
Investment in Mutual Fund	75,343	-	75,343	75,343	-	-
	75,343	**-**	**75,343**	**75,343**	**-**	**-**
Financial Assets not measured at Fair value						
Cash and cash equivalents	-	2,126	2,126	-	-	-
Trade receivables	-	29,128	29,128	-	-	-
Other financial assets	-	3,353	3,353	-	-	-
At end of the year	**-**	**34,607**	**34,607**	**-**	**-**	**-**
Financial liabilities not measured at Fair value						
Trade payables	-	17,258	17,258	-	-	-
Other financial liabilities	-	12,094	12,094	-	-	-
	-	**29,352**	**29,352**	**-**	**-**	**-**

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

₹ in '000

Particulars	Carrying amount as at 31 Mar 20			Fair value as at 31 Mar 20		
	Mandatorly at FVTPL	At amortised cost	Total	Level 1 (NAV Prices)	Level 2 (Significant observable inputs)	Level 3 (Significant unobservable inputs)
Financial assets measured at Fair value						
Investment in Mutual Fund	59,710	-	59,710	59,710	-	-
	59,710	**-**	**59,710**	**59,710**	**-**	**-**
Financial Assets not measured at Fair value						
Cash and cash equivalents	-	7,284	7,284	-	-	-
Trade receivables	-	25,880	25,880	-	-	-
Other financial assets	-	3,369	3,369	-	-	-
At end of the year	**-**	**36,533**	**36,533**	**-**	**-**	**-**
Financial liabilities not measured at Fair value						
Trade payables	-	9,043	9,043	-	-	-
Other financial liabilities	-	10,185	10,185	-	-	-
	-	**19,228**	**19,228**	**-**	**-**	**-**

Credit Risk: 'Credit risk from balances with banks is managed by the Company top management in accordance with the Company's policy.

Financial assets that are potentially subject to concentrations of credit risk and failures by counter-parties to discharge their obligations in full or in a timely manner consist principally of trade receivable, cash and cash equivalents and other receivables. Credit risk on cash balances with Bank are limited because the counterparties are entities with acceptable credit ratings. The exposure to credit risk for trade receivable is limited because it is due from the related parties and the same are entities with acceptable credit rating.

(a) Ageing analysis of the age of trade receivable amounts that are not due as at the end of reporting year:

₹ in '000

Particulars	As at 31 Mar 21	As at 31 Mar 20
Within credit days	15,757	-
	15,757	**-**

(b) Ageing analysis of the age of trade receivable amounts that are past due as at the end of reporting year but not impaired:

₹ in '000

Particulars	As at 31 Mar 21	As at 31 Mar 20
Trade receivables:		
Less than 120 days	13,371	25,880
Total	**13,371**	**25,880**

The Company has not recognised any loss allowance as Company expect that there is no credit loss to the Company.

NOTE 30 FOREIGN CURRENCY RISK

The Company is having foreign currency obligation due ₹4203 Thousand (PY Nil).

₹ in '000

Particulars	As at 31 Mar 21		As at 31 Mar 20	
	Increase	Decrease	Increase	Decrease
Currency Rate (-/+ 5%)	210	(210)	-	-

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

NOTE 31 INTEREST RATE RISK

Currently, the Company does not have any financial asset or liability that is exposed to interest rate risk.

NOTE 32 LIQUIDITY RISK

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system.

₹ in '000

	On demand	Less than 3 months	3 to12 months	Total
As at 31 Mar 21				
Other financial liabilities	-	12,094	-	12,094
Trade and other payables	-	17,258	-	17,258
	-	**29,352**	**-**	**29,352**

₹ in '000

	On demand	Less than 3 months	3 to12 months	Total
As at 31 Mar 20				
Other financial liabilities	-	10,185	-	10,185
Trade and other payables	-	9,043	-	9,043
	-	19,228	-	19,228

At present, the Company does expects to repay all liabilities at their contractual maturity. In order to meet such cash commitments, the operating activity is expected to generate sufficient cash inflows.

NOTE 33 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio is Net-Debt divided by total capital plus net debt.The Company's policy is to keep optimum gearing ratio. The Company includes within net debt, trade and other paybles and other finacial liabilities, less cash and cash equivalent.

₹ in '000

Deferred Tax Asset (Net)	As at 31 Mar 21	As at 31 Mar 20
Trade payables	17,258	9,043
Other financial liabilities	12,094	10,185
Less: cash and cash equivalents *	(2,126)	(7,284)
Net debt	**27,226**	**11,944**
Total equity	1,88,333	1,89,125
Total member's capital	**1,88,333**	**1,89,125**
Capital and net debt	**2,15,559**	**2,01,069**
Gearing ratio (%)*	12.63	5.94

** Adjustment of cash and cash equivalent is made to the extent of, lower of free cash and cash equivalent and net debt.*

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

NOTE 34

The Company has considered the possible effects that may arise out of still unfolding COVID-19 including but not limited to its assessment of various elements of the Financial Statement. The Company is well-positioned to manage the Covid-19 impact given its focus on digital, customer experience, and health-first model.

Company has run campaigns for renewal to encourage digital payment modes to minimise the impact on revenue. On customer engagement and wellness management, various initiates such as fitness at home, digital servicing, tie up with new partners etc to improve overall customer experience and health outcomes. The Company will continue to closely monitor any impact on revenue due to regional or local lockdown.

Institute of Chartered Accountants of India (ICAI) has issued an advisory on ""Impact of Corona Virus on Financial Reporting" to be considered for Financial Reporting. The impact of Covid-19 has been assessed on different components of Financial Statements specifically those required under the Guidance.

- Pursuant to such assessment, there are no indicators of impairment to Non-Financial Assets and Financial Assets as at Reporting Date
- An assessment was also carried out of the Investment portfolio considering the impact on the economic and credit environment of the economy and there is no additional impairment required specific due to Covid -19 event.
- There is no change in the discount rate emanating from the impact of Covid ontheir lease/defined benefit plan other than what has already been factored in.

The Company will continue to closely monitor any changes to the estimates basis future economic conditions. Further, the impact assessment done by the Company does not indicate any adverse impact on its ability to continue as a going concern."

NOTE 35

In accordance with Indian Accounting Standard (Ind AS) – 108 'Operating Segments', the Company operates in a single reporting segment i.e. "Providing services of wellness and health assessment" within India. Accordingly, no separate disclosure is required. The Board of Directors of the Company are collectively the Chief Operating Decision Makers of the Company.

NOTE 36

There was no impairment loss on the property, plant and equipment and intangible assets on the basis of review carried out by the management in accordance with Indian Accounting Standard (Ind AS) – 36 'Impairment of Assets'.

NOTE 37

Pursuant to ESOP Plan being established by the holding Company (i.e. Aditya Birla Capital Limited), stock options were granted to the employees of the Company during the financial year 2016-17. Total cost incurred by the holding Company till previous year was being recovered from the Company over the period of vesting. Accordingly, a sum of ₹ Nil (₹77 thousand) has been recovered from the Company, which has been charged to the Statement of Profit and Loss.

NOTE 38

The Company has adopted Ind AS* 116 "Leases" effective from 1st April 2019 as notified by the Ministry of Corporate Affairs and applied the Standard to its leases. As there is no identifed lease with the Company in respect of Ind AS 116, hence there is no impact for the same.

NOTE 39

CODE ON SOCIAL SECURITY, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on 13th November 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

NOTE 40

DISCLOSURE AS PER IND AS 115 - REVENUE FROM CONTRACTS WITH CUSTOMERS

a) Contract asset and contract liabilities

₹ in '000

Deferred Tax Asset (Net)	As at 31 Mar 21	As at 31 Mar 20
Contract asset		
Unbilled revenue	98	209
	98	**209.00**
Contract liabilities		
Advance from customers	-	128
Unearned revenue	4,330	3,967
	4,330	**4,095**

b) Disaggregation of revenue from contracts with customers

The Company derives revenue from the rendering of services over time in the following geographical regions

₹ in '000

Deferred Tax Asset (Net)	Year ended 31 Mar 21	Year ended 31 Mar 20
India	1,23,989	85,614
Overseas	-	-
	1,23,989	**85,614**

NOTE 41

Previous year's figures have been re-arranged or re-grouped wherever considered necessary to conform to the current year's presentation.

Signatures to Notes 1 to 41

The accompanying notes are an integral part of the financial statements

For PYS & CO. LLP
Chartered Accountants
Firm's Reg. No.: 012388S / S200048

G.D. Joglekar
Partner
Membership No: 39407

Place: Mumbai
Date: 23rd April 2021

For and behalf of Board of Directors of Aditya Birla Wellness Private Limited

Asokan Naidu
Director
DIN: 07425396

Mayank Bathwal
Director
DIN: 06804440

Manoj Korgaonkar
Chief Financial Officer

Deepak Savalge
Company Secretary
Membership No: A46791

Place: Mumbai
Date: 23rd April 2021

Aditya Birla Sun Life
AMC Limited

ADITYA BIRLA
CAPITAL

Independent Auditor's Report

To the Members of
Aditya Birla Sun Life AMC Limited

REPORT ON THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

Opinion

We have audited the accompanying standalone Ind AS financial statements of Aditya Birla Sun Life AMC Limited ("the Company"), which comprise the Balance sheet as at 31st March 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS 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 Annual report, but does not include the standalone financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of auditor's report.

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

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

Responsibility of management for the standalone financial statements

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

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

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

Auditor's responsibilities for the audit of the standalone financial statements

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

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

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report 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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
   (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
   (e) On the basis of the written representations received from the directors as on 31st March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report

(g) In our opinion, the managerial remuneration for the year ended 31st March 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(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 standalone Ind AS financial statements – Refer Note 25 to the standalone Ind AS 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.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Jayesh Gandhi**
Partner

Membership Number: 037924
UDIN: 21037924AAAADE5527

Place of Signature: Mumbai
Date: 8th May 2021

Annexure - 1

referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Aditya Birla Sun Life AMC Limited

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management, there are no immovable properties included in property, plant and equipment of the Company and accordingly the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

(ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company and hence not commented upon.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Act are applicable and hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under section 148(1) of the Act, for the products/ services of the Company.

(vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, profession tax, income-tax, goods and service tax, labour welfare fund and other statutory dues applicable to it, though there is a slight delay in a few cases. The provisions related to sales-tax, service tax, duty of custom, duty of excise, value added tax are not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, profession tax, income-tax, goods and service tax, labour welfare fund and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute.

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.

(ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer, further public offer, debt instruments or term loans, hence reporting under clause (ix) is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, Annexure - 1 (Contd.)

the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Jayesh Gandhi**
Partner

Membership Number: 037924
UDIN: 21037924AAAADE5527

Place of Signature: Mumbai
Date: 8th May 2021

Annexure - 2

To the Independent Auditor's Report of even date on the Standalone Ind AS Financial Statements of Aditya Birla Sun Life AMC Limited

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

To the Members of
Aditya Birla Sun Life AMC Limited

We have audited the internal financial controls over financial reporting of Aditya Birla Sun Life AMC Limited (the "Company") as of 31st March 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

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

Auditor's responsibility

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

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

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

Meaning of internal financial controls over financial reporting with reference to these financial statements

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

Inherent limitations of internal financial controls over financial reporting with reference to these standalone financial statements

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

Opinion

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

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Jayesh Gandhi**
Partner

Membership Number: 037924
UDIN: 21037924AAAADE5527

Place of Signature: Mumbai
Date: 8th May 2021

Standalone IND AS Balance Sheet

as at 31st March 2021

(₹ in Lakh)

Particulars	Note	As at 31 Mar 21	As at 31 Mar 20
I ASSETS			
(1) Financial Assets			
(a) Cash and cash equivalents	3	1,003.61	935.65
(b) Bank balances other than (a) above	4	30.70	28.92
(c) Receivables			
(I) Trade receivables	5	2,460.71	3,572.07
(d) Investments	6	1,79,527.39	1,33,237.80
(e) Other Financial Assets	7	1,887.38	1,261.25
Total Financial Assets		**1,84,909.79**	**1,39,035.69**
(2) Non-Financial Assets			
(a) Current tax assets (net)		1,689.31	2,742.82
(b) Property, Plant and Equipment	8.1	1,204.71	1,885.41
(c) Right of use Assets	35	5,066.50	5,281.00
(d) Capital work-in-progress		7.81	15.50
(e) Intangible assets under development		100.94	82.75
(f) Other Intangible Assets	8.2	1,325.80	1,238.54
(g) Other non-Financial Assets	9	5,439.84	9,155.67
Total Non-Financial Assets		**14,834.91**	**20,401.69**
Total Assets		**1,99,744.70**	**1,59,437.38**
II LIABILITIES AND EQUITY			
Liabilities			
(1) Financial Liabilities			
(a) Payables			
(I) Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises	10	0.57	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	10	3,680.96	4,571.94
(b) Lease Liabilities	35	5,845.61	6,031.76
(c) Other Financial Liabilities	11	4,325.77	4,435.08
Total Financial Liabilities		**13,852.91**	**15,038.78**
(2) Non Financial Liabilities			
(a) Current tax liabilities (net)		941.33	-
(b) Provisions	12	9,383.10	6,996.98
(c) Deferred tax liabilities (net)	13	1,373.40	1,461.58
(d) Other non-financial liabilities	14	1,876.16	1,332.26
Total Non-Financial Liabilities		**13,573.99**	**9,790.82**
(3) Equity			
(a) Equity Share Capital	15	1,800.00	1,800.00
(b) Other Equity	16	170,517.80	132,807.78
Total Equity		**1,72,317.80**	**1,34,607.78**
Total Liabilities and Equity		**1,99,744.70**	**1,59,437.38**
Contingent Liabilities and Commitments	25		
Corporate Information and Significant Accounting Policies	1 and 2		
The accompanying Notes are an integral part of the Financial Statements.	25-39		

As per our report of even date attached
For **S.R. Batliboi & Co. LLP**
Chartered Accountants
(Firm Reg. No. 301003E/E300005)

Jayesh Gandhi
Partner
(Membership No. 037924)

Place: Mumbai
Date: 8th May 2021

For and on behalf of the Board of Directors of
Aditya Birla Sun Life AMC Limited

Ajay Srinivasan
Director
DIN: 00121181

Sandeep Asthana
Director
DIN: 00401858

A. Balasubramanian
Managing Director and CEO
DIN: 02928193

Parag Joglekar
Chief Financial Officer

Hemanti Wadhwa
Company Secretary
FCS No. 6477

Place: Mumbai
Date: 8th May 2021

Standalone IND AS Statement of Profit and Loss

for the year ended 31st March 2021

(₹ in Lakh)

Particulars	Note	For the year ended 31 Mar 21	For the year ended 31 Mar 20
INCOME			
Revenue from Operations			
Fees and Commission income	17	1,04,068.49	1,13,965.76
Net gain on Fair Value Changes	18	12,312.11	7,416.49
Total Revenue from Operations		**1,16,380.60**	**1,21,382.25**
Other Income	19	1,420.10	92.72
Total Income (A)		**1,17,800.70**	**1,21,474.97**
EXPENSES			
Employee Benefit Expense	20	22,471.61	22,947.04
Other Expense	21	17,898.06	21,146.38
Fees and Commission Expense		4,705.69	7,505.38
Finance Cost	22	550.18	540.20
Depreciation and Amortisation Expense	23	3,632.21	3,594.48
Impairment in Value of Investments in Subsidiaries	24	-	523.00
Total Expenses (B)		**49,257.75**	**56,256.46**
Profit Before Tax (C = A-B)		**68,542.95**	**65,218.51**
Income Tax Expense			
Current tax		17,053.91	16,029.01
Deferred tax		(88.19)	666.66
Adjustments in respect of current income tax of previous years		(6.47)	(67.32)
Income Tax Expense (D)	13	**16,959.25**	**16,628.35**
Profit for the year (E = C - D)		**51,583.70**	**48,590.16**
Other Comprehensive Income			
A Items that will not be reclassified to profit or loss			
i) Re-measurement gains/(losses) on defined benefit plans		169.37	(302.16)
ii) Income tax relating to the items that will not be reclassified to the Profit and Loss		(42.63)	76.05
Other Comprehensive Income for the Year (F)		**126.74**	**(226.11)**
Total Comprehensive Income for the Year (G = E+F)		**51,710.44**	**48,364.05**
Earnings per share			
– Basic profit for the year attributable to ordinary equity shareholders of the Company	29 and 38	17.91	16.87
– Diluted profit for the year attributable to ordinary equity shareholders of the Company		17.91	16.87
Corporate Information and Significant Accounting Policies	1 and 2		
The accompanying Notes are an integral part of the Financial Statements.	25-39		

As per our report of even date attached
For **S.R. Batliboi & Co. LLP**
Chartered Accountants
(Firm Reg. No. 301003E/E300005)

Jayesh Gandhi
Partner
(Membership No. 037924)

Place: Mumbai
Date: 8th May 2021

For and on behalf of the Board of Directors of
Aditya Birla Sun Life AMC Limited

Ajay Srinivasan
Director
DIN: 00121181

Sandeep Asthana
Director
DIN: 00401858

A. Balasubramanian
Managing Director and CEO
DIN: 02928193

Parag Joglekar
Chief Financial Officer

Hemanti Wadhwa
Company Secretary
FCS No. 6477

Place: Mumbai
Date: 8th May 2021

Standalone IND AS Cash Flow Statement

for the year ended 31st March 2021

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21		For the year ended 31 Mar 20	
CASH FLOW FROM OPERATING ACTIVITIES				
Profit Before Tax	68,542.95		65,218.51	
Adjustments for:				
Depreciation and Amortisation	3,632.21		3,594.48	
Finance cost	550.18		540.20	
Profit on Sale of Investments	(3,992.32)		(1,635.71)	
Loss or (Profit) on Sale of Property, Plant & Equipment	7.03		3.60	
Fair valuation of investments	(8,319.79)		(5,780.78)	
Re-measurement gains/(losses) on defined benefit plans	-		(302.16)	
Interest on Fixed Deposits and Investments	(1,062.09)		(71.90)	
Impairment on Financial Instruments	-		523.00	
Rent concession	(353.94)		-	
Operating Profit before working capital changes	59,004.23		62,089.25	
(Increase)/Decrease in Receivables	1,111.35		(1,286.14)	
(Increase)/Decrease in Loans	-		4.39	
(Increase)/Decrease in Other Financial Assets	(627.91)		1,493.53	
(Increase)/Decrease in Other Non-Financial Assets	3,703.66		6,099.43	
Increase/(Decrease) in Payables	(890.42)		(3,088.48)	
Increase/(Decrease) in Financial Liabilities	(109.31)		(486.18)	
Increase/(Decrease) in Non-Financial Liabilities	3,099.39		1,433.95	
Cash generated from Operations	65,290.99		66,259.75	
Income Tax paid (net)	(15,095.24)		(17,031.91)	
Net cash generated from Operating activities		50,195.75		49,227.84
Cash Flow from Investing activities				
Purchase of PPE and Intangible Assets	(1,144.05)		(1,606.37)	
Sale proceeds from PPE and Intangible Assets	86.75		19.68	
Interest on Fixed Deposits and Investments	857.23		115.09	
Purchase of Investments	(2,03,969.74)		(1,05,356.20)	
Sale of Investments	1,70,197.12		1,00,251.38	
Net cash generated/(used) in investing activities		(33,972.69)		(6,576.42)
Cash Flow from Financing activities				
Interim Dividend Paid during the year (including tax thereon)	(14,000.40)		(39,783.25)	
Lease Liability - Interest Portion (refer note 35)	(550.18)		(540.20)	
Lease Liability - Principal Portion (refer note 35)	(1,604.52)		(1,884.40)	
Net cash used in financing activities		(16,155.10)		(42,207.85)
Net Increase/(Decrease) in Cash and Cash Equivalents		67.96		443.57
Cash and Cash Equivalents at beginning of the year		935.65		492.08
Cash and Cash Equivalents at end of the year (Refer Note 3)		1,003.61		935.65

Notes :

1.) Statement of cash flows have been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standard) Rules, 2015.

2.) Purchase of Property, Plant and Equipment represents addition to property, plant and equipment, and other intangible assets adjusted for movement of capital work in progress for property, plant and equipment, and other intangible assets under development during the year.

3.) Cash and cash equivalents include in the Statement of cash flows comprise the following :
Cash and cash equivalents disclosed under Financial Assets: 1,003.61 935.65

As per our report of even date attached
For **S.R. Batliboi & Co. LLP**
Chartered Accountants
(Firm Reg. No. 301003E/E300005)

Jayesh Gandhi
Partner
(Membership No. 037924)

Place: Mumbai
Date: 8th May 2021

For and on behalf of the Board of Directors of
Aditya Birla Sun Life AMC Limited

Ajay Srinivasan
Director
DIN: 00121181

Sandeep Asthana
Director
DIN: 00401858

A. Balasubramanian
Managing Director and CEO
DIN: 02928193

Parag Joglekar
Chief Financial Officer

Hemanti Wadhwa
Company Secretary
FCS No. 6477

Place: Mumbai
Date: 8th May 2021

Statement of Changes in Equity

for the year ended 31st March 2021

(A) EQUITY SHARE CAPITAL

(₹ in Lakh)

Equity shares of ₹ 10 each issued, subscribed and fully paid	No of shares	Amount
As 1st April 2019	1,80,00,000	1,800.00
Issue of Shares	-	-
As 31st March 2020	1,80,00,000	1,800.00
Issue of Shares	-	-
At 31st March 2021	**1,80,00,000**	**1,800.00**

(B) OTHER EQUITY

For the year ended 31st March 2021

(₹ in Lakh)

Particulars	Reserve and Surplus			Total Equity
	Retained Earnings	General Reserve	Share Premium	
Balance as at 1st April 2020	1,31,856.88	686.66	264.23	1,32,807.78
Profit for the year	51,583.68	-	-	51,583.68
Other Comprehensive Income for the year	126.74	-	-	126.74
Total Comprehensive Income for the year	1,83,567.31	686.66	264.23	1,84,518.20
Interim Dividend paid to Equity shareholders	(14,000.40)	-	-	(14,000.40)
Balance as at 31st March 2021	**1,69,566.91**	**686.66**	**264.23**	**1,70,517.80**

For the year ended 31st March 2020

(₹ in Lakh)

Particulars	Reserve and Surplus			Total Equity
	Retained Earnings	General Reserve	Share Premium	
Balance as at 1st April 2019	1,23,566.26	686.66	264.23	1,24,517.15
Profit for the year	48,590.16	-	-	48,590.16
Other Comprehensive Income for the year	(226.11)	-	-	(226.11)
Total Comprehensive Income for the year	1,71,930.31	686.66	264.23	1,72,881.20
Interim Dividend paid to Equity shareholders	(33,000.00)	-	-	(33,000.00)
Dividend Distribution Tax	(6,783.25)	-	-	(6,783.25)
Effect of adoption of Ind AS 116 Leases (Refer Note 35)	(290.18)	-	-	(290.18)
Balance as at 31st March 2020	**1,31,856.88**	**686.66**	**264.23**	**1,32,807.78**

As per our report of even date attached
For **S.R. Batliboi & Co. LLP**
Chartered Accountants
(Firm Reg. No. 301003E/E300005)

Jayesh Gandhi
Partner
(Membership No. 037924)

Place: Mumbai
Date: 8th May 2021

For and on behalf of the Board of Directors of
Aditya Birla Sun Life AMC Limited

Ajay Srinivasan
Director
DIN: 00121181

Sandeep Asthana
Director
DIN: 00401858

A. Balasubramanian
Managing Director and CEO
DIN: 02928193

Parag Joglekar
Chief Financial Officer

Hemanti Wadhwa
Company Secretary
FCS No. 6477

Place: Mumbai
Date: 8th May 2021

Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone IND AS financial statements for the year ended 31st March 2021

NOTE: 1 CORPORATE INFORMATION

The Company is a public Company domiciled in India and its registered office is situated at One World Centre, Tower 1, 17th Floor, Jupiter Mills, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400013. The Company was incorporated under the provisions of the Companies Act on 5th September 1994. The Company is a joint venture between the Aditya Birla Group and Sun Life Group. The share capital of the Company is owned by Aditya Birla Capital Limited (Subsidiary of Grasim Industries Limited) - and Sun Life (India) AMC Investments Inc., (wholly owned subsidiary of Sun Life Financial, Inc.).

The Company is registered with Securities and Exchange Board of India (SEBI) under the SEBI (Mutual Funds) Regulations, 1996 and the principal activity is to act as an investment manager to Aditya Birla Sun Life Mutual Fund. The Company manages the investment portfolios of Aditya Birla Sun Life Mutual Fund and Aditya Birla Real Estate Fund. The Company is also registered under the SEBI (Portfolio Managers) Regulations, 1993 and provides Portfolio Management Services ("PMS") and investment advisory services to offshore funds and high net worth investors. Aditya Birla Sun Life AMC Limited has set-up two Alternate Investment Fund ("AIF") one under Category III & other under Category II with Securities Exchange Board of India (SEBI) under the SEBI AIF Regulations, 2012. Aditya Birla Sun Life AMC Limited has been appointed as an Investment Manager of the said AIF by the Trustee to the Fund.

NOTE: 2 SIGNIFICANT ACCOUNTING POLICIES

i. Basis of preparation of financial statements

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 (as amended from time to time)

The Standalone Financial Statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial instruments, measured at fair value
- Gratuity plan assets, measured at fair value

The Financial Statements are presented in Indian rupees and all values are rounded to the nearest Lakh, except when otherwise indicated.

Note to the financial statements

Post outbreak of COVID–19, virus continues to spread across the globe including India, resulting in significant volatility in financial markets and a significant decrease in global and India's economic activities. On 11th March 2020, this outbreak was declared a global pandemic by the World Health Organisation and consequent lockdowns were imposed across. The situation was improving upto Jan – Feb 2021 but due to the onset of the 'second wave', things have deteriorated since March 2021. Increase in COVID-19 cases necessitated imposition of restrictions which may once again impact economic activity and markets.

In preparing the accompanying financial statements, the Company's management has assessed the impact of the pandemic on its operations and its assets including the value of its investments, subsidiaries, asset management rights and trade receivables as at 31st March 2021. The management does not, at this juncture, believe that the impact on the value of the Company's assets is likely to be material. The extent to which the second wave of COVID 19 pandemic will impact the Company's results will depend on ongoing as well as future developments, which at this juncture are highly uncertain.

Since the revenue of the Company is ultimately dependent on the value of the assets it manages, changes in market conditions and the trend of flows into mutual funds may have an impact on the future operations of the Company. As the situation is rapidly evolving, its effect on the operations of the Company may be different from that estimated as at the date of approval of these financial results.

ii. Presentation of financial statements

The Company presents its balance sheet in order of liquidity. Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and/or its counterparties

An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current) is presented in Note 36

iii. Use of estimates

The preparation of the Financial Statements in conformity with the Indian Accounting Standards (Ind AS) requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities as of the date of financial statements and the reported amount of revenue and expenses during the reporting year. The estimates and assumptions used in the accompanying

Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone IND AS financial statements for the year ended 31st March 2021

financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results may differ from those estimates and assumptions used in preparing the accompanying financial statements. Any revision to the accounting estimates will be recognised prospectively in the current and future years.

Significant estimates and judgements used for: -

- Estimates of useful lives and residual value of property, plant and equipment, and other intangible assets (Refer Note 8.1 and 8.2)
- Measurement of defined benefit obligations, actuarial assumptions (Refer Note 27)
- Recognition of deferred tax assets/liabilities (Refer Note 13)
- Recognition and measurement of provisions and contingencies (Refer Note 12 and Note 25)
- Financial instruments – Fair values, risk management and impairment of financial assets (Refer Note 6)
- Determination of lease term (Refer Note 35)
- Discount rate for lease liability (Refer Note 35)

iv. Functional and presentation currency

The Financial Statements of the Company are presented in Indian rupees, the national currency of India, which is the functional currency of the Company.

v. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and cash in hand and short-term investments with an original maturity of three months or less which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

vi. Property, plant and equipment

Property, Plant and equipment are stated at their cost of acquisition less accumulated depreciation, and accumulated impairment losses. The cost of acquisition is inclusive of taxes (except those which are refundable), duties, freight and other incidental expenses related to acquisition and installation of the assets. As on 1st April 2017, i.e., its date of transition to IND AS, the Company has used Indian GAAP carrying value as deemed costs. All other repair and maintenance costs are recognised in profit or loss as incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

vii. Capital work in progress

Projects under which property plant and equipment are not ready for their intended use are carried at cost less accumulated impairment losses, comprising direct cost, inclusive of taxes, duties, freight, and other incidental expenses.

viii. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred. As at 1st April 2017, i.e., its date of transition to Ind AS, the Company has used Indian GAAP carrying value as deemed cost. An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss. when the asset is derecognised.

ix. Intangible assets under development

The intangible assets under development includes cost of intangible assets that are not ready for their intended use less accumulated impairment losses.

x. Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is provided on a straight-line basis at the rates and useful life as prescribed in Schedule II of the Companies Act, 2013 or as determined by the management based on technical

Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone IND AS financial statements for the year ended 31st March 2021

advice, except assets individually costing less than ₹ 5,000 which are fully depreciated in the year of purchase / acquisition. Depreciation commences when assets are ready for its intended use.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting year and adjusted prospectively, if appropriate. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Following is the summary of useful life of the assets as per management estimates and as required by the Companies Act, 2013.

No	Particulars	Useful life (In Years)	
		Estimated Useful Life	Useful Life as Prescribed by Schedule II of the Companies Act, 2013
A	**DEPRECIATION ON PROPERTY, PLANT AND EQUIPMENT**		
1	Computers		
	• Server and networking*	3 Years	6 Years
	• Other	3 Years	3 Years
2	Office Equipment	5 Years	5 Years
3	Vehicles – Motor Car/Two Wheelers*	5 Years	8 Years
4	Furniture and Fixtures*	5 Years	10 Years
5	Mobile Phone (Included in office equipment)	2 Years	Not specified
6	Leasehold Improvements	Over the primary period of the lease term or 3 years, whichever is less	Not specified
B	**AMORTISATION OF INTANGIBLE ASSETS**		
1	Investment Management Rights	10 Years	Not specified
2	Software	3 Years	Not specified

** Based on technical advice, Management believes that the useful life of assets reflect the periods over which they are expected to be used.*
Depreciation on assets sold during the year is recognised on a pro-rata basis in the Statement of Profit and Loss from/till the date of acquisition/sale.

xi. Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is treated impaired when the carrying cost of an asset or cash-generating unit's (CGU) exceeds its recoverable value. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The recoverable amount is the greater of the assets' or CGU's fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. An impairment loss, if any, is charged to Statement of Profit and Loss Account in the year in which an asset is identified as impaired. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone IND AS financial statements for the year ended 31st March 2021

xii. Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

xiii. 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 to another entity.

Financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instruments.

All financial instruments are recognised initially at fair value, with the exception of trade receivables. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Trade receivables that do not contain a significant financing component for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on trade date while, loans and borrowings are recognised net of directly attributable transactions costs.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at FVTOCI, financial assets at fair value through profit and loss account (FVTPL) and financial liabilities at amortised cost or FVTPL. The classification of financial instruments depends on the contractual cash flow characteristics and the objective of the business model for which it is held and whether the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal outstanding.

Management determines the classification of its financial instruments at initial recognition.

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

Classification of financial assets:

a) Financial assets at amortised cost

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone IND AS financial statements for the year ended 31st March 2021

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

The Company determines its business model at the level that best reflects how it manages financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- Reports reviewed by the entity's key management personnel on the performance of financial assets
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed
- The compensation of the managing teams (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of trades

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

As a second step of its classification process the Company assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the year for which the interest rate is set.

Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortised cost using the effective interest method, less any impairment loss.

Financial assets at amortised cost are represented by investments in interest bearing debt instruments, trade receivables, security deposits, cash and cash equivalents, employee and other advances and other financial assets.

b) **Debt instruments at FVTOCI**

A debt instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:

- The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets and
- The asset's contractual cash flows represent SPPI debt instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs.

Fair value movements are recognised in other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain loss in Profit or Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss. Interest earned is recognised under the expected interest rate (EIR) model. Currently, the Company does not hold any interest-bearing debt instrument that qualifies to be classified under this category.

c) **Equity instruments at FVTOCI**

All equity instruments are measured at fair value. Equity instruments held for trading is classified as FVTPL, described below. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which are not subsequently recycled to Profit or Loss. Dividends are recognised in profit or loss as dividend income when the right of the payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Currently, the Company has not classified any equity instrument at FVTOCI.

Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone IND AS financial statements for the year ended 31st March 2021

d) **Financial assets at FVTPL**

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as FVTPL. In addition, the Company may elect to designate the financial asset, which otherwise meets amortised cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency. Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss. For all equity instruments at FVTPL, dividend is recognised in Profit or Loss when the right of payment has been established.

Financial liabilities

a) **Financial liabilities at amortised cost**

Financial liabilities at amortised cost represented by trade and other payables are initially recognised at fair value and subsequently carried at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

b) **Financial liabilities at FVTPL**

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

xiv. Revenue recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

The Company recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

I. Rendering of services

The Company principally generates revenue by providing asset management services to Aditya Birla Sun Life Mutual Fund and other clients.

a) Management fees are recognised on accrual basis at specific rates, applied on the average daily net assets of each scheme. The fees charged are in accordance with the terms of Scheme Information Documents of respective schemes and are in line with the provisions of SEBI (Mutual Funds) Regulations, 1996 as amended from time to time.

b) Portfolio Management Fees and Advisory Fees are recognised on an accrual basis as per the terms of the contract with the customers.

Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone IND AS financial statements for the year ended 31st March 2021

c) Management fees from other services are recognised on an accrual basis as per the terms of the contract with the customers at specific rates applied on net assets.

These contracts include a single performance obligation (series of distinct services) that is satisfied over time and the management fees and/or advisory fees earned are considered as variable consideration.

If the consideration promised in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for rendering the promised services to a customer. The amount of consideration can vary because of discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, or other similar items. The promised consideration can also vary if an entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event.

II. Dividend and interest income

a) Dividend income is recognised when the Company's right to receive dividend is established, it is probable that economic benefits associated with dividend will flow to the entity and the amount of dividend can be measured reliably. This is generally when shareholders approve the dividend.

b) Interest income from financial assets, is recognised on a time proportion basis, taking into account the amount outstanding and the rate applicable.

xv. Foreign currency transactions and balances

The Company's Financial Statements are presented in ₹, which is also the functional currency. Transactions in foreign currency are recorded at the rate of exchange prevailing on the date of transaction.

Foreign currency monetary items are reported using closing rate of exchange at the end of the year. The resulting exchange gain/loss is reflected in the Statement of Profit and Loss. Other non-monetary items, like Property Plant & Equipment and Intangible Assets are carried in terms of historical cost using the exchange rate at the date of transaction.

xvi. Employee benefits

a) Provident Fund: Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

b) Gratuity: The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of plan amendment or curtailment
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

c) Leave Encashment: Provision for leave encashment is made on the basis of actuarial valuation of the expected liability. Re-measurement gains/losses are recognised as profit or loss in the period in which they arise.

d) Long Term Incentive Plan: The Company has long term incentive plan for different cadre of employees. The same is actuarially determined and assessed on yearly basis. Re-measurement gains/losses are recognised as profit or loss in the period in which they arise.

Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone IND AS financial statements for the year ended 31st March 2021

xvii. Leases

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(1) The contract involves the use of an identified asset

(2) The Company has substantially all of the economic benefits from use of the asset through the period of the lease and

(3) The Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises right – of – use ("ROU") asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. The Company applies the short-term lease recognition exemption to its short-term leases of its branches/rental offices (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. For these short-term and low value leases, the Company recognises the lease payments as an expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and accumulated impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the under lying asset. The estimated useful life of right-of-use assets (primarily buildings) range between 1 year to 9 years. The right-of-use assets are also subject to impairment. Refer Note 2(xi) on impairment of non-financial assets.

The lease liability is initially measured at the present value of the future lease payments. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

Lease liabilities are remeasured with a corresponding adjustment to the related right of-use asset if the Company changes its assessment on exercise of an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Amendments to Ind AS 116: Covid-19-related rent concessions.

The amendments to Ind AS 116 provides a practical expedient to lessees in accounting for rent concessions that are a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification. The practical expedient applies only to rent concessions occurring as a direct consequence of the covid-19 pandemic and only if all of the following conditions are met:

i) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change.

ii) Any reduction in lease payments affects only payments originally due on or before 30th June 2021 (for example, a rent concession would meet this condition if it results in reduced lease payments before 30th June 2021 and increased lease payments that extend beyond 30th June 2021).

iii) There is no substantive change to other terms and conditions of the lease.

Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone IND AS financial statements for the year ended 31st March 2021

The lessees will apply the practical expedient retrospectively, recognising the cumulative effect of initially applying the amendment as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of the annual reporting period in which the lessee first applies the amendment.

The amendments are applicable for annual reporting periods beginning on or after the 1st April 2020. The Company has elected to apply the practical expedient of not assessing the rent concessions as a lease modification for all rent concessions which are granted due to COVID-19 pandemic.

xviii. Earnings per share ("EPS")

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.

xix. Fund and commission expenses

Prior to 21st October 2018, certain scheme related expenses and commission were being borne by the Company in accordance with circulars and guidelines issues by SEBI and the Association of Mutual Funds in India (AMFI). Commission paid for future period for the mutual fund schemes (including for Equity Linked Savings Schemes) until 21st October 2018 is treated as prepaid expenses and is amortised on the contractual period and charged to Statement of Profit and Loss account unless considered recoverable from schemes. Pursuant to circulars issued by SEBI in this regard, after 21st October 2018, these expenses, subject to some exceptions, are being borne by the mutual fund schemes. New Fund Offer (NFO) expenses on the launch of schemes are borne by the Company and recognised in profit or loss as and when incurred.

Commission is paid to the brokers for Portfolio Management and other services as per the terms of agreement entered into with respective brokers. In case of certain portfolio management schemes and other services, the brokerage expenses are amortised over the tenure of the product or commitment period. Unamortised brokerage is treated as Non-financial Assets considering the normal operating cycle of the Company.

xx. Taxes

Current tax:

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 in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised 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.

Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

i. Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

ii. In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

i. When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone IND AS financial statements for the year ended 31st March 2021

ii. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

xxi. Provisions, contingent liabilities and contingent assets

A provision is recognised when the Company has a present obligation (legal or constructive) 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 some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Claims against the Company, where the possibility of any outflow of resources in settlement is remote are not disclosed as contingent liabilities. A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is virtually certain.

xxii. Share based payments

A separate Employee stock options scheme (ESOP) ("the scheme") has been established by Aditya Birla Capital Limited ("ABCL") (Entity having Joint control). The scheme provides that employees are granted an option to subscribe to equity shares of ABCL that vest in a graded manner. The options may be exercised within a specified period. Measurement and disclosure of Employee share-based payment plan is done in accordance with Ind AS 102 Share Based Payments. ABCL follows the Black-Scholes Merton Value method to account for its stock-based employee compensation plans. The cost incurred by the ABCL, in respect of options granted to employees of the Company is charged to the Statement of Profit and Loss during the year and recovered by them.

xxiii. Cash dividend to equity holders of the company

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Notes to Standalone IND AS Financial Statements

for the year ended 31st March 2021

NOTE: 3 CASH AND CASH EQUIVALENTS (AT AMORTISED COST)

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Cash on Hand	0.18	0.18
Balances with Bank		
- Current Accounts	958.17	393.73
- Deposit Accounts (with original maturity less than 3 months)	45.26	541.74
Total Cash and Cash equivalents	**1,003.61**	**935.65**

Note:- Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

The Group has not taken any bank overdraft, therefore the cash and cash equivalent for cash flow statement is same as cash and cash equivalent given above.

NOTE: 4 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS (AT AMORTISED COST)

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments	30.70	28.92
Total Bank Balances other than cash and cash equivalents	**30.70**	**28.92**

NOTE: 5 TRADE RECEIVABLES (AT AMORTISED COST)

Unsecured, considered good

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Asset Management and Advisory Fees receivable	1,500.20	2,898.53
Portfolio Management Fees receivable	959.00	534.14
Management Fees receivable from Other Services	1.51	139.40
Less: Impairment loss allowance	-	-
Total Trade Receivables*	**2,460.71**	**3,572.07**

** There are no dues from directors or other officers of the Company either severally or jointly with any other person, due from firms or private companies respectively in which any director is a partner, a director or a member.*

Notes to Standalone IND AS Financial Statements

for the year ended 31st March 2021

NOTE: 6 INVESTMENTS

(₹ in Lakh)

Particulars	As at 31 Mar 21				As at 31 Mar 20			
	Amortised Cost	At Fair Value through Profit or Loss	At cost	Total	Amortised Cost	At Fair Value through Profit or Loss	At cost	Total
Mutual Funds	-	1,61,126.84	-	1,61,126.84	-	1,23,819.80	-	1,23,819.80
Debt Securities	10,335.60	-	-	10,335.60	115.81	-	-	115.81
Equity Instruments	-	79.69	-	79.69	-	70.38	-	70.38
Subsidiaries	-	-	7,424.99	7,424.99	-	-	7,424.99	7,424.99
Alternative Investment funds	-	1,083.27	-	1,083.27	-	2,329.82	-	2,329.82
Total Gross Investments (A)	**10,335.60**	**1,62,289.80**	**7,424.99**	**1,80,050.39**	**115.81**	**1,26,220.00**	**7,424.99**	**1,33,760.80**
Less: Allowance for Impairment	-	-	523.00	523.00	-	-	523.00	523.00
Total Net Investments	**10,335.60**	**1,62,289.80**	**6,901.99**	**1,79,527.39**	**115.81**	**1,26,220.00**	**6,901.99**	**1,33,237.80**
Investments Outside India	-	0.38	7,424.99	7,425.37	-	0.38	7,424.99	7,425.37
Investments in India	10,335.60	1,62,289.42	-	1,72,625.02	115.81	1,26,219.62	-	1,26,335.43
Total (B)	**10,335.60**	**1,62,289.80**	**7,424.99**	**1,80,050.39**	**115.81**	**1,26,220.00**	**7,424.99**	**1,33,760.80**
Less: Allowance for Impairment	-	-	523.00	523.00	-	-	523.00	523.00
Total Net Investments	**10,335.60**	**1,62,289.80**	**6,901.99**	**1,79,527.39**	**115.81**	**1,26,220.00**	**6,901.99**	**1,33,237.80**

Notes to Standalone IND AS Financial Statements

for the year ended 31st March 2021

NOTE 7: OTHER FINANCIAL ASSETS (AT AMORTISED COST)

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Deposits to Related Party (Refer Note 28)	71.32	96.52
Security Deposits	1,093.85	1,129.06
Recoverable From Schemes	267.41	-
Receivable from Related Party (Refer Note 28)	3.19	22.46
Reimbursement receivables	6.61	13.21
Application money towards Investments	445.00	-
Less: Impairment Loss Allowance	-	-
Total Other Financial Assets	**1,887.38**	**1,261.25**

NOTE: 8.1 PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakh)

	Computers	Furniture and Fixtures	Vehicles	Office Equipment	Leasehold Improvements	Total
Gross carrying value						
As at 1st April 2019	**1,181.43**	**168.72**	**787.33**	**705.14**	**859.16**	**3,701.78**
Additions	247.99	57.85	213.10	183.08	239.24	941.26
Disposals	44.05	1.21	40.83	2.39	5.31	93.79
As at 31st March 2020	**1,385.37**	**225.36**	**959.60**	**885.83**	**1,093.09**	**4,549.25**
Additions	169.92	12.74	43.15	49.43	85.93	361.17
Disposals	8.21	12.38	121.24	15.99	59.64	217.46
As at 31st March 2021	**1,547.08**	**225.72**	**881.51**	**919.27**	**1,119.38**	**4,692.96**
Accumulated Depreciation and Impairment						
As at 1st April 2019	**629.46**	**101.81**	**237.53**	**248.54**	**448.91**	**1,666.24**
Charge for the year	363.29	60.73	171.38	171.71	301.00	1,068.11
Disposals	43.55	0.76	18.76	2.13	5.31	70.51
As at 31st March 2020	**949.20**	**161.78**	**390.15**	**418.12**	**744.60**	**2,663.84**
Charge for the year	325.45	30.26	179.66	166.73	248.39	950.49
Disposals	8.06	10.22	57.49	9.59	40.72	126.08
As at 31st March 2021	**1,266.59**	**181.82**	**512.32**	**575.26**	**952.27**	**3,488.25**
Net carrying value amount as at 31st March 2020	**436.17**	**63.56**	**569.45**	**467.71**	**348.49**	**1,885.41**
Net carrying value amount as at 31st March 2021	**280.49**	**43.90**	**369.19**	**344.01**	**167.11**	**1,204.71**

Capital work-in-progress

Capital work in progress as at 31st March 2021 comprises expenditure for the plant in the course of construction. Total amount of CWIP is ₹ 7.81 Lakh (31st March 2020: 15.50 Lakh)

Notes to Standalone IND AS Financial Statements

for the year ended 31st March 2021

NOTE: 8.2 OTHER INTANGIBLE ASSETS

(₹ in Lakh)

	Software	Investment Management Rights (Refer Note 26)	Total
Gross carrying value			
As at 1st April 2019	**1,253.54**	**284.90**	**1,538.44**
Additions	824.31	-	824.31
Disposals	3.04	-	3.04
As at 31st March 2020	**2,074.81**	**284.90**	**2,359.71**
Additions	784.58	-	784.58
Disposals	40.69	-	40.69
As at 31st March 2021	**2,818.70**	**284.90**	**3,103.60**
Accumulated Amortisation and Impairment			
As at 1st April 2019	**512.90**	**75.70**	**588.60**
Charge for the year	497.77	37.85	535.62
Disposal	3.05	-	3.05
As at 31st March 2020	**1,007.62**	**113.55**	**1,121.17**
Charge for the year	657.07	37.85	694.92
Disposals	38.29	-	38.29
As at 31st March 2021	**1,626.40**	**151.40**	**1,777.80**
Net carrying value amount as at 31st March 2020	**1,067.19**	**171.35**	**1,238.54**
Net carrying value amount as at 31st March 2021	**1,192.30**	**133.50**	**1,325.80**

NOTE: 9 OTHER NON-FINANCIAL ASSETS

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Prepaid expenses	1,873.95	6,011.22
Capital advance for Tangible Assets	1.72	13.89
Advance for Services	568.98	551.81
Gratuity - Plan Funded Asset (Refer Note 27)	2,995.19	2,578.75
Less: Impairment loss allowance	-	-
Total Other Non-Financial Assets	**5,439.84**	**9,155.67**

Notes to Standalone IND AS Financial Statements

for the year ended 31st March 2021

NOTE: 10 TRADE PAYABLES (AT AMORTISED COST)

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Others		
- Total outstanding dues to micro enterprises and small enterprises*	0.57	-
- Total outstanding dues to creditors other than micro enterprises and small enterprises		
Related Parties (Refer Note 28)	887.86	994.83
Other than Related Parties	2,793.10	3,577.11
Total Trade Payables	**3,681.53**	**4,571.94**

** This information is required to be disclosed under MSMED Act(2006), has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.*

* Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
a) Principal amount and interest thereon remaining unpaid at the end of year	-	-
b) Interest paid including payment made beyond appointed day during the year	0.26	-
c) Interest due and payable for delay during the year	-	-
d) Amount of interest accrued and unpaid as at year end	0.57	-
e) The amount of further interest due and payable even in the succeeding year	-	-

NOTE: 11 OTHER FINANCIAL LIABILITIES (AT AMORTISED COST)

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Employee Dues	4,311.81	4,207.51
Payables for Capital Expenditure	13.96	80.47
Payable to Schemes	-	147.10
Total Other Financial Liabilities	**4,325.77**	**4,435.08**

NOTE: 12 PROVISIONS

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Provision for Employee Benefits		
Leave Encashment	387.45	303.71
Gratuity (Refer Note 27)	2,961.40	2,678.22
Provision for Long Term Incentive Plan	6,034.25	4,015.05
Total Provisions	**9,383.10**	**6,996.98**

Notes to Standalone IND AS Financial Statements

for the year ended 31st March 2021

NOTE: 13 DEFERRED TAX LIABILITIES (NET)

(₹ in Lakh)

Particulars		As at 31 Mar 21	As at 31 Mar 20
Depreciation on Property, Plant and Equipment and Amortisation on Intangible Assets		(566.98)	(495.06)
Provision for Employee Benefits		(1,466.86)	(932.66)
Fair Valuation of Investments		2,602.26	2,577.22
Lease Liability net of Right of use Assets		804.98	312.08
Deferred Tax Liabilities		**1,373.40**	**1,461.58**
Reconciliation of effective tax rate:			
(a)	Income before tax	68,542.95	65,218.51
(b)	Expected tax rate in India (applicable to the Company)	25.168%	25.168%
(c)	Expected income tax amount	17,250.89	16,414.19
(d)	**Tax impact on:**		
	Expenses disallowed/(allowed) as per income tax computation	(3,331.10)	(501.86)
	Items which are taxed at different rates	2,013.77	704.81
	Effect on Deferred tax balances for items taxed at different rates	1,055.00	39.74
	Adjustments in respect of current income tax of previous years	(6.47)	(67.32)
	Others	(22.84)	38.79
(e)	**Tax expenses recognised in Profit and Loss Account(c + d)**	**16,959.25**	**16,628.35**

Significant components and movement in deferred tax assets and liabilities

(₹ in Lakh)

Particulars	As at 31 Mar 21 Closing Balance	As at 31 Mar 20 Opening Balance	YTD Mar 21 Deferred Tax Expense/(Credit)
Deferred Tax Liabilities			
Fair value gains/losses on investments	2,602.26	2,577.22	25.04
Right of use assets	804.98	312.08	492.90
Total	**3,407.24**	**2,889.30**	
Deferred Tax Assets			
Depreciation/Amortisation for tax purposes	(566.98)	(495.06)	(71.92)
Provision for employee benefits	(1,466.86)	(932.66)	(534.20)
Total	**(2,033.84)**	**(1,427.72)**	
Net Deferred Tax (Assets)/Liabilities	**1,373.40**	**1,461.58**	**(88.19)**

(₹ in Lakh)

Particulars	As at 31 Mar 20 Closing Balance	As at 31 Mar 19 Opening Balance	YTD Mar 20 Deferred Tax Expense/(Credit)
Deferred Tax Liabilities			
Fair value gains/losses on investments	2,577.22	2,334.08	243.14
Right of use assets	312.08	-	312.08
Total	**2,889.30**	**2,334.08**	
Deferred Tax Assets			
Depreciation/Amortisation for tax purposes	(495.06)	(612.08)	117.02
Provision for employee benefits	(932.66)	(803.29)	(129.37)
Rent Equalisation	-	(123.78)	123.78
Total	**(1,427.72)**	**(1,539.16)**	
Net Deferred Tax (Assets)/Liabilities	**1,461.58**	**794.92**	**666.66**

Note: The Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws [Amendment] Ordinance, 2019 dated 20th September 2019. Accordingly, the Company has recognised Provision for Income Tax for the year ended 31st March 2020 and re-measured its net Deferred Tax Liabilities basis the rate prescribed in the said section and recognised the impact of the above changes up to 31st March 2020 in the financial statements for the year ended 31st March 2020.

Notes to Standalone IND AS Financial Statements

for the year ended 31st March 2021

NOTE: 14 OTHER NON FINANCIAL LIABILITIES

(₹ in Lakh)

Particulars		As at 31 Mar 21	As at 31 Mar 20
Payable on account of Statutory Dues :			
-	Withholding Tax payable	206.14	232.64
-	GST payable	1,540.36	971.24
-	Professional Tax payable	1.48	1.44
-	Employee provident fund & Other dues payable	128.18	126.94
Total		**1,876.16**	**1,332.26**

NOTE: 15 EQUITY SHARE CAPITAL

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Authorised:		
Equity Shares of ₹10 each	2,000.00	2,000.00
2,00,00,000 (31st March 2020 : 2,00,00,000) Equity shares fully paid up		
Issued, Subscribed and Paid up		
Equity Shares of ₹10 each	1,800.00	1,800.00
1,80,00,000 (31st March 2020 : 1,80,00,000) Equity shares fully paid up		
Total Issued, Subscribed and Paid up	**1,800.00**	**1,800.00**

a. Term/right attached to equity shares

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

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the remaining assets of the Company after distributions of all preferential amounts. However, no such preferential amount exist currently. The distribution will be in the proporation to the number of equity shares held by the shareholders.

b. Reconciliation of the shares outstanding at the beginning and at the end of the year.

(₹ in Lakh)

Description	No. of Equity shares	Amount
As at 1st April 2019	1,80,00,000	1,800.00
Issued during the year	-	-
As at 31st March 2020	1,80,00,000	1,800.00
Issued during the year	-	-
As at 31st March 2021	1,80,00,000	1,800.00

There are no Equity Shares issued as fully paid-up pursuant to any contract in consideration of other than cash or bonus shares or bought back during the preceding five years.

c. Shares in the Company held by each shareholder holding more than 5 percent shares specifying the number of shares held.

Name of the Shareholder	As at 31 Mar 21		As at 31 Mar 20	
	No. of Equity shares held	% of Shareholding	No. of Equity shares held	% of Shareholding
Aditya Birla Capital Limited and its Nominees	91,79,980	51.00%	91,79,980	51.00%
Sun Life (India) AMC Investment Inc. Canada	88,20,000	49.00%	88,20,000	49.00%

Notes to Standalone IND AS Financial Statements

for the year ended 31st March 2021

NOTE: 16 OTHER EQUITY

(₹ in Lakh)

1	**Share Premium Account**	
	At 1st April 2019	**264.23**
	Arising during the year	-
	Utilised during the year	-
	At 31st March 2020	**264.23**
	Arising during the year	-
	Utilised during the year	-
	At 31st March 2021	**264.23**
2	**General Reserve**	
	At 1st April 2019	**686.66**
	Arising during the year	-
	Utilised during the year	-
	At 31st March 2020	**686.66**
	Arising during the year	-
	Utilised during the year	-
	At 31st March 2021	**686.66**
3	**Retained Earnings**	
	At 1st April 2019	**1,23,566.26**
	Profit for the year	48,590.16
	Other Comprehensive Income for the year	(226.11)
	Effect of adoption of Ind AS 116 Leases (Refer Note 35)	(290.18)
	Dividend for the year*	(33,000.00)
	Dividend Distribution Tax	(6,783.25)
	At 31st March 2020	**1,31,856.88**
	Profit for the year	51,583.68
	Other Comprehensive Income for the year	126.74
	Dividend for the year*	(14,000.40)
	Dividend Distribution Tax	-
	At 31st March 2021	**1,69,566.90**
	As at 31st March 2021	**1,70,517.80**
	As at 31st March 2020	**1,32,807.78**

** Cash dividends on equity shares declared and paid:*

(₹ in Lakh)

	As at 31 Mar 21	As at 31 Mar 20
Interim dividend for the year ended on 31st March 2021: ₹ 77.78 per share (31st March 2020: ₹ 183.33 per share)	14,000.40	33,000.00
Dividend Distribution Tax on interim dividend	-	6,783.25
	14,000.40	**39,783.25**

Proposed dividends on equity shares

(₹ in Lakh)

	As at 31 Mar 21	As at 31 Mar 20
Final dividend for the year ended on 31st March 2021: ₹ 2.45 per share (31st March 2020: NIL) (Refer note 38)	7,056.00	-
	7,056.00	**-**

Notes to Standalone IND AS Financial Statements

for the year ended 31st March 2021

Nature and purpose of the reserves

Share Premium

Share Premium is used to record the premium (amount received in excess of face value of equity shares) on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of Section 52 of Companies Act, 2013.

General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid up share capital of the Company for that year, then the total dividend distribution is less than total distributable reserve for that year. Consequent to introduction of the Companies Act 2013, the requirement to mandatorily transfer a specified percentage of net profit to general reserve has been with drawn. However the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of the Companies Act, 2013."

Retained earnings

Retained earnings are the profits that a Company has earned to date, less any dividends or other distributions paid to the Shareholders, net of utilisation as permitted under applicable regulations.

NOTE: 17 FEES AND COMMISSION INCOME

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Revenue from contracts with customers		
Asset Management and Advisory Fees	99,098.37	107,022.87
Portfolio Management Fees	4,351.54	5,306.36
Management Fees from Other Services	618.58	1,636.53
Total Fees and Commission income	**104,068.49**	**113,965.76**

NOTE: 18 NET GAIN ON FAIR VALUE CHANGES

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Net gain /(loss) on financial instruments at fair value through profit or loss		
On trading portfolio investments :		
Mutual Funds	12,478.57	7,711.60
Alternative Investment Funds	(166.46)	(295.11)
Total Net gain/(loss) on fair value changes	**12,312.11**	**7,416.49**
Fair Value Changes		
Realised	3,992.32	1,635.71
Unrealised	8,319.79	5,780.78
Total Net Gain on Fair Value Changes	**12,312.11**	**7,416.49**

NOTE: 19 OTHER INCOME

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Interest Income	1,062.09	71.90
Miscellaneous income	4.07	20.82
Rent concession	353.94	-
Total Other Income	**1,420.10**	**92.72**

Notes to Standalone IND AS Financial Statements

for the year ended 31st March 2021

NOTE: 20 EMPLOYEE BENEFIT EXPENSE

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Salaries and allowances	20,713.25	20,159.55
Contribution to provident and other funds (Refer Note 27)	724.22	743.46
Gratuity expenses (Refer Note 27)	287.00	257.79
Staff welfare expenses	359.65	714.60
Share based payments (Refer Note 27)	387.49	1,071.64
Total Employee Benefit Expense	**22,471.61**	**22,947.04**

NOTE: 21 OTHER EXPENSE

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Rent	79.21	208.69
Repairs and Maintenance	1,085.70	1,159.36
Insurance	382.78	407.02
Rates and Taxes	94.73	227.09
Electricity	258.10	359.16
Software and Technology Expenses	2,216.24	1,925.46
Database Research Expenses	897.51	732.92
Travelling and Conveyance	349.63	1,264.72
Communication Expenses	283.95	549.35
Outsourced Fund Accounting Expenses	303.84	447.80
Legal and Professional Charges	1,128.00	1,390.90
Auditor's Remuneration :		
- Audit Fees	18.00	18.00
- Tax Audit Fees	6.00	6.00
- Other Services	13.25	11.90
- Reimbursement of expenses	0.03	0.44
Services Charges	2,243.13	2,419.61
Directors Sitting Fees	21.80	22.90
Printing and Stationery	111.81	295.14
Loss on Sale of Fixed Assets (net)	7.03	3.60
Asset Utilisation Charges	556.58	473.20
Bank Charges	2.74	6.14
Miscellaneous Expenses	552.81	673.96
Foreign Exchange Loss (net)	1.26	22.98
Donation	7.00	3.60
Corporate Social Responsibility Expenses (Refer note 31)	1,062.89	869.00
Business Promotion Expenses	4,781.68	6,743.51
Fund expense	1,432.36	903.91
Total Other Expense	**17,898.06**	**21,146.38**

Notes to Standalone IND AS Financial Statements

for the year ended 31st March 2021

NOTE: 22 FINANCE COST

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Finance Cost on Lease Liability (measured at amortised cost) (Refer Note 35)	550.18	540.20
Total Finance Cost	**550.18**	**540.20**

NOTE: 23 DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Depreciation on Right-of-use Assets (Refer Note 35)	1,986.80	1,990.75
Depreciation on Property, Plant & Equipment (Refer Note 8.1)	950.49	1,068.11
Amortisation of Intangible Assets (Refer Note 8.2)	694.92	535.62
Total Depreciation and Amortisation Expense	**3,632.21**	**3,594.48**

NOTE: 24 IMPAIRMENT IN VALUE OF INVESTMENTS IN SUBSIDIARIES

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Investments in Subsidiaries	-	523.00
Total Impairment on Investments in Subsidiaries	**-**	**523.00**

Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone IND AS financial statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

NOTE: 25 CONTINGENT LIABILITIES AND COMMITMENTS

(i) Contingent liabilities

(₹ in Lakh)

No	Particulars	As at 31 Mar 21	As at 31 Mar 20
	Claims against the Company not acknowledged as debts in respect of;		
i)	Income tax matters	#*3,284.27	*2,614.10
ii)	Other matters	84.21	83.05

** Includes – Income tax Demand for AY 2017-18 of ₹ 2,219.68 Lakh (including interest of ₹554 Lakh) received during the financial year ended 31st March 2020 by Aditya Birla Real Estate Fund for which Aditya Birla Sun Life AMC Ltd. is an investment manager. The fund has received a favourable ruling by CIT (Appeal) for the Similar issue for AY 2016-17.*

 # Includes – Income Tax Demand for AY 2018-19 of ₹ 336.93 Lakh (including interest of ₹99.11 Lakh) received during the financial year ended 31st March 2021 by Aditya Birla Real Estate Fund for which Aditya Birla Sun Life AMC Ltd. is an investment manager. The fund has received a favourable ruling by CIT (Appeal) for the Similar issue for AY 2016-17.

(ii) Commitments - unexecuted contracts

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Commitments for the acquisition of property, plant and equipment	137.67	292.88

NOTE: 26 MANAGEMENT RIGHTS

During financial year ended 31st March 2015 Aditya Birla Sun Life Trustee Company Private Limited took over the mutual fund schemes from ING Trust Company Private Limited and simultaneously the Company acquired the right to manage the said schemes from ING Asset Management (India) Private Limited.

The consideration paid to acquire the right to manage the said schemes along with the incidental expenditure incurred thereon aggregating to ₹378.51 Lakh has been treated as Investment Management Right. The Investment Management Right will be amortised over a period of 120 months. For the year ended March 31, 2021, an amount of ₹37.85 Lakh (Previous year ₹37.85 Lakh) has been amortised. Balance life of Investment Management Right is 42 months.

NOTE: 27 EMPLOYEE BENEFITS

In accordance with the Indian Accounting Standard (Ind AS) 19 “Employee Benefits”, the Company has classified the various benefits provided to the employees as under:

a. Defined contribution plan

Defined Contribution Plan – The Company has recognised the following amounts in the Statement of Profit and Loss Account which are included under contribution to Provident Fund and other fund.

(₹ in Lakh)

No	Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
i)	Employers Contribution to Provident Fund (PF)	465.74	468.18
ii)	Employers Contribution to Employees Pension Fund	141.76	145.82
iii)	Employers Contribution to Labour Welfare Fund	0.72	0.50
iv)	Contribution to Employees Deposit Linked Insurance	9.28	9.55
	Total	**617.50**	**624.05**

Above figures are excluding contribution to PF and Other Funds of ₹106.72 Lakh (Previous year ₹119.41 Lakh) reimbursed to related parties - Aditya Birla Financial Shared Services Limited & Aditya Birla Capital Limited.

Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone IND AS financial statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

b. Share based payments

Pursuant to ESOP Plan by ABCL, additional stock options were granted to the employees of the Company during the year. Total cost incurred by ABCL till date is being recovered from the Company over the period of vesting of the ESOP grants. A sum of ₹387.49 Lakh (Previous year 1,071.64 Lakh) has been charged to the Statement of Profit and Loss. The balance sum of ₹ 348.70 Lakh will be recovered in future years as at 31st March 2021.

c. Gratuity (defined benefit plan)

The following table sets out the status of the gratuity plan as required under IND AS 19 as certified by actuary. Reconciliation of opening and closing balances of the present value of the defined benefit obligation.

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Amounts recognised in the Balance Sheet in respect of Gratuity		
Present Value of the funded Defined Benefit Obligations at the end of the year	2,961.40	2,678.22
Fair Value of Plan Assets	(2,995.19)	(2,578.75)
Net (Asset) / Liability	**(33.79)**	**99.47**
Amounts recognised in Employee Benefits Expenses in the Statement of Profit and Loss in respect of Gratuity		
Amounts recognised during the period:		
In Income Statement	287.00	257.79
In Other Comprehensive Income	(83.13)	211.68
Total Expenses Recognised during the period	**203.87**	**469.47**
Actual Return on Plan Assets:		
Expected Return on Plan Assets	168.79	153.67
Actuarial Gain/(Loss) on Plan Assets	39.50	98.20
Actual Return on Plan Assets:	**208.29**	**251.87**

Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone IND AS financial statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Reconciliation of Present Value of Obligation and the Fair Value of the Plan Assets:		
Change in Present Value of the Obligations:		
Opening Defined Benefit Obligations	2,678.22	2,033.68
Current Service Cost	280.48	257.59
Interest Cost	175.30	153.86
Actuarial (Gain)/Loss arising from:		-
- changes in demographic assumptions	-	(1.94)
- changes in financial assumptions	99.89	276.12
- experience variance (i.e. actual experience vs assumption)	(143.52)	35.70
Liabilities Settled on Divestment	-	-
Benefits Paid	(128.97)	(76.81)
Closing Defined Benefit Obligations	**2,961.40**	**2,678.22**
Change in Fair Value of the Plan Assets:		
Opening Fair Value of the Plan Assets	2,578.75	2,031.10
Expected Return on the Plan Assets	168.79	153.67
Actuarial (Gain)/Loss	39.50	98.20
Contributions by the Employer	337.12	372.60
Asset Distributed on Divestment	-	-
Benefits Paid	(128.97)	(76.81)
Closing Fair Value of the Plan Assets	**2,995.19**	**2,578.75**
Expense Recognised in Income Statement		
Current Service Cost	280.48	257.59
Net Interest cost / (income) on the defined Benefit Liability / (Asset)	6.51	0.20
Expense Recognised in Income Statement	**286.99**	**257.79**
Other Comprehensive Income		
Actuarial (Gain)/Loss arising from:		
- changes in demographic assumptions	-	(1.94)
- changes in financial assumptions	99.89	276.12
- experience variance (i.e. actual experience vs assumption)	(143.52)	35.70
Return on plan asset, excluding amount recognised in net interest expense	(39.50)	(98.20)
Components of defined benefit costs recognised in other comprehensive income	**(83.13)**	**211.68**
Investment details of Plan Assets		
Plan assets are invested with:		
Aditya Birla Sun Life Insurance Company Limited	2,995.19	2,578.75
Composition of the plan assets are as follows:	Allocation %	Allocation %
Government Bonds	24.30%	19.93%
Corporate Bonds	65.33%	61.00%
Others	10.37%	19.07%
Assumptions		
Discount rate	6.35%	6.55%
Compensation Escalation rate	8.5% for first five years, 7.5% for next five years, 6.5% for next five years and 5% thereafter	8.5% for first five years, 7.5% for next five years, 6.5% for next five years and 5% thereafter
Average Age	34.15	33.52
Mortality Basis	Indian Assured Lives mortality (2012-14)	Indian Assured Lives mortality (2012-14)

Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone IND AS financial statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

A. Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis are given below:

(₹ in Lakh)

No	Particulars	As at 31 Mar 21	As at 31 Mar 20
1	Defined Benefit Obligation (Base)	2,961.40	2,678.22

(₹ in Lakh)

No	Particulars	As at 31 Mar 21		As at 31 Mar 20	
		Decrease	Increase	Decrease	Increase
1	Discount Rate (- / + 0.50 %)	3,107.92	2,824.97	2,812.67	2,553.19
	(% change compared to base due to sensitivity)	4.90%	(4.60%)	5.00%	(4.70%)
2	Compensation Escalation Rate (- / + 0.50 %)	2,825.62	3,105.81	2,553.45	2,811.11
	(% change compared to base due to sensitivity)	(4.60%)	4.90%	(4.70%)	5.00%
3	Mortality Rate (- / + 10%)	2,958.94	2,963.85	2,675.66	2,680.75
	(% change compared to base due to sensitivity)	(0.10%)	0.10%	(0.10%)	0.10%

There is no change in the method of valuation for the prior period. For change in assumptions refer assumptions table above.

B. Effect of plan on company's future cash flows

i) Funding arrangements and Funding Policy

The scheme is managed on funded basis.

ii) Expected Contribution during the next annual reporting period

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
The Company's best estimate of Contribution during the next year	287.65	412.87

iii) Maturity profile of defined benefit obligation

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Weighted average duration (based on discounted cash flows)	10 years	10 years

Expected cash flows over the next (valued on undiscounted basis)

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
1 year	169.28	180.40
2 to 5 years	800.85	687.16
6 to 10 years	1,453.76	1,270.95
More than 10 years	3,582.52	3,511.86

The estimate of future salary increases, considered in the actuarial valuation, takes into account inflation, seniority, promotion, and other relevant factors. The above information is certified by the actuary based on assumptions provided by the Company.

Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone IND AS financial statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

NOTE: 28 DISCLOSURE IN RESPECT OF RELATED PARTY PURSUANT TO INDIAN ACCOUNTING STANDARD (IND AS) 24

a. List of related parties

A	**Parent of the Entity having Joint Control**
	Grasim Industries Limited
B	**Entity having Joint Control**
	Aditya Birla Capital Limited (ABCL)
	Sun Life (India) AMC Investments Inc., Canada
C	**Other Related Party**
	Sun Life Global Investments (Canada) Inc
	Aditya Birla Management Corporation Private Limited
	Green Oak India Investment Advisors Private Limited
	Aditya Birla Capital Foundation
D	**Fellow Subsidiaries of Entity having Joint Control**
	Aditya Birla Health Insurance Company Limited
	Aditya Birla Sun Life Insurance Company Limited
	Aditya Birla Sun Life Trustee Private Limited
	Aditya Birla Money Mart Limited
	Aditya Birla Finance Limited
	Aditya Birla Money Limited
	Aditya Birla Financial Shared Services Limited
	Aditya Birla Insurance Brokers Limited
	Aditya Birla Money Insurance Advisory Services Limited
	Aditya Birla Commodities Broking Limited
	Aditya Birla PE Advisors Private Limited
	Aditya Birla ARC Limited
	ABCAP Trustee Company Private Limited
	Aditya Birla Sun Life Pension Management Limited
	Aditya Birla Housing Finance Limited
	ABCSL-Employee Welfare Trust
	Aditya Birla Wellness Private Limited
	ABNL Investment Limited
	Aditya Birla Capital Technology Services Limited (Formerly known as Aditya Birla My Universe Services Limited)
E	**The entities in respect of which Funds are managed by the Company**
	India Advantage Fund Limited
	International Opportunities Fund SPC
	Global Clean Energy Fund (wound up on 31st March 2020)
	New Horizon Fund SPC
F	**Subsidiaries**
	Aditya Birla Sun Life AMC (Mauritius) Limited
	Aditya Birla Sun Life AMC Pte. Limited, Singapore
	Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai

Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone IND AS financial statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

G	Directors and Key Management Personnel
	Kumar Mangalam Birla (Non-Executive Director)
	Ajay Srinivasan (Non-Executive Director)
	A. Balasubramanian (Managing Director and Chief Executive Officer from 25th July 2019)
	Sandeep Asthana (Non-Executive Director)
	Colm Freyne (Non-Executive Director)
	Bobby Parikh (Independent Director)
	Bharat Patel (Independent Director)
	Alka Bharucha (Independent Director)
	Harish Engineer (Independent Director from 21st June 2019)
	Navin Puri (Independent Director from 4th September 2019)
	Pankaj Razdan (Non-Executive up to 8th July 2019)
	N.N. Jambusaria (Independent Director up to 24th August 2019)
	N. C. Singhal (Independent Director up to 24th August 2019)
	R. Vaidyanathan (Independent Director up to 24th August 2019)
	Claude Accum (Non-Executive Director up to 24th February 2020)
	Sushobhan Sarker (Independent Director from 4th September 2019 up to 6th April 2021)

b. Related parties with whom the Company has entered into transactions during the Year

(₹ in Lakh)

Sr. No.	Particulars	Category	For the year ended 31 Mar 21	For the year ended 31 Mar 20
1	**Fees and Commission**			
	Aditya Birla Finance Limited	D	88.62	48.35
	Professional Charges - Marketing	F	1,048.69	902.47
	Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai	F	50.73	75.75
	Aditya Birla Sun Life AMC Pte Limited., Singapore			
	Contribution to Group Mediclaim/Insurance Premium/Gratuity			
	Aditya Birla Sun Life Insurance Company Limited	D	370.46	418.02
	Aditya Birla Health Insurance Company Limited	D	25.62	68.90
	Business Promotion Expenses			
	Aditya Birla Sun Life Insurance Company Limited (Insurance Premium) (Note 1)	D	991.36	692.57
	Aditya Birla Health Insurance Company Limited (Insurance Premium)	D	1.90	2.65
	Rent			
	Aditya Birla Capital Limited	B	35.22	60.38
	Grasim Industries Limited	A	87.69	91.69
	Advisory Services			
	Greenoak India Investment Advisors Private Limited	C	174.77	84.09
	Software & Technology Expenses			
	Aditya Birla Capital Technology Services Limited	D	276.00	-
	Employee Benefit Expenses			
	Aditya Birla Wellness Private Limited	D	0.75	-

Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone IND AS financial statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

(₹ in Lakh)

Sr. No.	Particulars	Category	For the year ended 31 Mar 21	For the year ended 31 Mar 20
2	**Reimbursements of Costs Paid**			
	Aditya Birla Financial Shared Services Limited (Employee benefit expense)	D	574.64	888.71
	Aditya Birla Financial Shared Services Limited (Administrative and other expense)	D	1,716.47	1,895.03
	Aditya Birla Finance Limited (Employee benefit expenses)	D	4.89	3.03
	Aditya Birla Finance Limited (Rent)	D	4.30	86.07
	Aditya Birla Sun Life Insurance Company Limited (Rent)	D	3.29	1.15
	Aditya Birla Sun Life Insurance Company Limited (Administrative and other expense)	D	-	0.08
	Aditya Birla Sun Life Insurance Company Limited (Employee benefit expenses)	D	15.59	10.01
	Aditya Birla Capital Limited (Employee benefit expenses)	B	2,250.92	3,280.41
	Aditya Birla Capital Limited (Administrative and other expenses)	B	562.53	702.51
	Aditya Birla Health Insurance Company Limited (Employee benefit expenses)	D	16.91	5.88
	Aditya Birla Housing Finance Limited (Rent)	D	3.80	3.80
	Sun Life Global Investments (Canada) Inc (Employee Benefit Expenses)	C	70.56	148.81
	Aditya Birla Money Limited (Employee Benefit Expenses)	D	7.50	-
	Aditya Birla Management Corporation Private Limited (Employee Benefit Expenses)	C	4.92	-
	Aditya Birla Management Corporation Private Limited(Administrative and other expense)	C	5.06	-
	Aditya Birla Sun Life Trustee Private Limited(Employee Benefit Expenses)	D	4.17	-
	Aditya Birla Capital Foundation(Administrative and other expense)	C	0.89	-
3	**Reimbursements of Costs Received**			
	Aditya Birla Finance Limited (Employee benefit expenses)	D	2.20	-
	Aditya Birla Financial Shared Services Limited (Employee benefit expenses)	D	-	0.53
	Aditya Birla Sun Life Insurance Company Limited (Employee benefit expenses)	D	3.01	9.02
	Aditya Birla Sun Life Insurance Company Limited (Administrative and other expenses)	D	0.76	0.20
	Aditya Birla Health Insurance Company Limited (Administrative and other expenses)	D	0.42	0.41
	Aditya Birla Housing Finance Limited (Employee benefit expenses)	D	-	0.60
	Aditya Birla Capital Limited (Administrative and other expenses)	B	0.19	0.19
	Aditya Birla Finance Limited (Administrative and other expenses)	D	-	18.08
	Aditya Birla ARC Limited (Employee benefit expenses)	D	-	1.11
	Aditya Birla Management Corporation Private Limited (Employee benefit expenses)	C	4.22	6.29
	Aditya Birla Finance Limited (Rent)	D	4.13	-
	Aditya Birla Health Insurance Company Limited (Employee benefit expenses)	D	12.66	-
	Aditya Birla Insurance Brokers Limited (Employee benefit expenses)	D	0.83	-
	Grasim Industries Limited (Administrative and other expenses)	A	2.95	-
	Aditya Birla Housing Finance Limited (Rent)	D	1.27	-
4	**Managerial Remuneration**			
	Managerial Remuneration paid (Note 2)	G	550.28	605.50
5	**Director's Sitting Fees**			
	Director's Sitting Fees paid	G	21.80	22.90
6	**Interim Dividend Paid**			
	Aditya Birla Capital Limited	B	7,140.19	16,829.96
	Sun Life (India) AMC Investments Inc	B	6,860.20	16,170.00
	Kumar Mangalam Birla	G	0.01	0.02
7	**CSR Contribution**			
	Aditya Birla Capital Foundation	C	1,062.00	-

Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone IND AS financial statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

(₹ in Lakh)

Sr. No.	Particulars	Category	For the year ended 31 Mar 21	31 Mar 20
8	**Sale of Fixed Assets**			
	Aditya Birla Sun Life Insurance Company Limited	D	25.31	0.05
	Aditya Birla Health Insurance Company Limited	D	9.95	-
	Aditya Birla Management Corporation Private Limited	C	9.25	-
9	**Purchase of Fixed Assets**			
	Aditya Birla Management Corporation Private Limited	C	9.05	-
	Aditya Birla Health Insurance Company Limited	D	6.42	-
10	**Software Development (Capitalised)**			
	Aditya Birla Capital Technology Services Limited	D	93.52	-
11	**Refund of Security Deposit Received**	B	25.20	-
	Aditya Birla Capital Limited			

c. Outstanding balances

(₹ in Lakh)

Sr. No.	Particulars	Category	As at 31 Mar 21	As at 31 Mar 20
1	**Payable**			
	Aditya Birla Financial Shared Services Limited (Trade Payable)	D	(322.97)	(453.34)
	Aditya Birla Capital Limited (Trade Payable)	B	(208.98)	(362.64)
	Sun Life Global Investments (Canada) Inc (Trade Payable)	C	(33.90)	(64.06)
	Aditya Birla Capital Technology Services Limited (Trade Payable)	D	(24.48)	-
	Aditya Birla Management Corporation Private Limited (Trade Payable)	C	(4.74)	-
	Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai (Trade Payable)	F	(285.20)	(94.64)
	Aditya Birla Sun Life AMC Pte Limited. Singapore (Trade Payable)	F	(0.78)	(12.62)
	Aditya Birla Sun Life Insurance Company Limited (Trade Payable)	D	(1.79)	(0.17)
	Aditya Birla Finance Limited (Trade Payable)	D	(0.16)	-
	Greenoak India Investment Advisors Private Limited (Trade Payable)	C	(26.78)	-
	Aditya Birla Wellness Private Limited (Trade Payable)	D	(0.70)	-
	Aditya Birla Sun Life Trustee Private Limited (Trade Payable)	D	(4.17)	-
	Aditya Birla Housing Finance Limited (Trade Payable)	D	-	(0.27)
	Grasim Industries Limited (Trade Payable)	A	-	(7.08)
2	**Receivable**			
	Aditya Birla Finance Limited - (Receivables)	D	-	15.77
	Aditya Birla Financial Shared Services Limited (Prepaid Expenses)	D	23.44	40.10
	Grasim Industries Limited (Deposit)	A	71.32	71.32
	Aditya Birla Capital Limited (Deposit)	B	-	25.20
	Aditya Birla Capital Technology Services Limited (Prepaid Expenses)	D	1.59	-
	Aditya Birla Health Insurance Company Limited (Receivables)	D	1.95	0.40
	Aditya Birla Management Corporation Private Limited (Receivables)	C	-	6.29
	Aditya Birla Housing Finance Limited (Receivables)	D	0.59	-
	Grasim Industries Limited (Loans & Advances)	A	0.64	-

Related parties are as identified by the Company and relied upon by the Auditors

All the above figures are inclusive of GST wherever applicable.

Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone IND AS financial statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

Note 1 - Total Amount paid ₹ 991.36 Lakh (Previous Year 692.57 Lakh), out of which ₹844.67 Lakh (Previous Year ₹590.31 Lakh) debited to profit and loss during the year and balance amortised.

Note 2 – Managerial Remuneration

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
1) Short term employment benefits		
a) Gross Salary	539.54	541.06
b) Value of perquisites u/s 17(2) Income-tax Act, 1961	10.74	0.22
2) Share based payments	-	64.22
Total Remuneration	**550.28**	**605.50**

Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall basis at the end of each year and accordingly have not been considered in the above information.

NOTE: 29 EARNINGS PER SHARE

Earnings per share (EPS) is calculated as under

(₹ in Lakh)

		As at 31 Mar 21	As at 31 Mar 20
Net Profit before Other Comprehensive Income as per Statement of Profit and Loss (₹ in Lakh)	A	51.583.70	48,590.16
Weighted average number of basic equity shares after split of shares into ₹ 5 each (refer note 38)	B	3,60,00,000	3,60,00,000
Bonus shares issued subsequent to 31st March 2021 (refer note 38)	C	25,20,00,000	25,20,00,000
Number of equity shares considered for computation of EPS (B+C)	D	28,80,00,000	28,80,00,000
Basic and Diluted Earnings Per Share (₹)	A/D	17.91	16.87
Nominal Value of Shares (₹)		5	5

NOTE: 30 SEGMENT INFORMATION

The CEO of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108 - "Operating Segments". The CODM evaluates the Company's performance and allocates resources. The Company's operations predominantly relate to providing asset management services, portfolio management and other advisory services. In the opinion of the CODM and Management, the risks and rewards attached to the business are similar in nature. Hence the separate Segment under Ind AS 108 on "Operating Segments" is not required to be reported as the Company's business is restricted to single Operating Segment i.e., Asset Management Services.

There is only one customer contributing in excess of 10% of the Company's total revenue in the following years:

(₹ in Lakh)

Particulars	For the year ended	
	31 Mar 21	31 Mar 20
Revenue from Aditya Birla Sun Life Mutual Fund	99,098.38	1,07,022.87

Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone IND AS financial statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

NOTE: 31 CORPORATE SOCIAL RESPONSIBILITY

(₹ in Lakh)

No.	Amount spent during the year on	For the year ended 31 Mar 21	For the year ended 31 Mar 20
1	Gross amount required to be spent by the Company during the year (under Section 135 of the Companies Act, 2013)	1,062.89	869.00
2	Construction/acquisition of assets	614.00	50.00
3	On purpose other than (i) above	448.89	819.00
4	Amount yet to be spent/paid	-	-

NOTE: 32 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 Mar 21.

NOTE: 33 FAIR VALUES OF FINANCIAL INSTRUMENTS

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

(₹ in Lakh)

Particulars	Carrying Amount			Fair Value			
As at 31st March 2021	FVTPL	Amortised Cost	Total Carrying amount	Level 1	Level 2	Level 3	Total Fair Value
Financial Assets							
Investments in:							
Mutual Funds	1,61,126.84	-	1,61,126.84	1,61,126.84	-	-	1,61,126.84
Alternative Investment Funds	1,083.27	-	1,083.27	94.36	-	988.91	1,083.27
Debt Securities	-	10,335.60	10,335.60	10,695.40	-	-	10,695.40
Equity Instruments	79.69	-	79.69	-	-	79.69	79.69
Subsidiaries	-	6,901.99	6,901.99	-	-	-	-
Cash and cash equivalents	-	1,003.61	1,003.61	-	-	-	-
Bank balances other than those mentioned above	-	30.70	30.70	-	-	-	-
Trade receivables	-	2,460.71	2,460.71	-	-	-	-
Other financial assets	-	1,887.38	1,887.38	-	-	-	-
Total Financial Assets	**1,62,289.80**	**22,619.99**	**1,84,909.79**	**1,71,916.60**	**-**	**1,068.60**	**1,72,985.20**
Financial Liabilities							
Trade Payables	-	3,681.53	3,681.53	-	-	-	-
Lease Liabilities	-	5,845.61	5,845.61	-	-	-	-
Others Financial Liabilities	-	4,325.77	4,325.77	-	-	-	-
Total Financial Liabilities	**-**	**13,852.91**	**13,852.91**	**-**	**-**	**-**	**-**

Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone IND AS financial statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

(₹ in Lakh)

Particulars	Carrying Amount			Fair Value			
As at 31st March 2020	FVTPL	Amortised Cost	Total Carrying amount	Level 1	Level 2	Level 3	Total Fair Value
Financial Assets							
Investments in:							
Mutual Funds	1,23,819.80	-	1,23,819.80	1,23,819.80	-	-	1,23,819.80
Alternative Investment Funds	2,329.82	-	2,329.82	1,193.91	-	1,135.91	2,329.82
Debt Securities	-	115.81	115.81	120.41	-	-	120.41
Equity Instruments	70.38	-	70.38	-	-	70.38	70.38
Subsidiaries	-	6,901.99	6,901.99	-	-	-	-
Cash and cash equivalents	-	935.65	935.65	-	-	-	-
Bank balances other than those mentioned above	-	28.92	28.92	-	-	-	-
Trade receivables	-	3,572.07	3,572.07	-	-	-	-
Other financial assets	-	1,261.25	1,261.25	-	-	-	-
Total Financial Assets	**1,26,220.00**	**12,815.69**	**1,39,035.69**	**1,25,134.12**	**-**	**1,206.29**	**1,26,340.41**
Financial Liabilities							
Trade Payables	-	4,571.94	4,571.94	-	-	-	-
Lease Liabilities	-	6,031.76	6,031.76	-	-	-	-
Others Financial Liabilities	-	4,435.08	4,435.08	-	-	-	-
Total Financial Liabilities	**-**	**15,038.78**	**15,038.78**	**-**	**-**	**-**	**-**

The management assessed that cash and cash equivalents, trade receivables, other financial assets, trade payables, lease liabilities and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Accordingly, fair value hierarchy for these financial instruments have not been presented above.

Valuation techniques used to determine fair value: -

- Mutual Funds: - Net Asset Value (NAV) declared by the mutual fund at which units are issued or redeemed
- Alternative Investment Funds: - Net Asset Value (NAV) provided by issuer fund which is arrived at based on valuation from independent valuer for unlisted portfolio companies, quoted price of listed portfolio companies and price of recent investments
- Debt Securities: - Fair value of debt securities which are actively traded bonds, is derived on the basis of quoted price available on the National Stock Exchange
- Equity Instruments: - Discounted cash flow based on present value of the expected future economic benefit

In order to assess Level 3 valuations as per Company's investment policy, the management reviews the performance of the investee companies (including unlisted portfolio companies of venture capital funds and alternative investment funds) on a regular basis by tracking their latest available financial statements / financial information, valuation report of independent valuers, recent transaction results etc. which are considered in valuation process.

Fair value reconciliation for Level 3 instruments

The following table shows reconciliation from opening to closing balances for Level 3 assets:

(₹ in Lakh)

Balance as at 1st April 2019	**663.38**
Net gain/ (loss) recognised in Profit & Loss	(70.00)
Purchases of financial instrument	765.00
Sales of financial instruments	(152.09)
Balance as at 31st March 2020	**1,206.29**
Net gain/ (loss) recognised in Profit & Loss	(147.00)
Purchases of financial instrument	9.31
Sales of financial instruments	-
Balance as at 31st March 2021	**1,068.60**

Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone IND AS financial statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

NOTE: 34 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise trade and other payables. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds investments in mutual fund units, debt and equity instruments.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by Risk Management Committee and the auditors have relied on the same. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A. Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows related to financial instrument that may result from adverse changes in market rates and prices (such as foreign exchange rates, interest rates, other prices). The Company is exposed to market risk primarily related to interest rate risk and price risk.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The sensitivity of the portfolio towards the interest rate is mentioned in the table below

Sensitivity

The following table demonstrates the sensitivity to:

- Interest Rate Risk is basis impact on debt portfolios for 1% change in interest rates.
- Hybrid funds considered at 100% as a conservative basis for assessing interest rate impact on portfolio. (which form approximately 1% of the entire portfolio of schemes).

Impact on profit and loss: (₹ in Lakh)

(₹ in Lakh)

Risk	As at 31 Mar 21	As at 31 Mar 20
Interest Rate Risk – (Impact of 1% increase in interest rate)	1.60%	1.55%
Effect on Profit and Loss	(2,448.88)	(1,870.75)
Interest Rate Risk – (Impact of 1% decrease in interest rate)	1.60%	1.55%
Effect on Profit and Loss	2,448.88	1,870.75

(ii) Foreign currency risk

The Company has insignificant amount of foreign currency denominated assets and liabilities. Accordingly, there is no significant exposure to currency risk.

(iii) Price risk

Price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices and related market variables including interest rate for investments in debt oriented mutual funds and debt securities, caused by factors specific to an individual investment, its issuer and market.

The Company's exposure to price risk arises from investments in Units of mutual funds, alternative investment funds, etc which are classified as financial asset at Fair Value through Profit and Loss and is as follows:

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Investment exposure to price risk	1,62,210.11	1,26,149.62

Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone IND AS financial statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

The table below sets out the effect on profit or loss and equity due to reasonable possible weakening / strengthening in prices/ market value by 5%:

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Effect on Profit and Loss		
5% increase in prices	8,110.51	6,307.48
5% decrease in prices	(8,110.51)	(6,307.48)

B. Credit risk

Credit Risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company's has clearly defined policies to mitigate counterparty risks. Cash and liquid investments are held primarily in mutual funds and banks with good credit ratings. Defined limits are in place for exposure to individual counterparties in case of mutual fund houses and banks.

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Company has major receivable from mutual fund schemes.

Trade receivables ageing

(₹ in Lakh)

Trade Receivables	Neither past due nor impaired	Past dues but not impaired					Total
		< 30 days	30 to 60 days	61 to 90 days	91 to 120 days	> 120 days	
31st March 2021	2,460.71	-	-	-	-	-	2,460.71
31st March 2020	3,572.07	-	-	-	-	-	3,572.07

The carrying amounts of following financial assets represent the maximum credit risk exposure:

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Trade Receivables	2,460.71	3,572.07
Cash and cash equivalents	1,003.61	935.65
Bank balances other than those mentioned above	30.70	28.92
Other financial assets measured at amortised cost	12,222.98	1,377.06

Expected credit loss on financial assets

The Company continuously monitors all financial assets subject to ECLs. In order to determine whether an instrument is subject to 12 month ECL or life time ECL, the Company assesses whether there has been a significant increase in credit risk or the asset has become credit impaired since initial recognition. For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has determined based on historical experience and expectations that the ECL on its trade receivables is insignificant and was not recorded. The Company applies following quantitative and qualitative criteria to assess whether there is significant increase in credit risk or the asset has been credit impaired:

- Historical trend of collection from counterparty
- Company's contractual rights with respect to recovery of dues from counterparty
- Credit rating of counterparty and any relevant information available in public domain

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

Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone IND AS financial statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

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

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

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 the control over such funds due from customers, the Company does not estimate any credit risk in relation to such receivables.

Cash and cash equivalents

The Company holds cash and cash equivalents and other bank balances as per note 3 and 4. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be high.

Investment in debt securities measured at amortised cost

Funds are invested after taking into account parameters like safety, liquidity and post tax returns etc. The Company avoids concentration of credit risk by spreading them over several counterparties with good credit rating profile and sound financial position. The Company's exposure and credit ratings of its counterparties are monitored on an ongoing basis.

C. Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations or at a reasonable price. The Company's Finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

(₹ in Lakh)

As at 31st March 2021	Within 12 Months	After 12 Months	Total
Trade Payables	3,681.53	-	3,681.53
Employee Dues	4,311.81	-	4,311.81
Payable for Capital Expenditure	13.96	-	13.96
Lease Liabilities	2,286.09	4,490.35	6,776.44
	10,293.39	**4,490.35**	**14,783.74**

(₹ in Lakh)

As at 31st March 2020	Within 12 Months	After 12 Months	Total
Trade Payables	4,571.94	-	4,571.94
Employee Dues	4,207.51	-	4,207.51
Payable for Capital Expenditure	80.47	-	80.47
Payable to Schemes	147.10	-	147.10
Lease Liabilities	1,785.87	5,401.35	7,187.22
	10,792.89	**5,401.35**	**16,194.24**

Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone IND AS financial statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

NOTE: 35 LEASES

Effective 1st April 2019, the Company adopted IND AS 116 "Leases" and applied the standard to all lease contracts existing on 1st April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee's incremental borrowing rate at the date of initial application.

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of ₹ 6,440.07 Lakh and a lease liability of ₹ 7,084.48 Lakh. The cumulative effect of applying the standard, amounting to ₹ 644.41 Lakh was debited to retained earnings and deferred tax asset created on the same for 1st April 2019. The effect of this adoption is in significant on the operating profit, net profit for the period and earnings per share. In statement of profit and loss for the current period, the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the ROU asset and finance cost for interest accrued on lease liability. Ind AS 116 will result in an increase in cash in flows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with similar characteristics.
2. Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
3. Relied on its previous assessment of whether leases are onerous under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets immediately before the date of initial application as an alternative to performing an impairment review. There were no onerous contracts as at 1st April 2019.
4. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
5. Used hindsight in determining the lease term if the contract contains options to extend or terminate the lease.
6. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, for all contracts as on 1st April 2019, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The incremental borrowing rate applied to lease liabilities as at 1st April 2019 is between the range of 8.00% to 8.50% for a period varying from 1 to 10 years.

Critical accounting judgements and key sources of estimation uncertainty

Critical judgements required in the application of Ind AS 116 may include, among others, the following:

- Identifying whether a contract (or part of a contract) includes a lease;
- Determining whether it is reasonably certain that an extension or termination option will be exercised;
- Classification of lease agreements (when the entity is a lessor);
- Determination of whether variable payments are in-substance fixed;
- Establishing whether there are multiple leases in an arrangement;
- Determining the stand-alone selling prices of lease and non-lease components.

Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:

- Estimation of the lease term;
- Determination of the appropriate rate to discount the lease payments;
- Assessment of whether a right-of-use asset is impaired.

Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone IND AS financial statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2021:

(₹ in Lakh)

Particulars	Category of ROU Asset Leasehold premises
Balance as at 1st April 2020	5,281.00
Add New Lease Agreements	1,950.43
Less: Deletion	(178.13)
Less: Depreciation	(1,986.80)
Balance as at 31st March 2021	**5,066.50**

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2020:

(₹ in Lakh)

Particulars	Category of ROU Asset Leasehold premises
Balance as at 1st April 2019	6,440.07
Add New Lease Agreements	831.68
Depreciation	(1,990.75)
Balance as at 31st March 2020	**5,281.00**

Amounts recognised in profit and loss

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Depreciation and Amortisation Expenses		
Depreciation expense on right-of-use assets	1,986.80	2,036.75
Finance Cost		
Interest expense on lease liabilities	550.18	544.11
Other Income		
Rent concession	(353.94)	-
Other Expense		
Expense relating to short-term leases	39.04	187.63

The following is the break-up of current and non-current lease liabilities

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Current Lease Liabilities	2,200.32	1,718.35
Non-Current Lease Liabilities	3,645.29	4,313.41
Total	**5,845.61**	**6,031.76**

Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone IND AS financial statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

The following is the movement in lease liabilities during the year ended March 31, 2021:

(₹ in Lakh)

Particulars	Amount
Balance as at 1st April 2020	6,031.76
Additions	1,950.43
Deletions	(178.13)
Finance Cost accrued during the year	550.18
Payment of Lease Liabilities	(2,154.69)
Rent concession	(353.94)
Balance as at 31st March 2021	**5,845.61**

The following is the movement in lease liabilities during the year ended March 31, 2020:

(₹ in Lakh)

Particulars	Amount
Balance as at 1st April 2019	7,084.48
Additions	831.68
Finance Cost accrued during the year	540.20
Payment of Lease Liabilities	(2,424.60)
Balance as at 31st March 2020	**6,031.76**

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Less than one year	2,286.09	1,785.87
One to Five years	3,925.88	4,387.07
More than Five years	564.47	1,014.27
Total	**6,776.44**	**7,187.22**

A reconciliation of the operating lease commitments at 31st March 2019, disclosed in the Company's 2019 financial statements, to the lease liabilities recognised in the statement of financial position at 1st April 2019 is provided below:

(₹ in Lakh)

Particulars	
Operating lease commitments disclosed as at 31st March 2019	9,405.04
Discounted using the incremental borrowing rate at 1st April 2019	7,272.11
(Less): short-term leases recognised on a straight-line basis as expense	(187.63)
Lease liabilities recognised as at 1st April 2019	7,084.48

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

All the future cash flows to which the lease is potentially exposed are reflected in the measurement of lease liabilities.

Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone IND AS financial statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

NOTE: 36 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

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

(₹ in Lakh)

Assets/Liabilities	As at 31 Mar 21			As at 31 Mar 20		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial Assets						
Cash and cash equivalents	1,003.61	-	1,003.61	935.65	-	935.65
Other bank balances	30.70	-	30.70	28.92	-	28.92
Trade receivables	2,460.71	-	2,460.71	3,572.07	-	3,572.07
Investments	1,54,507.99	25,019.40	1,79,527.39	1,07,912.11	25,325.69	1,33,237.80
Other Financial Assets	527.40	1,359.98	1,887.38	35.67	1,225.58	1,261.25
Non-Financial Assets						
Current tax assets (net)	-	1,689.31	1,689.31	-	2,742.82	2,742.82
Property, Plant and Equipment	-	1,204.71	1,204.71	-	1,885.41	1,885.41
Right of use Assets	-	5,066.50	5,066.50		5,281.00	5,281.00
Capital work-in-progress	-	7.81	7.81	-	15.50	15.50
Intangible assets under development	-	100.94	100.94	-	82.75	82.75
Other Intangible Assets	-	1,325.80	1,325.80		1,238.54	1,238.54
Other Non-Financial Assets	5,002.10	437.74	5,439.84	7,996.72	1,158.95	9,155.67
Total Assets	**1,63,532.51**	**36,211.19**	**1,99,744.70**	**1,20,481.14**	**38,956.24**	**1,59,437.38**
Financial Liabilities						
Trade Payables	3,681.53	-	3,681.53	4,571.94	-	4,571.94
Lease Liability	2,200.32	3,645.29	5,845.61	1,718.35	4,313.41	6,031.76
Other Financial Liabilities	4,325.77	-	4,325.77	4,435.08	-	4,435.08
Non-Financial Liabilities						
Current tax liabilities (net)	941.33	-	941.33	-	-	-
Provisions	902.74	8,480.36	9,383.10	3,086.87	3,910.11	6,996.98
Deferred tax liabilities (net)	-	1,373.40	1,373.40	-	1,461.58	1,461.58
Other non-financial liabilities	1,876.16	-	1,876.16	1,332.26	-	1,332.26
Total Liabilities	**13,927.85**	**13,499.05**	**27,426.90**	**15,144.50**	**9,685.10**	**24,829.60**

NOTE: 37

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

Significant Accounting Policies

and other explanatory information (notes) forming part of the Standalone IND AS financial statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

NOTE: 38 EVENTS AFTER THE REPORTING PERIOD

Pursuant to a resolution of Board of Directors dated 5th April 2021 and the shareholders meeting dated 6th April 2021, each equity share of face value of ₹ 10 each has been split into two equity shares of face value of ₹ 5 each. Accordingly, the issued, subscribed and paid-up capital of our Company was subdivided from 1,80,00,000 equity shares of face value of ₹ 10 each to 3,60,00,000 equity shares of face value of ₹ 5 each.

Pursuant to a resolution of Board of Directors dated 5th April 2021 and the shareholders meeting dated 6th April 2021, the Authorised Share Capital of the Company has been increased from ₹ 20,00,00,000/- (Rupees Twenty Crore only) consisting of 4,00,00,000 (Four Crore only) Equity Shares of ₹5/- (Rupees Five only) each to ₹ 1,60,00,00,000 (Rupees One Hundred and Sixty Crore Only) consisting of 32,00,00,000 (Thirty Two Crore) Equity Shares of ₹ 5/- (Rupees Five only) each.

The Board of Directors and the shareholders has also approved the issuance of 7 (Seven) bonus shares of face value 5 (Rupees Five) each for every 1 (One) existing fully paid-up equity share of face value 5 (Rupees Five) each and accordingly 25,20,00,000 bonus shares were issued and allotted on 6th April 2021.

The impact of split of shares and issue of bonus shares are retrospectively considered for the computation of EPS as per the requirement of IND AS 33.

Pursuant to the resolutions passed by our Board on 5th April 2021 and 14th April 2021, and by our Shareholders on 6th April 2021 and 15th April 2021, the Company approved the ESOP Scheme for issue of employee stock options and/or restricted stock units to eligible employees and granted certain options to the eligible employees.

The Board of Directors at their meeting held on 8th May 2021 has approved a final dividend of ₹2.45 per share. The total dividend amounts to ₹ 7,056 Lakh

NOTE: 39 PRIOR PERIOD COMPARATIVES

Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/ disclosure.

As per our report of even date attached
For **S.R. Batliboi & Co. LLP**
Chartered Accountants
(Firm Reg. No. 301003E/E300005)

Jayesh Gandhi
Partner
(Membership No. 037924)

Place: Mumbai
Date: 8th May 2021

For and on behalf of the Board of Directors of
Aditya Birla Sun Life AMC Limited

Ajay Srinivasan
Director
DIN: 00121181

Sandeep Asthana
Director
DIN: 00401858

A. Balasubramanian
Managing Director and CEO
DIN: 02928193

Parag Joglekar
Chief Financial Officer

Hemanti Wadhwa
Company Secretary
FCS No. 6477

Place: Mumbai
Date: 8th May 2021

Independent Auditor's Report

To the Members of
Aditya Birla Sun Life AMC Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of Aditya Birla Sun Life AMC Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the consolidated Balance sheet as at 31st March 2021, the consolidated Statement of Profit and Loss including the statement of Other Comprehensive Income, the consolidated Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of the subsidiaries the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31st March 2021, their consolidated profit and their consolidated cash flows for the year ended on that date.

Basis for opinion

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

Information other than the financial statements and auditor's report thereon

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

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

Responsibilities of management for the consolidated financial statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance , and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2015 (as amended). The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, and whose financial information we have audited to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

Other matter

We did not audit the financial statements and other financial information, in respect of three subsidiaries, whose financial statements include total assets of ₹ 5,899.43 Lakh as at 31st March 2021, and total revenues of ₹ 3,889.68 Lakh and net cash inflows of ₹ 917.80 Lakh for the year ended on that date. These financial statement and other financial information have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the report(s) of such other auditors.

All of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report we have relied upon 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 of the aforesaid consolidated financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the statement of other comprehensive income, the Consolidated Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards 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 of the Holding Company as on 31st March 2021 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company, incorporated in India is disqualified as on 31st March 2021 from being appointed as a director in terms of Section 164 (2) of the Act. None of the subsidiary companies are companies that are incorporated in India, hence reporting under section 164(2) of the Act is not applicable to those companies;

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company refer to our separate Report in "Annexure 1" to this report;

(g) In our opinion, the managerial remuneration for the year ended 31st March 2021 has been paid / provided by the Holding Company, to their directors in accordance with the provisions of section 197 read with Schedule V to 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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements – Refer Note 25 to the consolidated financial statements;

ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended 31st March 2021;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year ended 31st March 2021.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Jayesh Gandhi**
Partner

Membership Number: 037924
UDIN: 21037924AAAADF2819

Place of Signature: Mumbai
Date: 8th May 2021

Annexure - 1

to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Aditya Birla Sun Life AMC Limited

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

In conjunction with our audit of the consolidated financial statements of Aditya Birla Sun Life AMC Limited as of and for the year ended 31st March 2021, we have audited the internal financial controls over financial reporting of Aditya Birla Sun Life AMC Limited (hereinafter referred to as the "Holding Company")

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Board of Directors of the Holding Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, 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 with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE CONSOLIDATED FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE CONSOLIDATED FINANCIAL STATEMENTS

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

OPINION

In our opinion, the Holding Company, has, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at 31st March 2021, based on the internal control over financial reporting criteria established by the Holding 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.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Jayesh Gandhi**
Partner

Membership Number: 037924
UDIN: 21037924AAAADF2819

Place of Signature: Mumbai
Date: 8th May 2021

Consolidated IND AS Balance Sheet

as at 31st March 2021

(₹ in Lakh)

Particulars	Note	As at 31 Mar 21	As at 31 Mar 20
I ASSETS			
(1) Financial Assets			
(a) Cash and cash equivalents	3	5,653.07	4,660.55
(b) Bank balances other than (a) above	4	30.70	28.92
(c) Receivables			
(I) Trade receivables	5	3,095.36	4,046.44
(d) Loans	6	3.20	12.50
(e) Investments	7	1,72,625.40	1,26,335.81
(f) Other Financial Assets	8	1,918.67	1,292.81
Total Financial Assets		**1,83,326.40**	**1,36,377.03**
(2) Non-Financial Assets			
(a) Current tax assets (net)		1,689.31	2,742.82
(b) Property, Plant and Equipment	9.1	1,224.47	1,906.40
(c) Right of use Assets	36	5,155.88	5,470.35
(d) Capital work-in-progress		7.81	15.50
(e) Intangible assets under development		100.94	82.75
(f) Other Intangible Assets	9.2	1,327.90	1,242.12
(g) Other non-Financial Assets	10	5,622.40	9,359.16
Total Non-Financial Assets		**15,128.71**	**20,819.10**
Total Assets		**1,98,455.11**	**1,57,196.13**
II LIABILITIES AND EQUITY			
Liabilities			
(1) Financial Liabilities			
(a) Payables			
(I) Trade Payables			
(i) Total outstanding dues of micro enterprises and small enterprises	11	0.57	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	11	3,738.10	4,740.43
(b) Lease Liabilities	36	5,931.43	6,208.44
(c) Other Financial Liabilities	12	4,661.03	4,693.82
Total Financial Liabilities		**14,331.13**	**15,642.69**
(2) Non Financial Liabilities			
(a) Current tax liabilities (net)		942.00	1.80
(b) Provisions	13	9,454.80	7,054.68
(c) Deferred tax liabilities (net)	14	1,373.40	1,461.58
(d) Other non-financial liabilities	15	1,892.45	1,348.12
Total Non-Financial Liabilities		**13,662.65**	**9,866.18**
(3) Equity			
(a) Equity Share capital	16	1,800.00	1,800.00
(b) Other Equity	17	1,68,661.33	1,29,887.26
Equity attributable to equity holders of the parent		1,70,461.33	1,31,687.26
Non-Controlling Interests		-	-
Total Equity		**1,70,461.33**	**1,31,687.26**
Total Liabilities and Equity		**1,98,455.11**	**1,57,196.13**
Contingent Liabilities & Commitments	25		
Corporate Information and Significant Accounting Policies	1 & 2		
The accompanying Notes are an integral part of the Financial Statements.	25-40		

As per our report of even date attached
For **S.R. Batliboi & Co. LLP**
Chartered Accountants
(Firm Reg. No. 301003E/E300005)

Jayesh Gandhi
Partner
(Membership No. 037924)

Place: Mumbai
Date: 8th May 2021

For and on behalf of the Board of Directors of
Aditya Birla Sun Life AMC Limited

Ajay Srinivasan
Director
DIN: 00121181

Sandeep Asthana
Director
DIN: 00401858

A. Balasubramanian
Managing Director and CEO
DIN: 02928193

Parag Joglekar
Chief Financial Officer

Hemanti Wadhwa
Company Secretary
FCS No. 6477

Place: Mumbai
Date: 8th May 2021

Consolidated IND AS Statement of Profit and Loss

for the year ended 31st March 2021

(₹ in Lakh)

Particulars	Note	For the year ended 31 Mar 21	For the year ended 31 Mar 20
INCOME			
Revenue from Operations			
Fees and Commission income	18	1,06,790.71	1,15,967.04
Net gain on Fair Value Changes	19	12,312.11	7,416.49
Total Revenue from Operations		**1,19,102.82**	**1,23,383.53**
Other Income	20	1,481.33	93.27
Total Income (A)		**1,20,584.15**	**1,23,476.80**
EXPENSES			
Employee Benefit Expense	21	24,069.79	24,202.03
Other Expense	22	17,919.73	21,500.17
Fees and Commission Expense		4,705.69	7,505.38
Finance cost	23	555.68	544.11
Depreciation and Amortisation Expense	24	3,744.25	3,652.16
Total Expenses (B)		**50,995.14**	**57,403.85**
Profit Before Tax (C = A-B)		**69,589.01**	**66,072.95**
Income Tax Expense			
Current tax		17,055.56	16,033.39
Deferred tax		(88.18)	666.66
Adjustments in respect of current income tax of previous years		(6.47)	(67.32)
Income Tax Expense (D)	14	**16,960.91**	**16,632.73**
Profit for the year (E = C - D)		**52,628.10**	**49,440.22**
Other Comprehensive Income			
A Items that will be reclassified to profit or loss			
i) Exchange difference on translation of foreign operations		19.63	209.48
B Items that will not be reclassified to profit or loss			
i) Re-measurement gains/(losses) on defined benefit plans		169.37	(302.16)
ii) Income tax relating to the items that will not be reclassified to the Profit and Loss		(42.63)	76.05
Other Comprehensive Income for the Year (F)		**146.37**	**(16.63)**
Total Comprehensive Income for the Year (G = E+F)		**52,774.47**	**49,423.59**
Profit for the year			
Attributable to :			
Equity holders of the parent		52,628.10	49,440.22
Non-controlling interests		-	-
		52,628.10	**49,440.22**
Total comprehensive income for the year			
Attributable to :			
Equity holders of the parent		52,774.47	49,423.59
Non-controlling interests		-	-
		52,774.47	**49,423.59**
Earnings per share			
– Basic profit for the year attributable to ordinary equity shareholders of the Company	29 and 39	18.27	17.17
– Diluted profit for the year attributable to ordinary equity shareholders of the Company		18.27	17.17
Corporate Information & Significant Accounting Policies	1 & 2		
The accompanying Notes are an integral part of the Financial Statements.	25-40		

As per our report of even date attached
For **S.R. Batliboi & Co. LLP**
Chartered Accountants
(Firm Reg. No. 301003E/E300005)

Jayesh Gandhi
Partner
(Membership No. 037924)

Place: Mumbai
Date: 8th May 2021

For and on behalf of the Board of Directors of
Aditya Birla Sun Life AMC Limited

Ajay Srinivasan
Director
DIN: 00121181

Sandeep Asthana
Director
DIN: 00401858

A. Balasubramanian
Managing Director and CEO
DIN: 02928193

Parag Joglekar
Chief Financial Officer

Hemanti Wadhwa
Company Secretary
FCS No. 6477

Place: Mumbai
Date: 8th May 2021

Consolidated IND AS Statement of Cash Flow

for the year ended 31st March 2021

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21		For the year ended 31 Mar 20	
CASH FLOW FROM OPERATING ACTIVITIES				
Profit Before Tax	69,589.01		66,072.95	
Adjustments for:				
Depreciation and Amortisation	3,744.25		3,652.16	
Finance cost	555.68		544.11	
Profit on Sale of Investments	(3,992.31)		(1,635.71)	
Exchange differences on translating the financial statements of a foreign operation	19.59		208.49	
Loss or (Profit) on Sale of Property, Plant and Equipment	7.03		4.17	
Fair valuation of investments	(8,319.80)		(5,780.78)	
Re-measurement gains/(losses) on defined benefit plans	-		(302.16)	
Interest on Fixed Deposits and Investments	(1,062.35)		(72.26)	
Rent concession	(353.94)		-	
Operating Profit before working capital changes	60,187.16		62,690.97	
(Increase)/Decrease in Receivables	951.08		(1,383.21)	
(Increase)/Decrease in Loans	9.30		(3.76)	
(Increase)/Decrease in Other Financial Assets	(627.62)		1,493.51	
(Increase)/Decrease in Other Non-Financial Assets	3,724.58		6,098.37	
Increase/(Decrease) in Payables	(1,001.77)		(2,907.33)	
Increase/(Decrease) in Financial Liabilities	(32.80)		(665.77)	
Increase/(Decrease) in Non-Financial Liabilities	3,112.03		1,414.66	
Cash generated from Operations	66,321.96		66,737.44	
Income Tax paid (net)	(15,096.89)		(17,036.29)	
Net cash generated from Operating activities		51,225.07		49,701.15
Cash Flow from Investing activities				
Purchase of PPE and Intangible Assets	(1,154.22)		(1,640.74)	
Sale proceeds from PPE and Intangible Assets	86.75		21.95	
Interest on Fixed Deposits and Investments	857.75		115.45	
Purchase of Investments	(2,03,969.74)		(1,05,356.20)	
Sale of Investments	1,70,197.12		1,00,251.38	
Net cash generated/(used) in investing activities		(33,982.34)		(6,608.16)
Cash Flow from Financing activities				
Interim Dividend Paid during the year (including tax thereon)	(14,000.40)		(39,783.25)	
Lease Liability - Interest portion (refer note 36)	(555.68)		(544.11)	
Lease Liability - Principal portion (refer note 36)	(1,694.12)		(1,927.47)	
Net cash used in financing activities		(16,250.20)		(42,254.83)
Net Increase/(Decrease) in Cash and Cash Equivalents		992.52		838.16
Cash and Cash Equivalents at beginning of the year		4,660.55		3,822.39
Cash and Cash Equivalents at end of the year (Refer Note 3)		5,653.07		4,660.55

1) Statement of cash flows have been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standard) Rules, 2015.

2) Purchase of Property, Plant and Equipment represents addition to property, plant and equipment, and other intangible assets adjusted for movement of capital work in progress for property, plant and equipment, and other intangible assets under development during the year.

3) Cash and cash equivalents include in the Statement of cash flows comprise the following :

Cash and cash equivalents disclosed under Financial Assets:	5,653.07	4,660.55

As per our report of even date attached
For **S.R. Batliboi & Co. LLP**
Chartered Accountants
(Firm Reg. No. 301003E/E300005)

Jayesh Gandhi
Partner
(Membership No. 037924)

Place: Mumbai
Date: 8th May 2021

For and on behalf of the Board of Directors of
Aditya Birla Sun Life AMC Limited

Ajay Srinivasan
Director
DIN: 00121181

Sandeep Asthana
Director
DIN: 00401858

A. Balasubramanian
Managing Director and CEO
DIN: 02928193

Parag Joglekar
Chief Financial Officer

Hemanti Wadhwa
Company Secretary
FCS No. 6477

Place: Mumbai
Date: 8th May 2021

Star here

Statement of Changes in Equity

for the year ended 31st March 2021

(A) EQUITY SHARE CAPITAL

(₹ in Lakh)

Equity shares of ₹ 10 each issued, subscribed and fully paid	No of shares	Amount
As 1st April 2019	1,80,00,000	1,800.00
Issue of Shares	-	-
As 31st March 2020	1,80,00,000	1,800.00
Issue of Shares	-	-
At 31st March 2021	**1,80,00,000**	**1,800.00**

(B) OTHER EQUITY

For the year ended 31st March 2021

(₹ in Lakh)

Particulars	Attributable to equity holders of the Company				Total Equity
	Reserve and Surplus			Items of Other Comprehensive income	
	Retained Earnings	General Reserve	Share premium	Foreign Currency Translation Reserve	
Balance as at 1st April 2020	1,28,124.58	686.66	264.23	811.77	1,29,887.26
Profit for the year	52,628.12	-	-	-	52,628.12
Other Comprehensive Income for the year	126.74	-	-	19.63	146.37
Total Comprehensive Income for the year	1,80,879.44	686.66	264.23	831.39	1,82,661.74
Interim Dividend paid to Equity shareholders	(14,000.40)	-	-	-	(14,000.40)
Dividend Distribution Tax	-	-	-	-	-
Balance as at 31st March 2021	**1,66,879.04**	**686.66**	**264.23**	**831.39**	**1,68,661.33**

For the year ended 31st March 2020

(₹ in Lakh)

Particulars	Attributable to equity holders of the Company				Total Equity
	Reserve and Surplus			Items of Other Comprehensive income	
	Retained Earnings	General Reserve	Share premium	Foreign Currency Translation Reserve	
Balance as at 1st April 2019	1,18,983.90	686.66	264.23	602.29	1,20,537.09
Profit for the year	49,440.22	-	-	-	49,440.22
Other Comprehensive Income for the year	(226.11)	-	-	209.48	(16.63)
Total Comprehensive Income for the year	1,68,198.01	686.66	264.23	811.77	1,69,960.68
Interim Dividend paid to Equity shareholders	(33,000.00)	-	-	-	(33,000.00)
Dividend Distribution Tax	(6,783.25)	-	-	-	(6,783.25)
Effect of adoption of Ind AS 116 Leases (Refer Note 36)	(290.18)	-	-	-	(290.18)
Balance as at 31st March 2020	**1,28,124.58**	**686.66**	**264.23**	**811.77**	**1,29,887.26**

As per our report of even date attached
For **S.R. Batliboi & Co. LLP**
Chartered Accountants
(Firm Reg. No. 301003E/E300005)

Jayesh Gandhi
Partner
(Membership No. 037924)

Place: Mumbai
Date: 8th May 2021

For and on behalf of the Board of Directors of
Aditya Birla Sun Life AMC Limited

Ajay Srinivasan
Director
DIN: 00121181

Sandeep Asthana
Director
DIN: 00401858

A. Balasubramanian
Managing Director and CEO
DIN: 02928193

Parag Joglekar
Chief Financial Officer

Hemanti Wadhwa
Company Secretary
FCS No. 6477

Place: Mumbai
Date: 8th May 2021

Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated IND AS Financial Statements for the year ended 31st March 2021

NOTE: 1 CORPORATE INFORMATION

The Consolidated Financial Statements (the "CFS") comprise financial statements of Aditya Birla Sun Life AMC Limited (the "Company") and its wholly owned subsidiaries (herein after referred to as "Group Companies" and together as "Group"). The Company is a public Company domiciled in India and its registered office is situated at One World Centre, Tower 1, 17th Floor, Jupiter Mills, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400013. The Company was incorporated under the provisions of the Companies Act on 5th September 1994. The Company is a joint venture between the Aditya Birla Group and Sun Life Group. The share capital of the Company is owned by Aditya Birla Capital Limited (Subsidiary of Grasim Industries Limited) - and Sun Life (India) AMC Investments Inc., (wholly owned subsidiary of Sun Life Financial, Inc.)

The Company is registered with Securities and Exchange Board of India (SEBI) under the SEBI (Mutual Funds) Regulations, 1996 and the principal activity is to act as an investment manager to Aditya Birla Sun Life Mutual Fund. The Company manages the investment portfolios of Aditya Birla Sun Life Mutual Fund and Aditya Birla Real Estate Fund. The Company is also registered under the SEBI (Portfolio Managers) Regulations, 1993 and provides Portfolio Management Services ("PMS") and investment advisory services to offshore funds and high net worth investors. Aditya Birla Sun Life AMC Limited has set-up two Alternate Investment Fund ("AIF") one under Category III & other under Category II with Securities Exchange Board of India (SEBI) under the SEBI AIF Regulations, 2012. Aditya Birla Sun Life AMC Limited has been appointed as an Investment Manager of the said AIF by the Trustee to the Fund.

NOTE: 2 SIGNIFICANT ACCOUNTING POLICIES

i. Basis of Preparation of Financial Statements

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The Consolidated Financial Statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial instruments, measured at fair value
- Gratuity plan assets, measured at fair value

The consolidated financial statements are presented in Indian rupees and all values are rounded to the nearest Lakh, except when otherwise indicated.

Note to the financial statements

Post outbreak of COVID–19, virus continues to spread across the globe including India, resulting in significant volatility in financial markets and a significant decrease in global and India's economic activities. On 11th March 2020, this outbreak was declared a global pandemic by the World Health Organisation and consequent lockdowns were imposed across. The situation was improving upto Jan – Feb 2021 but due to the onset of the 'second wave', things have deteriorated since March 2021. Increase in COVID 19 cases necessitated imposition of restrictions which may once again impact economic activity and markets.

In preparing the accompanying financial statements, the Company's management has assessed the impact of the pandemic on its operations and its assets including the value of its investments, subsidiaries, asset management rights and trade receivables as at 31st March 2021. The management does not, at this juncture, believe that the impact on the value of the Company's assets is likely to be material. The extent to which the second wave of COVID 19 pandemic will impact the Company's results will depend on ongoing as well as future developments, which at this juncture are highly uncertain.

Since the revenue of the Company is ultimately dependent on the value of the assets it manages, changes in market conditions and the trend of flows into mutual funds may have an impact on the future operations of the Company. As the situation is rapidly evolving, its effect on the operations of the Company may be different from that estimated as at the date of approval of these financial results.

ii. Presentation of Financial Statements

The Group presents its balance sheet in order of liquidity. Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Group and/or its counterparties

An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current) is presented in Note 37

iii. Use of estimates

The preparation of the financial statements in conformity with the Indian Accounting Standards (IND AS) requires management to make estimates and assumptions that

Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated IND AS Financial Statements for the year ended 31st March 2021

affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities as of the date of financial statements and the reported amount of revenue and expenses during the reporting period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements. Actual results may differ from those estimates and assumptions used in preparing the accompanying financial statements. Any revision to the accounting estimates will be recognised prospectively in the current and future periods.

Significant estimates and judgements used for:-

- Estimates of useful lives and residual value of Property, Plant and Equipment, and other intangible assets (Refer Note 9.1 and 9.2)
- Measurement of defined benefit obligations, actuarial assumptions (Refer Note 27)
- Recognition of deferred tax assets/liabilities (Refer Note 14)
- Recognition and measurement of provisions and contingencies (Refer Note 13 and Note 25)
- Financial instruments – Fair values, risk management and impairment of financial asset (Refer Note 7)
- Determination of lease term (Refer Note 36)
- Discount rate for lease liability (Refer Note 36)

iv. Functional and Presentation Currency

The consolidated financial statements of the Group are presented in Indian rupees (₹), the national currency of India, which is the functional currency of the Company. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using the functional currency.

v. Principles of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31st March 2021. The Group consolidates a subsidiary when it controls it. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

The Group also considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The accounting policies of the subsidiaries have been harmonised to ensure the consistencies with the policies that have been adopted by the Company. The financial statements of the Company and its subsidiaries combined have been consolidated on a line-by-line basis by adding together the values of like items of assets, liabilities, income and expenses, after eliminating intra-Group balances and transactions and offsetting the carrying amount of the Company's investment in each subsidiary and the Company's portion of equity in each subsidiary as per Ind AS 110 "Consolidated Financial Statements".

The Financial statements of the wholly owned Subsidiaries used in the consolidation are drawn up to the same reporting date as of the Company i.e. year ended on 31st March. When the end of the reporting period of the Company is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the Company to enable the Company to consolidate the financial information of the subsidiary.

Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated IND AS Financial Statements for the year ended 31st March 2021

List of Subsidiary companies included in consolidation are as below:

Name of Subsidiaries	Country of Incorporation	Proportion of ownership Interest as on 31 Mar 21	Proportion of ownership Interest as on 31 Mar 20	Principle Activities
Aditya Birla Sun Life AMC (Mauritius) Limited	Mauritius	100%	100%	To act as Investment Manager to India Advantage Fund Limited.
Aditya Birla Sun Life Asset Management Company Pte. Limited, Singapore	Singapore	100%	100%	To act as a Fund Manager and Investment advisory.
Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai	Dubai	100%	100%	Arranging deals in investment and advisory on financial products.

The Company acts as the fund manager for Aditya Birla Sun Life Mutual Fund and therefore has a significant involvement with the funds. However, fund managers are subject to substantial investment restrictions and guidelines. In all cases, the Company could be removed without cause, by the majority of the unit holders. The Company does not have significant investments in the units of mutual funds. Therefore, the funds managed by the Company are not consolidated.

India Advantage Fund Limited (IAFL) is a collective investment scheme set up as a fund in Mauritius with the status of a limited Company under the Mauritius Companies Act. In terms of constitution and private placement memorandum, IAFL has classes of redeemable participating shares. Each class of participating shares has its own Balance Sheet and Profit and Loss account. The Profit / Loss of each such class belongs to the participating shareholders of that class. Aditya Birla Sun Life Asset Management Company Limited (ABSLAMC) owns 100% of the management share and management shareholder is not entitled to any beneficial interest in the profit / loss of various classes nor is required to make good any shortfall. In substance there are no direct or indirect economic benefits received by the management shareholders. The substance over form must prevail. Accordingly, the Group has not consolidated IAFL in the Consolidated Financial Statements.

Aditya Birla Sun Life AMC Pte. Limited, Singapore has made investment in International Opportunities Fund & New Horizon Fund SPC. All these funds are segregated portfolio Company set up as a fund in Cayman Islands under the Cayman Islands Monetary Act. In terms of constitution and private placement memorandum, all these funds has various segregated portfolio which issue redeemable participating shares. Each Segregated Portfolio of participating shares has its own Balance Sheet and Profit and Loss account. The Profit / Loss of each such Portfolio belongs to the participating shareholders of that segregated portfolio. Aditya Birla Sun Life Asset Management Company Pte. Limited (ABSLAMC) owns 100% of the management share and management shareholder is not entitled to any beneficial interest in the profit / loss of various segregated portfolios nor is required to make good any shortfall. In substance there are no direct or indirect economic benefits received by the management shareholders. The substance over form must prevail. Accordingly, the Group has not consolidated these funds in the Consolidated Financial Statements.

vi. Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and cash in hand and short-term investments with an original maturity of three months or less which are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Group's cash management.

Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated IND AS Financial Statements for the year ended 31st March 2021

vii. Property, Plant and Equipment

Property, Plant and equipment are stated at their cost of acquisition less accumulated depreciation, and impairment losses. The cost of acquisition is inclusive of taxes (except those which are refundable), duties, freight and other incidental expenses related to acquisition and installation of the assets. As on 1st April 2017, i.e. its date of transition to IND AS, the Group has used Indian GAAP carrying value as deemed costs. All other repair and maintenance costs are recognised in profit or loss as incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

viii. Capital Work in Progress

Projects under which property plant and equipment are not ready for their intended use are carried at cost less accumulated impairment losses, comprising direct cost, inclusive of taxes, duties, freight, and other incidental expenses.

ix. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred. As on 1st April 2017, i.e. its date of transition to IND AS, the Group has used Indian GAAP carrying value as deemed costs. An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss. when the asset is derecognised.

x. Intangible assets under development

The intangible assets under development includes cost of intangible assets that are not ready for their intended use less accumulated impairment losses.

xi. Depreciation on Property, Plant and Equipment

Depreciation on property, plant and equipment is provided on a straight-line basis at the rates and useful life as prescribed in Schedule II of the Companies Act, 2013 or as determined by the management based on technical advice, except assets individually costing less than ₹ 5,000 which are fully depreciated in the year of purchase / acquisition. Depreciation commences when assets are ready for its intended use.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period and adjusted prospectively, if appropriate. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated IND AS Financial Statements for the year ended 31st March 2021

Following is the summary of useful life of the assets as per management estimates and as required by the Companies Act, 2013.

No	Particulars	Useful life (In Years)	
		Estimated Useful Life	Useful Life as Prescribed by Schedule II of the Companies Act, 2013
A	**DEPRECIATION ON PROPERTY, PLANT AND EQUIPMENT**		
1	Computers		
	• Server and networking*	3 Years	6 Years
	• Other	3 Years	3 Years
2	Office Equipment	5 Years	5 Years
3	Vehicles – Motor Car/Two Wheelers*	5 Years	8 Years
4	Furniture and Fixtures*	5 Years	10 Years
5	Mobile Phone (Included in office equipment)	2 Years	Not specified
6	Leasehold Improvements	Over the primary period of the lease term or 3 years, whichever is less	Not specified
B	**AMORTISATION OF INTANGIBLE ASSETS**		
1	Investment Management Rights	10 Years	Not specified
2	Software	3 Years	Not specified

** Based on technical advice, Management believes that the useful life of assets reflect the periods over which they are expected to be used. Depreciation on assets sold during the year is recognised on a pro-rata basis in the Statement of Profit and Loss from/till the date of acquisition/sale.*

xii. Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is treated impaired when the carrying cost of an asset or cash-generating unit's (CGU) exceeds its recoverable value. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The recoverable amount is the greater of the assets' or CGU's fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. An impairment loss, if any, is charged to Statement of Profit and Loss Account in the year in which an asset is identified as impaired. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

xiii. Fair Value Measurement

The Group measures financial instruments at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated IND AS Financial Statements for the year ended 31st March 2021

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

xiv. 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 to another entity.

Financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instruments.

All financial instruments are recognised initially at fair value, with the exception of trade receivables. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Trade receivables that do not contain a significant financing component for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on trade date while, loans and borrowings are recognised net of directly attributable transactions costs.

For the purpose of subsequent measurement, financial instruments of the Group are classified in the following categories: financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at FVTOCI, financial assets at fair value through profit and loss account (FVTPL) and financial liabilities at amortised cost or FVTPL. The classification of financial instruments depends on the contractual cash flow characteristics and the objective of the business model for which it is held and whether the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal outstanding.

Management determines the classification of its financial instruments at initial recognition.

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

Classification of financial assets:

a) Financial assets at amortised cost

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- Reports reviewed by the entity's key management personnel on the performance of financial assets
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed

Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated IND AS Financial Statements for the year ended 31st March 2021

- The compensation of the managing teams (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of trades

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

As a second step of its classification process the Group assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortised cost using the effective interest method, less any impairment loss.

Financial assets at amortised cost are represented by investments in interest bearing debt instruments, trade receivables, security deposits, cash and cash equivalents, employee and other advances and other financial assets.

b) **Debt Instruments at FVTOCI**
A debt instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:

- The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets and
- The asset's contractual cash flows represent SPPI debt instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs.

Fair value movements are recognised in other comprehensive income (OCI). However, the Group recognises interest income, impairment losses & reversals and foreign exchange gain loss in Profit or Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss. Interest earned is recognised under the expected interest rate (EIR) model. Currently, the Group does not hold any interest-bearing debt instrument that qualifies to be classified under this category.

c) **Equity instruments at FVTOCI**
All equity instruments are measured at fair value. Equity instruments held for trading is classified as FVTPL, described below. For all other equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in OCI. The Group makes such election on an instrument-by-instrument basis. If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which are not subsequently recycled to Profit or Loss. Dividends are recognised in profit or loss as dividend income when the right of the payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Currently, the Group has not classified any equity instrument at FVTOCI.

d) **Financial assets at FVTPL**
FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as FVTPL. In addition, the Group may elect to designate the financial asset, which otherwise meets amortised cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency. Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss. For all equity instruments at FVTPL, dividend is recognised in Profit or Loss when the right of payment has been established.

Financial liabilities

a) **Financial liabilities at amortised cost**
Financial liabilities at amortised cost represented by trade and other payables are initially recognised at fair value and subsequently carried at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR

Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated IND AS Financial Statements for the year ended 31st March 2021

amortisation is included as finance costs in the statement of profit and loss.

b) **Financial liabilities at FVTPL**
Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit or loss.

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

xv. Revenue Recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

The Group recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation.

I. Rendering of services

The Group principally generates revenue by providing asset management services to Aditya Birla Sun Life Mutual Fund and other clients.

a) Management fees are recognised on accrual basis at specific rates, applied on the average daily net assets of each scheme. The fees charged are in accordance with the terms of Scheme Information Documents of respective schemes and are in line with the provisions of SEBI (Mutual Funds) Regulations, 1996 as amended from time to time.

b) Portfolio Management Fees and Advisory Fees are recognised on an accrual basis as per the terms of the contract with the customers.

c) Management fees from other services are recognised on an accrual basis as per the terms of the contract with the customers at specific rates applied on net assets.

These contracts include a single performance obligation (series of distinct services) that is satisfied over time and the management fees and/or advisory fees earned are considered as variable consideration.

If the consideration promised in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for rendering the promised services to a customer. The amount of consideration can vary because of discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, or other similar items. The promised consideration can also vary if an entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event.

Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated IND AS Financial Statements for the year ended 31st March 2021

II. Dividend and Interest Income

a) Dividend income is recognised when the Group's right to receive dividend is established, it is probable that economic benefits associated with dividend will flow to the entity and the amount of dividend can be measured reliably. This is generally when shareholders approve the dividend.

b) Interest income from financial assets, is recognised on a time proportion basis, taking into account the amount outstanding and the rate applicable.

xvi. Foreign currency transactions and balances

The Group's consolidated financial statements are presented in ₹, which is also the functional currency. For each entity, the Company determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currency are recorded by the Group's entities at their respective functional currency spot rates at the date of transaction. However, for practical reasons, the Group uses an average rate if the average approximates the actual rate at the date of the transaction.

Foreign currency monetary items are reported using functional currency spot rates of exchange at the reporting date. The resulting exchange gain/loss is reflected in the Statement of Profit and Loss with the exception of exchange differences arising on monetary items that form part of a Company's net investment in the subsidiaries which are recognised in profit or loss in the separate financial statements of the Company or the individual financial statements of the subsidiaries, as appropriate. In the consolidated financial statements, such exchange differences are recognised initially OCI. Other non-monetary items, like Property Plant & Equipment and Intangible Assets are carried in terms of historical cost using the exchange rate at the date of transaction.

Translation of foreign subsidiaries is done in accordance with Indian Accounting Standard (Ind AS) 21 " The Effects of Changes in Foreign Exchange Rates ". On consolidation, the assets and liabilities of foreign subsidiaries are translated into ₹ at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI.

xvii. Employee Benefits

a) Provident Fund: Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

b) Gratuity: The Group operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the year in which they occur. Remeasurements are not reclassified to profit or loss in subsequent years.

Past service costs are recognised in profit or loss on the earlier of:

- The date of plan amendment or curtailment
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated IND AS Financial Statements for the year ended 31st March 2021

c) Leave Encashment: Provision for leave encashment is made on the basis of actuarial valuation of the expected liability. Re-measurement gains/losses are recognised as profit or loss in the year in which they arise.

d) Long Term Incentive Plan: The Group has long term incentive plan for different cadre of employees. The same is actuarially determined and assessed on yearly basis. Re-measurement gains/losses are recognised as profit or loss in the year in which they arise.

xviii. Leases

The Group's lease asset classes primarily consist of leases for buildings. The group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether:

(1) The contract involves the use of an identified asset

(2) The group has substantially all of the economic benefits from use of the asset through the period of the lease and

(3) The group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises right – of – use ("ROU") asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. The Group applies the short-term lease recognition exemption to its short-term leases of its branches/rental offices (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. For these short-term and low value leases, the Group recognises the lease payments as an expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and accumulated impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the under lying asset. The estimated useful life of right-of-use assets (primarily buildings) range between 1 year to 9 years. The right-of-use assets are also subject to impairment. Refer Note 2(xii) on impairment of non-financial assets.

The lease liability is initially measured at the present value of the future lease payments. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

Lease liabilities are remeasured with a corresponding adjustment to the related right of-use asset if the group changes its assessment on exercise of an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Amendments to Ind AS 116: COVID-19 related rent concessions.

The amendments to Ind AS 116 provides a practical expedient to lessees in accounting for rent concessions that are a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification. The practical expedient applies only to rent concessions occurring as a direct consequence of the covid-19 pandemic and only if all of the following conditions are met:

i) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change.

Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated IND AS Financial Statements for the year ended 31st March 2021

ii) Any reduction in lease payments affects only payments originally due on or before 30th June 2021 (for example, a rent concession would meet this condition if it results in reduced lease payments before 30th June 2021 and increased lease payments that extend beyond 30th June 2021).

iii) There is no substantive change to other terms and conditions of the lease.

The lessees will apply the practical expedient retrospectively, recognising the cumulative effect of initially applying the amendment as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of the annual reporting period in which the lessee first applies the amendment.

The amendments are applicable for annual reporting periods beginning on or after the 1st April 2020. The Group has elected to apply the practical expedient of not assessing the rent concessions as a lease modification for all rent concessions which are granted due to COVID-19 pandemic.

xix. Earnings per share ("EPS")

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.

xx. Fund and Commission Expenses:

Prior to 21st October 2018, certain scheme related expenses and commission were being borne by the Company in accordance with circulars and guidelines issues by SEBI and the Association of Mutual Funds in India (AMFI). Commission paid for future period for the mutual fund schemes (including for Equity Linked Savings Schemes) until 21st October 2018 is treated as prepaid expenses and is amortised on the contractual period and charged to Statement of Profit and Loss account unless considered recoverable from schemes. Pursuant to circulars issued by SEBI in this regard, after 21st October 2018, these expenses, subject to some exceptions, are being borne by the mutual fund schemes. New Fund Offer (NFO) expenses on the launch of schemes are borne by the Company and recognised in profit or loss as and when incurred.

Commission is paid to the brokers for Portfolio Management and other services as per the terms of agreement entered into with respective brokers. In case of certain portfolio management schemes and other services, the brokerage expenses are amortised over the tenure of the product or commitment period. Unamortised brokerage is treated as Non-financial Assets considering the normal operating cycle of the Company.

xxi. Taxes

Current tax:

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 in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised 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.

Deferred Tax:

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

i. Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

ii. In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated IND AS Financial Statements for the year ended 31st March 2021

i. When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

ii. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

xxii. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Group has a present obligation (legal or constructive) 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 some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Claims against the Group, where the possibility of any outflow of resources in settlement is remote are not disclosed as contingent liabilities. A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is virtually certain.

xxiii. Share Based Payments

A separate Employee stock options scheme (ESOP) ("the scheme") has been established by Aditya Birla Capital Limited ("ABCL") (Entity having Joint control). The scheme provides that employees are granted an option to subscribe to equity shares of ABCL that vest in a graded manner. The options may be exercised within a specified period. Measurement and disclosure of Employee share-based payment plan is done in accordance with Ind AS 102 Share Based Payments. ABCL follows the Black-Scholes Merton Value method to account for its stock-based employee compensation plans. The cost incurred by the ABCL, in respect of options granted to employees of the Company is charged to the Statement of Profit and Loss during the year and recovered by them.

xxiv. Cash Dividend to equity holders of the Company

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Notes to Consolidated IND AS Financial Statements

for the year ended 31st March 2021

NOTE: 3 CASH AND CASH EQUIVALENTS (AT AMORTISED COST)

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Cash on Hand	1.77	1.12
Balances with Bank		
- Current Accounts	5,606.02	4,117.69
- Deposit Accounts (with original maturity less than 3 months)	45.28	541.74
Total Cash and Cash equivalents	**5,653.07**	**4,660.55**

Note:- Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.
The Group has not taken any bank overdraft, therefore the cash and cash equivalent for cash flow statement is same as cash and cash equivalent given above.

NOTE: 4 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS (AT AMORTISED COST)

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments	30.70	28.92
Total Bank Balances other than cash and cash equivalents	**30.70**	**28.92**

NOTE: 5 TRADE RECEIVABLES (AT AMORTISED COST)

Unsecured, considered good

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Asset Management & Advisory Fees receivable	2,134.84	3,372.90
Portfolio Management Fees receivable	959.00	534.14
Management Fees receivable from Other Services	1.52	139.40
Less: Impairment loss allowance	-	-
Total Trade Receivables*	**3,095.36**	**4,046.44**

** There are no dues from directors or other officers of the Company either severally or jointly with any other person, due from firms or private companies respectively in which any director is a partner, a director or a member.*

Notes to Consolidated IND AS Financial Statements

for the year ended 31st March 2021

NOTE: 6 LOANS (AT AMORTISED COST)

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Staff Loan	3.20	12.50
Less: Impairment Loss Allowance	-	-
Total	**3.20**	**12.50**
a) Unsecured	3.20	12.50
Less: Impairment Loss Allowance	-	-
Total	**3.20**	**12.50**
Loans In India		
i) Public Sector	-	-
ii) Others:	-	-
Less: Impairment Loss Allowance	-	-
Total (I)	**-**	**-**
Loans outside India		
i) Public Sector	-	-
ii) Others:		
Staff Loan	3.20	12.50
Less: Impairment Loss Allowance		
Total (II)	**3.20**	**12.50**
Total (I + II)	**3.20**	**12.50**

NOTE: 7 INVESTMENTS

(₹ in Lakh)

Particulars	As at 31 Mar 21			As at 31 Mar 20		
	Amortised Cost	At Fair Value through Profit or Loss	Total	Amortised Cost	At Fair Value through Profit or Loss	Total
Mutual Funds	-	1,61,126.84	1,61,126.84	-	1,23,819.80	1,23,819.80
Debt Securities	10,335.60	-	10,335.60	115.81	-	115.81
Equity Instruments	-	79.69	79.69	-	70.38	70.38
Alternative Investment funds	-	1,083.27	1,083.27	-	2,329.82	2,329.82
Total Gross Investments (A)	**10,335.60**	**1,62,289.80**	**1,72,625.40**	**115.81**	**1,26,220.00**	**1,26,335.81**
Less: Allowance for Impairment	-	-	-	-	-	-
Total Net Investments	**10,335.60**	**1,62,289.80**	**1,72,625.40**	**115.81**	**1,26,220.00**	**1,26,335.81**
Investments Outside India	-	0.38	0.38	-	0.38	0.38
Investments in India	10,335.60	1,62,289.42	1,72,625.02	115.81	1,26,219.62	1,26,335.43
Total (B)	**10,335.60**	**1,62,289.80**	**1,72,625.40**	**115.81**	**1,26,220.00**	**1,26,335.81**
Less: Allowance for Impairment (C)	-	-	-	-	-	-
Total Net Investments	**10,335.60**	**1,62,289.80**	**1,72,625.40**	**115.81**	**1,26,220.00**	**1,26,335.81**

Notes to Consolidated IND AS Financial Statements

for the year ended 31st March 2021

NOTE 8: OTHER FINANCIAL ASSETS (AT AMORTISED COST)

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Application money towards Investments	445.00	-
Recoverable From Schemes	267.42	-
Receivable from Related Party (Refer Note 28)	3.19	22.46
Reimbursement receivables	6.61	13.22
Security Deposits	1,125.13	1,160.61
Deposits to Related Parties(Refer Note 28)	71.32	96.52
Less : Impairment loss allowance	-	-
Total Other Financial Assets	**1,918.67**	**1,292.81**

NOTE: 9.1 PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakh)

	Computers	Furniture and Fixtures	Vehicles	Office Equipment	Leasehold Improvements	Total
Gross carrying value						
As at 1st April 2019	**1,198.56**	**181.60**	**787.33**	**709.19**	**869.78**	**3,746.45**
Additions	255.13	61.10	213.10	188.32	239.24	956.89
Foreign Exchange Translation Difference	1.18	0.69	-	0.40	0.41	2.68
Disposals	44.05	2.94	40.83	3.49	5.31	96.62
As at 31st March 2020	**1,410.82**	**240.45**	**959.60**	**894.42**	**1,104.12**	**4,609.40**
Additions	175.31	12.74	43.15	53.78	85.93	370.91
Foreign Exchange Translation Difference	(1.03)	0.18	-	(2.38)	0.28	(2.95)
Disposals	8.21	12.38	121.24	15.99	59.64	217.46
As at 31st March 2021	**1,576.89**	**240.99**	**881.51**	**929.83**	**1,130.69**	**4,759.90**
Accumulated Depreciation and Impairment						
As at 1st April 2019	**637.28**	**108.98**	**237.53**	**250.76**	**459.53**	**1,694.06**
Charge for the year	368.05	63.84	171.38	173.50	301.00	1,077.77
Foreign Exchange Translation Difference	0.77	0.34	-	0.13	0.42	1.66
Disposals	43.55	0.74	18.76	2.13	5.31	70.49
As at 31st March 2020	**962.55**	**172.42**	**390.15**	**422.26**	**755.64**	**2,703.00**
Charge for the year	332.71	32.50	179.66	168.30	248.39	961.56
Foreign Exchange Translation Difference	(1.10)	0.19	-	(2.43)	0.28	(3.06)
Disposals	8.05	10.22	57.49	9.59	40.72	126.07
As at 31st March 2021	**1,286.11**	**194.89**	**512.32**	**578.54**	**963.59**	**3,535.43**
Net carrying value amount as at 31st March 2020	**448.28**	**68.03**	**569.45**	**472.16**	**348.48**	**1,906.40**
Net carrying value amount as at 31st March 2021	**290.78**	**46.10**	**369.19**	**351.29**	**167.10**	**1,224.47**

Capital work-in-progress

Capital work in progress as at 31st March 2021 comprises expenditure for the plant in the course of construction. Total amount of CWIP is ₹ 7.81 Lakh (31st March 2020: ₹ 15.50 Lakh)

Notes to Consolidated IND AS Financial Statements

for the year ended 31st March 2021

NOTE: 9.2 OTHER INTANGIBLE ASSETS

(₹ in Lakh)

	Software	Investment Management Rights (Refer Note 26)	Total
Gross carrying value			
As at 1st April 2019	**1,260.46**	**284.90**	**1,545.36**
Additions	827.24	-	827.24
Foreign Exchange Translation Difference	0.39	-	0.39
Disposals	8.66	-	8.66
As at 31st March 2020	**2,079.43**	**284.90**	**2,364.33**
Additions	784.58	-	784.58
Foreign Exchange Translation Difference	(0.07)	-	(0.07)
Disposals	40.69	-	40.69
As at 31st March 2021	**2,823.25**	**284.90**	**3,108.15**
Accumulated Amortisation and Impairment			
As at 1st April 2019	**517.38**	**75.70**	**593.08**
Charge for the year	499.79	37.85	537.64
Foreign Exchange Translation Difference	0.15	-	0.15
Disposal	8.66	-	8.66
As at 31st March 2020	**1,008.66**	**113.55**	**1,122.21**
Charge for the year	657.61	37.85	695.46
Foreign Exchange Translation Difference	0.87	-	0.87
Disposals	38.29	-	38.29
As at 31st March 2021	**1,628.85**	**151.40**	**1,780.25**
Net carrying value amount as at 31st March 2020	**1,070.77**	**171.35**	**1,242.12**
Net carrying value amount as at 31st March 2021	**1,194.40**	**133.50**	**1,327.90**

NOTE: 10 OTHER NON-FINANCIAL ASSETS

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Prepaid expenses	2,023.63	6,171.00
Input Tax Credit	9.73	5.88
Capital advance for Tangible Assets	1.72	13.89
Advance for Services	592.13	589.64
Gratuity - Plan Funded Asset (Refer Note 27)	2,995.19	2,578.75
Total Other Non-Financial Assets	**5,622.40**	**9,359.16**

Notes to Consolidated IND AS Financial Statements

for the year ended 31st March 2021

NOTE: 11 TRADE PAYABLES (AT AMORTISED COST)

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Others		
- Total outstanding dues to micro enterprises and small enterprises*	0.57	-
- Total outstanding dues to creditors other than micro enterprises and small enterprises		
Related Parties (Refer Note 28)	600.80	994.83
Other than Related Parties	3,137.30	3,745.60
Total Trade Payables	**3,738.67**	**4,740.43**

** This information is required to be disclosed under MSMED Act(2006), has been determined to the extent such parties have been identified on the basis of information available with the Group and relied upon by the auditors.*

* Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
a) Principal amount and interest thereon remaining unpaid at the end of year	-	-
b) Interest paid including payment made beyond appointed day during the year	0.26	-
c) Interest due and payable for delay during the year	-	-
d) Amount of interest accrued and unpaid as at year end	0.57	-
e) The amount of further interest due and payable even in the succeeding year	-	-

NOTE: 12 OTHER FINANCIAL LIABILITIES (AT AMORTISED COST)

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Employee dues	4,647.07	4,466.25
Payables for Capital Expenditure	13.96	80.47
Payable to Schemes	-	147.10
Total	**4,661.03**	**4,693.82**

NOTE: 13 PROVISIONS

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Provision for Employee Benefits		
Leave Encashment	447.48	356.91
Gratuity (Refer Note No. 27)	2,961.40	2,678.22
Provision for Long Term Incentive Plan	6,045.92	4,019.55
Total	**9,454.80**	**7,054.68**

Notes to Consolidated IND AS Financial Statements

for the year ended 31st March 2021

NOTE: 14 DEFERRED TAX LIABILITIES (NET)

(₹ in Lakh)

Particulars		As at 31 Mar 21	As at 31 Mar 20
Depreciation on Property, Plant and Equipment and Amortisation on Intangible Assets		(566.98)	(495.06)
Provision for Employee Benefits		(1,466.86)	(932.66)
Fair Valuation of Investments		2,602.26	2,577.22
Lease Liability net of Right of use Assets		804.98	312.08
Total Deferred Tax Liabilities		**1,373.40**	**1,461.58**
Reconciliation of effective tax rate:			
(a)	Income before tax	69,589.01	66,072.95
(b)	Expected tax rate in India (applicable to the Company)	25.168%	25.168%
(c)	Expected income tax amount	17,514.16	16,629.24
(d)	**Tax impact on:**		
	Expenses disallowed/(allowed) as per income tax computation	(3,331.10)	(501.87)
	Items which are taxed at different rates	2,013.77	704.81
	Effect on Deferred tax balances for items taxed at different rates	1,055.00	39.74
	Effect of lower tax rate in Offshore units	1.65	(210.62)
	Adjustments in respect of current income tax of previous years	(6.47)	(67.32)
	Others	(286.10)	38.75
(e)	**Tax expenses recognised in Profit & Loss Account(c + d)**	**16,960.91**	**16,632.73**

Significant components and movement in deferred tax assets and liabilities

Particulars	As at 31 Mar 21 Closing Balance	As at 31 Mar 20 Opening Balance	YTD Mar 21 Deferred Tax Expense/(Credit)
Deferred Tax Liabilities			
Fair value gains/losses on investments	2,602.26	2,577.22	25.04
Right of use assets	804.98	312.08	492.90
Total	**3,407.24**	**2,889.30**	
Deferred Tax Assets			
Depreciation/amortisation for tax purposes	(566.98)	(495.06)	(71.92)
Provision for employee benefits	(1,466.86)	(932.66)	(534.20)
Total	**(2,033.84)**	**(1,427.72)**	
Net Deferred Tax (Assets)/Liabilities	**1,373.40**	**1,461.58**	**(88.19)**

Particulars	As at 31 Mar 20 Closing Balance	As at 31st March 2019 Opening Balance	YTD Mar 20 Deferred Tax Expense/(Credit)
Deferred Tax Liabilities			
Fair value gains/losses on investments	2,577.22	2,334.08	243.14
Right of use assets	312.08	-	312.08
Total	**2,889.30**	**2,334.08**	
Deferred Tax Assets			
Depreciation/amortisation for tax purposes	(495.06)	(612.08)	117.02
Provision for employee benefits	(932.66)	(803.29)	(129.37)
Rent Equalisation	-	(123.78)	123.78
Total	**(1,427.72)**	**(1,539.16)**	
Net Deferred Tax (Assets)/Liabilities	**1,461.58**	**794.92**	**666.66**

Note: The Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws [Amendment] Ordinance, 2019 dated 20th September 2019. Accordingly, the Company has recognised Provision for Income Tax for the year ended 31st March 2020 and re-measured its net Deferred Tax Liabilities basis the rate prescribed in the said section and recognised the impact of the above changes up to 31st March 2020 in the financial statements for the year ended 31st March 2020.

Notes to Consolidated IND AS Financial Statements

for the year ended 31st March 2021

NOTE: 15 OTHER NON-FINANCIAL LIABILITIES

(₹ in Lakh)

Particulars		As at 31 Mar 21	As at 31 Mar 20
Provision for Reinstatement		16.25	15.85
Payable on account of Statutory Dues :			
-	Withholding Tax payable	206.14	232.65
-	GST payable	1,540.36	971.24
-	Professional Tax payable	1.48	1.44
-	Employee provident fund & Other dues payable	128.22	126.94
Total		**1,892.45**	**1,348.12**

NOTE: 16 EQUITY SHARE CAPITAL

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Authorised:		
Equity Shares of ₹10 each	2,000.00	2,000.00
2,00,00,000 (31 March 2020 : 2,00,00,000) Equity shares fully paid up		
Issued, Subscribed and Paid up		
Equity Shares of ₹10 each	1,800.00	1,800.00
1,80,00,000 (31 March 2020 : 1,80,00,000) Equity shares fully paid up		
Total Issued, Subscribed and Paid up	**1,800.00**	**1,800.00**

a. Term/right attached to equity shares

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

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the remaining assets of the Company after distributions of all preferential amounts. However, no such preferential amount exist currently. The distribution will be in the proportion to the number of equity shares held by the shareholders.

b. Reconciliation of the shares outstanding at the beginning and at the end of the year

Description	No. of Equity shares	Amount (in Lakh)
As at 1st April 2019	1,80,00,000	1,800.00
Issued during the year	-	-
As at 31st March 2020	1,80,00,000	1,800.00
Issued during the year	-	-
As at 31st March 2021	1,80,00,000	1,800.00

There are no Equity Shares issued as fully paid-up pursuant to any contract in consideration of other than cash or bonus shares or bought back during the preceding five years.

c. Shares in the Company held by each shareholder holding more than 5 percent shares specifying the number of shares held.

Name of the Shareholder	As at 31 Mar 21		As at 31 Mar 20	
	No. of Equity shares held	% of Shareholding	No. of Equity shares held	% of Shareholding
Aditya Birla Capital Limited and its Nominees	91,79,980	51.00%	91,79,980	51.00%
Sun Life (India) AMC Investment Inc. Canada	88,20,000	49.00%	88,20,000	49.00%

Notes to Consolidated IND AS Financial Statements

for the year ended 31st March 2021

NOTE: 17 - OTHER EQUITY

(₹ in Lakh)

1	**Share Premium Account**	
	At 1st April 2019	**264.23**
	Arising during the year	-
	Utilised during the year	-
	At 31st March 2020	**264.23**
	Arising during the year	-
	Utilised during the year	-
	At 31st March 2021	**264.23**
2	**General Reserve**	
	At 1st April 2019	**686.66**
	Arising during the year	-
	Utilised during the year	-
	At 31st March 2020	**686.66**
	Arising during the year	-
	Utilised during the year	-
	At 31st March 2021	**686.66**
3	**Retained Earnings**	
	At 1st April 2019	**1,18,983.90**
	Profit for the year	49,440.22
	Other Comprehensive Income for the year	(226.11)
	Effect of adoption of Ind AS 116 Leases (Refer Note 36)	(290.18)
	ESOP Charges	-
	Dividend for the year*	(33,000.00)
	Dividend Distribution Tax	(6,783.25)
	At 31st March 2020	**1,28,124.58**
	Profit for the year	52,628.12
	Other Comprehensive Income for the year	126.74
	Dividend for the year*	(14,000.40)
	Dividend Distribution Tax	-
	At 31st March 2021	**1,66,879.04**
4	**Foreign Currency Translation Reserve**	
	At 1st April 2019	**602.29**
	Arising during the year	209.48
	Utilised during the year	-
	At 31st March 2020	**811.77**
	Arising during the year	19.63
	Utilised during the year	-
	At 31st March 2021	**831.40**
	Total Other Equity	
	As at 31st March 2021	**1,68,661.33**
	As at 31st March 2020	**1,29,887.26**

** Cash dividends on equity shares declared and paid*

(₹ in Lakh)

	As at 31 Mar 21	As at 31 Mar 20
Interim dividend for the year ended on 31st March 2021: ₹ 77.78 per share (31st March 2020: ₹ 183.33 per share)	14,000.40	33,000.00
Dividend Distribution Tax on interim dividend	-	6,783.25
	14,000.40	**39,783.25**

Notes to Consolidated IND AS Financial Statements

for the year ended 31st March 2021

Proposed dividends on equity shares

(₹ in Lakh)

	As at 31 Mar 21	As at 31 Mar 20
Final dividend for the year ended on 31st March 2021: ₹ 2.45 per share (31st March 2020: NIL) (Refer note 39)	7,056.00	-
	7,056.00	**-**

Nature and purpose of the reserves

Share Premium

Share Premium is used to record the premium (amount received in excess of face value of equity shares) on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of Section 52 of Companies Act, 2013.

General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid up share capital of the Company for that year, then the total dividend distribution is less than total distributable reserve for that year. Consequent to introduction of the Companies Act 2013, the requirement to mandatorily transfer a specified percentage of net profit to general reserve has been withdrawn. However the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of the Companies Act, 2013.

Retained earnings

Retained earnings are the profits that a Company has earned to date, less any dividends or other distributions paid to the Shareholders, net of utilisation as permitted under applicable regulations.

Foreign Currency Translation Reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

NOTE: 18 FEES AND COMMISSION INCOME

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Revenue from contracts with customers		
Asset Management and Advisory Fees	1,01,820.60	1,09,024.15
Portfolio Management Fees	4,351.53	5,306.36
Management Fees from Other Services	618.58	1,636.53
Total Fees and Commission income	**1,06,790.71**	**1,15,967.04**

Notes to Consolidated IND AS Financial Statements

for the year ended 31st March 2021

NOTE: 19 NET GAIN ON FAIR VALUE CHANGES

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Net gain /(loss) on financial instruments at fair value through profit or loss		
On trading portfolio investments		
Mutual Funds	12,478.57	7,711.59
Alternative Investment Funds	(166.46)	(295.10)
Total Net gain/(loss) on fair value changes	**12,312.11**	**7,416.49**
Fair Value Changes		
Realised	3,992.31	1,635.71
Unrealised	8,319.80	5,780.78
Total Net Gain on Fair Value Changes	**12,312.11**	**7,416.49**

NOTE: 20 OTHER INCOME

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Interest Income	1,062.35	72.26
Miscellaneous income	65.04	21.01
Rent concession	353.94	-
Total Other Income	**1,481.33**	**93.27**

NOTE: 21 EMPLOYEE BENEFIT EXPENSE

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Salaries and allowances	22,225.56	21,321.12
Contribution to provident and other funds (Refer Note 27)	781.67	805.41
Gratuity expenses (Refer Note 27)	287.00	257.79
Staff welfare expenses	388.07	746.07
Share based payments (Refer Note 27)	387.49	1,071.64
Total Employee Benefit Expense	**24,069.79**	**24,202.03**

Notes to Consolidated IND AS Financial Statements

for the year ended 31st March 2021

NOTE: 22 OTHER EXPENSE

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Rent	80.97	256.21
Repairs and Maintenance	1,108.74	1,185.37
Insurance	516.49	526.61
Rates and Taxes	123.69	254.50
Electricity	262.95	364.97
Software and Technology Expenses	2,216.24	1,925.46
Database Research Expenses	1,009.66	831.89
Travelling and Conveyance	354.59	1,372.01
Communication Expenses	332.62	607.21
Outsourced Fund Accounting Expenses	303.84	447.80
Legal and Professional Charges	1,648.13	2,005.84
Auditor's Remuneration :		
- Audit Fees	102.76	64.64
- Tax Audit Fees	6.00	6.00
- Other Services	13.25	11.90
- Reimbursement of expenses	0.03	0.44
Services Charges	2,256.76	2,433.28
Directors Sitting Fees	79.60	77.24
Printing and Stationery	116.37	302.22
Loss on Sale of Fixed Assets (net)	7.03	4.17
Asset Utilisation Charges	556.58	473.20
Bank Charges	14.78	18.09
Miscellaneous Expenses	591.81	701.94
Foreign Exchange Loss (net)	13.43	28.35
Donation	7.00	3.60
Corporate Social Responsibility Expenses (Refer Note 32)	1,062.89	869.00
Business Promotion Expenses	3,701.16	5,824.32
Fund Expense	1,432.36	903.91
Total Other Expense	**17,919.73**	**21,500.17**

NOTE: 23 FINANCE COST

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Finance Cost on Lease liability (measured at amortised cost) (Refer Note 36)	555.68	544.11
Total Finance Cost	**555.68**	**544.11**

NOTE: 24 DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Depreciation on Right-of-use Assets (Refer Note 36)	2,086.34	2,036.75
Depreciation on Property, Plant & Equipment (Refer Note 9.1)	961.57	1,077.77
Amortisation of Intangible Assets (Refer Note 9.2)	696.34	537.64
Total Depreciation and Amortisation Expense	**3,744.25**	**3,652.16**

Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated IND AS Financial Statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

NOTE: 25 CONTINGENT LIABILITIES AND COMMITMENTS

(i) Contingent Liabilities:

(₹ in Lakh)

No	Particulars	As at 31 Mar 21	As at 31 Mar 20
	Claims against the Group not acknowledged as debts in respect of;		
i)	Income tax matters	#*3,284.27	*2,614.10
ii)	Other matters	84.21	83.05

** Includes – Income tax Demand for AY 2017-18 of ₹ 2,219.68 Lakh (including interest of ₹ 554 Lakh) received during the financial year ended 31st March 2020 by Aditya Birla Real Estate Fund for which Aditya Birla Sun Life AMC Ltd. is an investment manager. The fund has received a favourable ruling by CIT (Appeal) for the Similar issue for AY 2016-17.*

 # Includes – Income Tax Demand for AY 2018-19 of ₹ 336.93 Lakh (including interest of ₹99.11 Lakh) received during the financial year ended 31st March 2021 by Aditya Birla Real Estate Fund for which Aditya Birla Sun Life AMC Ltd. is an investment manager. The fund has received a favourable ruling by CIT (Appeal) for the Similar issue for AY 2016-17.

(ii) Commitments - Unexecuted Contracts:

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Commitments for the acquisition of property, plant and equipment	137.67	292.88

NOTE: 26 MANAGEMENT RIGHTS

During financial year ended 31st March 2015 Aditya Birla Sun Life Trustee Company Private Limited took over the mutual fund schemes from ING Trust Company Private Limited and simultaneously the Group acquired the right to manage the said schemes from ING Asset Management (India) Private Limited.

The consideration paid to acquire the right to manage the said schemes along with the incidental expenditure incurred thereon aggregating to ₹378.51 Lakh has been treated as Investment Management Right. The Investment Management Right will be amortised over a period of 120 months. For the year ended 31st March 2021, an amount of ₹37.85 Lakh (Previous year ₹37.85 Lakh) has been amortised. Balance life of Investment Management Right is 42 months.

NOTE: 27 EMPLOYEE BENEFITS

In accordance with the Indian Accounting Standard (Ind AS) 19 "Employee Benefits", the Group has classified the various benefits provided to the employees as under:

a. Defined contribution plan

Defined Contribution Plan – The Group has recognised the following amounts in the Statement of Profit and Loss Account which are included under contribution to Provident Fund and other fund.

(₹ in Lakh)

No	Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
i)	Employers Contribution to Provident Fund (PF)	465.74	468.18
ii)	Employers Contribution to Employees Pension Fund	141.76	145.82
iii)	Employers Contribution to Labour Welfare Fund	0.72	0.50
iv)	Contribution to Employees Deposit Linked Insurance	9.28	9.55
v)	Employers Contribution to other Funds related to Foreign Subsidiaries	57.46	61.95
	Total	**674.96**	**686.00**

Above figures are excluding contribution to PF and Other Funds of ₹106.72 Lakh (Previous period ₹119.41 Lakh) reimbursed to related parties - Aditya Birla Financial Shared Services Limited & Aditya Birla Capital Limited.

Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated IND AS Financial Statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

b. Share based Payments

Pursuant to ESOP Plan by ABCL, additional stock options were granted to the employees of the Company during the period. Total cost incurred by ABCL till date is being recovered from the Company over the period of vesting of the ESOP grants. Accordingly, a sum of ₹387.49 Lakh (Previous period 1,071.64 Lakh) has been charged to the Statement of Profit and Loss. The balance sum of ₹ 348.70 Lakh will be recovered in future years as at 31st March 2021.

c. Gratuity (defined benefit plan)

The following table sets out the status of the gratuity plan as required under IND AS 19 as certified by actuary. Reconciliation of opening and closing balances of the present value of the defined benefit obligation.

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Amounts recognised in the Balance Sheet in respect of Gratuity		
Present Value of the funded Defined Benefit Obligations at the end of the year	2,961.40	2,678.22
Fair Value of Plan Assets	(2,995.19)	(2,578.75)
Net (Asset) / Liability	**(33.79)**	**99.47**
Amounts recognised in Employee Benefits Expenses in the Statement of Profit and Loss in respect of Gratuity		
Amounts recognised during the period:		
In Income Statement	287.00	257.79
In Other Comprehensive Income	(83.13)	211.68
Total Expenses Recognised during the period	**203.87**	**469.47**
Actual Return on Plan Assets:		
Expected Return on Plan Assets	168.79	153.67
Actuarial Gain/(Loss) on Plan Assets	39.50	98.20
Actual Return on Plan Assets:	**208.29**	**251.87**

Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated IND AS Financial Statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Reconciliation of Present Value of Obligation and the Fair Value of the Plan Assets:		
Change in Present Value of the Obligations:		
Opening Defined Benefit Obligations	2,678.22	2,033.68
Current Service Cost	280.48	257.59
Interest Cost	175.30	153.86
Actuarial (Gain)/Loss arising from:		-
- Changes in demographic assumptions	-	(1.94)
- Changes in financial assumptions	99.89	276.12
- Experience variance (i.e., actual experience vs assumption)	(143.52)	35.70
Liabilities Settled on Divestment	-	-
Benefits Paid	(128.97)	(76.81)
Closing Defined Benefit Obligations	**2,961.40**	**2,678.22**
Change in Fair Value of the Plan Assets:		
Opening Fair Value of the Plan Assets	2,578.75	2,031.10
Expected Return on the Plan Assets	168.79	153.67
Actuarial (Gain)/Loss	39.50	98.20
Contributions by the Employer	337.12	372.60
Asset Distributed on Divestment	-	-
Benefits Paid	(128.97)	(76.81)
Closing Fair Value of the Plan Assets	**2,995.19**	**2,578.75**
Expense Recognised in Income Statement		
Current Service Cost	280.48	257.59
Net Interest cost / (income) on the defined Benefit Liability / (Asset)	6.51	0.20
Expense Recognised in Income Statement	**286.99**	**257.79**
Other Comprehensive Income		
Actuarial (Gain)/Loss arising from:		
- Changes in demographic assumptions	-	(1.94)
- Changes in financial assumptions	99.89	276.12
- Experience variance (i.e. actual experience vs assumption)	(143.52)	35.70
Return on plan asset, excluding amount recognised in net interest expense	(39.50)	(98.20)
Components of defined benefit costs recognised in other comprehensive income	**(83.13)**	**211.68**
Investment details of Plan Assets		
Plan assets are invested with:		
Aditya Birla Sun Life Insurance Company Limited	2,995.19	2,578.75
Composition of the plan assets are as follows:	Allocation %	Allocation %
Government Bonds	24.30%	19.93%
Corporate Bonds	65.33%	61.00%
Others	10.37%	19.07%
Assumptions		
Discount rate	6.35%	6.55%
Compensation Escalation rate	8.5% for first five years, 7.5% for next five years, 6.5% for next five years and 5% thereafter	8.5% for first five years, 7.5% for next five years, 6.5% for next five years and 5% thereafter
Average Age	34.15	33.52
Mortality Basis	Indian Assured Lives mortality (2012-14)	Indian Assured Lives mortality (2012-14)

Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated IND AS Financial Statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

A. Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis are given below:

(₹ in Lakh)

No.	Particulars	As at 31 Mar 21	As at 31 Mar 20
1	Defined Benefit Obligation (Base)	2,961.40	2,678.22

(₹ in Lakh)

No.	Particulars	As at 31 Mar 21		As at 31 Mar 20	
		Decrease	Increase	Decrease	Increase
1	Discount Rate (- / + 0.50 %)	3,107.92	2,824.97	2,812.67	2,553.19
	(% change compared to base due to sensitivity)	4.90%	-4.60%	5.00%	-4.70%
2	Compensation Escalation Rate (- / + 0.50 %)	2,825.62	3,105.81	2,553.45	2,811.11
	(% change compared to base due to sensitivity)	-4.60%	4.90%	-4.70%	5.00%
3	Mortality Rate (- / + 10%)	2,958.94	2,963.85	2,675.66	2,680.75
	(% change compared to base due to sensitivity)	-0.10%	0.10%	-0.10%	0.10%

There is no change in the method of valuation for the prior period. For change in assumptions refer assumptions table above.

B. Effect of plan on group's future cash flows

i) Funding arrangements and Funding Policy

The scheme is managed on funded basis.

ii) Expected contribution during the next annual reporting period

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
The Group's best estimate of Contribution during the next year	287.65	412.87

iii) Maturity profile of defined benefit obligation

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Weighted average duration (based on discounted cash flows)	10 years	10 years

Expected cash flows over the next (valued on undiscounted basis)

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
1 year	169.28	180.40
2 to 5 years	800.85	687.16
6 to 10 years	1,453.76	1,270.95
More than 10 years	3,582.52	3,511.86

The estimate of future salary increases, considered in the actuarial valuation, takes into account inflation, seniority, promotion, and other relevant factors. The above information is certified by the actuary based on assumptions provided by the Group.

Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated IND AS Financial Statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

NOTE: 28 DISCLOSURE IN RESPECT OF RELATED PARTY PURSUANT TO INDIAN ACCOUNTING STANDARD (IND AS) 24:

a. List of Related Parties:

A	**Parent of the Entity having Joint Control**
	Grasim Industries Limited
B	**Entity having Joint Control**
	Aditya Birla Capital Limited (ABCL)
	Sun Life (India) AMC Investments Inc., Canada
C	**Other Related Party**
	Sun Life Global Investments (Canada) Inc
	Aditya Birla Management Corporation Private Limited
	Green Oak India Investment Advisors Private Limited
	Aditya Birla Capital Foundation
D	**Fellow Subsidiaries of Entity having Joint Control**
	Aditya Birla Health Insurance Company Limited
	Aditya Birla Sun Life Insurance Company Limited
	Aditya Birla Sun Life Trustee Private Limited
	Aditya Birla Money Mart Limited
	Aditya Birla Finance Limited
	Aditya Birla Money Limited
	Aditya Birla Financial Shared Services Limited
	Aditya Birla Insurance Brokers Limited
	Aditya Birla Money Insurance Advisory Services Limited
	Aditya Birla Commodities Broking Limited
	Aditya Birla PE Advisors Private Limited
	Aditya Birla ARC Limited
	ABCAP Trustee Company Private Limited
	Aditya Birla Sun Life Pension Management Limited
	Aditya Birla Housing Finance Limited
	ABCSL-Employee Welfare Trust
	Aditya Birla Wellness Private Limited
	ABNL Investment Limited
	Aditya Birla Capital Technology Services Limited (Formerly known as Aditya Birla My Universe Services Limited)
E	**The entities in respect of which Funds are managed by the Group**
	India Advantage Fund Limited
	International Opportunities Fund SPC
	Global Clean Energy Fund (wound up on 31st March 2020)
	New Horizon Fund SPC

Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated IND AS Financial Statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

F	**Directors and Key Management Personnel**
	Kumar Mangalam Birla (Non-Executive Director)
	Ajay Srinivasan (Non-Executive Director)
	A. Balasubramanian (Managing Director and Chief Executive Officer from 25th July 2019)
	Sandeep Asthana (Non-Executive Director)
	Colm Freyne (Non-Executive Director)
	Bobby Parikh (Independent Director)
	Bharat Patel (Independent Director)
	Alka Bharucha (Independent Director)
	Harish Engineer (Independent Director from 21st June 2019)
	Navin Puri (Independent Director from 4th September 2019)
	Pankaj Razdan (Non-Executive up to 8th July 2019)
	N.N. Jambusaria (Independent Director up to 24th August 2019)
	N. C. Singhal (Independent Director up to 24th August 2019)
	R. Vaidyanathan (Independent Director up to 24th August 2019)
	Claude Accum (Non-Executive Director up to 24th February 2020)
	Sushobhan Sarker (Independent Director from 4th September 2019 up to 6th April 2021)

b. Related parties with whom the Group has entered into transactions during the Year:

(₹ in Lakh)

Sr. No.	Particulars	Category	For the year ended 31 Mar 21	For the year ended 31 Mar 20
1	**Fees and Commission**			
	Aditya Birla Finance Limited	D	88.62	48.35
	Contribution to Group Mediclaim/Insurance Premium/Gratuity			
	Aditya Birla Sun Life Insurance Company Limited	D	370.46	418.02
	Aditya Birla Health Insurance Company Limited	D	25.62	68.90
	Business Promotion Expenses			
	Aditya Birla Sun Life Insurance Company Limited (Insurance Premium) (Note 1)	D	991.36	692.57
	Aditya Birla Health Insurance Company Limited (Insurance Premium)	D	1.90	2.65
	Rent			
	Aditya Birla Capital Limited	B	35.22	60.38
	Grasim Industries Limited	A	87.69	91.69
	Advisory Services			
	Greenoak India Investment Advisors Private Limited	C	174.77	84.09
	Software & Technology Expenses			
	Aditya Birla Capital Technology Services Limited	D	276.00	-
	Employee Benefit Expenses			
	Aditya Birla Wellness Private Limited	D	0.75	-

Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated IND AS Financial Statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

(₹ in Lakh)

Sr. No.	Particulars	Category	For the year ended 31 Mar 21	For the year ended 31 Mar 20
2	**Reimbursements of Costs Paid**			
	Aditya Birla Financial Shared Services Limited (Employee benefit expense)	D	574.64	888.71
	Aditya Birla Financial Shared Services Limited (Administrative and other expense)	D	1,716.47	1,895.03
	Aditya Birla Finance Limited (Employee benefit expenses)	D	4.89	3.03
	Aditya Birla Finance Limited (Rent)	D	4.30	86.07
	Aditya Birla Sun Life Insurance Company Limited (Rent)	D	3.29	1.15
	Aditya Birla Sun Life Insurance Company Limited (Administrative and other expenses)	D	-	0.08
	Aditya Birla Sun Life Insurance Company Limited (Employee benefit expenses)	D	15.59	10.01
	Aditya Birla Capital Limited (Employee benefit expenses)	B	2,250.92	3,280.41
	Aditya Birla Capital Limited (Administrative and other expenses)	B	562.53	702.51
	Aditya Birla Health Insurance Company Limited (Employee benefit expenses)	D	16.91	5.88
	Aditya Birla Housing Finance Limited (Rent)	D	3.80	3.80
	Sun Life Global Investments (Canada) Inc (Employee Benefit Expenses)	C	70.56	148.81
	Aditya Birla Money Limited (Employee Benefit Expenses)	D	7.50	-
	Aditya Birla Management Corporation Private Limited (Employee Benefit Expenses)	C	4.92	-
	Aditya Birla Management Corporation Private Limited (Administrative and other Expenses)	C	5.06	-
	Aditya Birla Sun Life Trustee Private Limited (Employee Benefit Expenses)	D	4.17	-
	Aditya Birla Capital Foundation (Administrative and other Expenses)	C	0.89	-
3	**Reimbursements of Costs Received**			
	Aditya Birla Finance Limited (Employee benefit expenses)	D	2.20	-
	Aditya Birla Finance Limited (Administrative and other expenses)	D	-	18.08
	Aditya Birla Financial Shared Services Limited (Employee benefit expenses)	D	-	0.53
	Aditya Birla Sun Life Insurance Company Limited (Employee benefit expenses)	D	3.01	9.02
	Aditya Birla Sun Life Insurance Company Limited (Administrative and other expenses)	D	0.76	0.20
	Aditya Birla Health Insurance Company Limited (Administrative and other expenses)	D	0.42	0.41
	Aditya Birla Housing Finance Limited (Employee benefit expenses)	D	-	0.60
	Aditya Birla Capital Limited (Administrative and other expenses)	B	0.19	0.19
	Aditya Birla ARC Limited (Employee benefit expenses)	D	-	1.11
	Aditya Birla Management Corporation Private Limited (Employee benefit expenses)	C	4.29	6.29
	Aditya Birla Finance Limited (Rent)	D	4.13	-
	Aditya Birla Health Insurance Company Limited (Employee benefit expenses)	D	12.66	-
	Aditya Birla Insurance Brokers Limited (Employee benefit expenses)	D	0.83	-
	Grasim Industries Limited (Administrative and other expenses)	A	2.95	-
	Aditya Birla Housing Finance Limited (Rent)	D	1.27	-
4	**Managerial Remuneration**			
	Managerial Remuneration paid (Note 2)	F	550.28	605.50
5	**Director's Sitting Fees**			
	Director's Sitting Fees paid	F	21.80	22.90
6	**Interim Dividend Paid**			
	Aditya Birla Capital Limited	B	7,140.19	16,829.96
	Sun Life (India) AMC Investments Inc	B	6,860.20	16,170.00
	Kumar Mangalam Birla	F	0.01	0.02
7	CSR Contribution			
	Aditya Birla Capital Foundation	C	1,062.00	-

Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated IND AS Financial Statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

(₹ in Lakh)

Sr. No.	Particulars	Category	For the year ended 31 Mar 21	For the year ended 31 Mar 20
8	**Purchase of Fixed Assets**			
	Aditya Birla Management Corporation Private Limited	C	9.05	-
	Aditya Birla Health Insurance Company Limited	D	6.42	-
9	**Sale of Fixed Assets**			
	Aditya Birla Sun Life Insurance Company Limited	D	25.31	0.05
	Aditya Birla Health Insurance Company Limited	D	9.95	-
	Aditya Birla Management Corporation Private Limited	C	9.25	-
10	**Software Development (Capitalised)**			
	Aditya Birla Capital Limited	B	93.52	-
11	**Refund of Security Deposit Received**			
	Aditya Birla Capital Limited	B	25.20	-

c. Outstanding balances:

(₹ in Lakh)

Sr. No.	Particulars	Category	As at 31 Mar 21	As at 31 Mar 20
1	**Payable**			
	Aditya Birla Financial Shared Services Limited (Trade Payable)	D	(322.97)	(453.34)
	Aditya Birla Sun Life Insurance Company Limited (Trade Payable)	D	(1.79)	(0.17)
	Aditya Birla Capital Limited (Trade Payable)	B	(208.98)	(362.64)
	Grasim Industries Limited (Trade Payable)	A	-	(7.08)
	Aditya Birla Housing Finance Limited (Trade payable)	D	-	(0.27)
	Sun Life Global Investments (Canada) Inc (Trade Payable)	C	(33.90)	(64.06)
	Aditya Birla Capital Technology Services Limited (Trade Payable)	D	(24.48)	-
	Aditya Birla Management Corporation Private Limited (Trade Payable)	C	(4.74)	-
	Greenoak India Investment Advisors Private Limited (Trade Payable)	C	(26.78)	-
	Aditya Birla Wellness Private Limited (Trade Payable)	D	(0.70)	-
	Aditya Birla Sun Life Trustee Private Limited (Trade Payable)	D	(4.17)	-
	Aditya Birla Finance Limited (Trade Payable)	D	(0.16)	-
2	**Receivable**			
	Aditya Birla Finance Limited - (Receivables)	D	-	15.77
	Aditya Birla Financial Shared Services Limited (Prepaid Expenses)	D	23.44	40.10
	Grasim Industries Limited (Deposit)	A	71.32	71.32
	Aditya Birla Capital Limited (Deposit)	B	-	25.20
	Aditya Birla Health Insurance Company Ltd (Receivables)	D	1.95	0.40
	Aditya Birla Management Corporation Private Limited (Receivables)	C	-	6.29
	Aditya Birla Housing Finance Limited (Receivables)	D	0.59	-
	Grasim Industries Limited (Loans & Advances)	A	0.64	-
	Aditya Birla Capital Technology Services Limited (Prepaid Expenses)	D	1.59	-

Related parties are as identified by the Company and relied upon by the Auditors

All the above figures are inclusive of GST wherever applicable.

Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated IND AS Financial Statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

Note 1 – Total Amount paid ₹991.36 Lakh (Previous Year 692.57 Lakh), out of which ₹844.67 Lakh (Previous Year ₹590.31 Lakh) debited to profit and loss during the year and balance amortised.

Note 2 – Managerial Remuneration:

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
1) Short term employment benefits		
a) Gross Salary	539.54	541.06
b) Value of perquisites u/s 17(2) Income-tax Act, 1961	10.74	0.22
2) Share based payments	-	64.22
Total Remuneration	**550.28**	**605.50**

Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall basis at the end of each year and accordingly have not been considered in the above information.

NOTE: 29 EARNINGS PER SHARE

Earnings per share (EPS) is calculated as under:

(₹ in Lakh)

		As at 31 Mar 21	As at 31 Mar 20
Net Profit After Tax before Other Comprehensive Income as per Consolidated Statement of Profit and Loss (₹ in Lakh)	A	52,628.10	49,440.22
Weighted average number of basic equity shares after split of shares into ₹ 5 each (refer note 39)	B	3,60,00,000	3,60,00,000
Bonus shares issued subsequent to 31st March 2021 (refer note 39)	C	25,20,00,000	25,20,00,000
Number of equity shares considered for computation of EPS (B+C)	D	28,80,00,000	28,80,00,000
Basic and Diluted Earnings Per Share (₹)	A/D	18.27	17.17
Nominal Value of Shares (₹)		5	5

Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated IND AS Financial Statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

NOTE: 30 DISCLOSURE PURSUANT TO SCHEDULE III FOR CONSOLIDATED FINANCIAL STATEMENTS:

For the year ended 31st March 2021

(₹ in Lakh)

Particulars	Net Assets		Share in Profit or Loss		Share in OCI		Share in Total Comprehensive Income	
	% of Consolidated Net Assets	Amount	% of Consolidated Profit and Loss	Amount	% of Consolidated OCI	Amount	% of Consolidated Total Comprehensive Income	Amount
Parent								
Aditya Birla Sun Life AMC Limited	101.09	1,72,317.80	98.02	51,583.70	100	146.37	98.03	51,730.07
Subsidiaries								
Indian								
NA								
Foreign								
Aditya Birla Sun Life AMC (Mauritius) Limited, Mauritius	0.51	873.78	0.10	53.17	-	-	0.10	53.17
Aditya Birla Sun Life Asset Management Company Pte. Limited, Singapore	2.06	3,505.58	1.82	962.04	-	-	1.82	962.04
Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai	0.39	666.15	0.07	36.01	-	-	0.07	36.01
Non-Controlling Interest		-	-	-	-	-	-	-
Eliminations/ Consolidation Adjustments	(4.05)	(6,901.98)	(0.01)	(6.82)	-	-	(0.01)	(6.82)
Total	**100.00**	**1,70,461.33**	**100.00**	**52,628.10**	**100.00**	**146.37**	**100.00**	**52,774.47**

Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated IND AS Financial Statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

For the year ended 31st March 2020

(₹ in Lakh)

Particulars	Net Assets		Share in Profit or Loss		Share in OCI		Share in Total Comprehensive Income	
	% of Consolidated Net Assets	Amount	% of Consolidated Total Comprehensive Income	Amount	% of Consolidated OCI	Amount	% of Consolidated Profit and Loss	Amount
Parent								
Aditya Birla Sun Life AMC Limited	102.22	1,34,607.78	98.29	48,590.16	100.00	(16.62)	98.28	48,573.54
Subsidiaries								
Indian								
NA								
Foreign								
Aditya Birla Sun Life AMC (Mauritius) Limited, Mauritius	0.64	848.70	0.29	141.50	-	-	0.29	141.50
Aditya Birla Sun Life Asset Management Company Pte. Limited, Singapore	1.88	2,481.17	0.28	140.51	-	-	0.28	140.51
Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai	0.49	651.60	0.08	40.95	-	-	0.08	40.95
Non- Controlling Interest		-	-	-	-	-	-	-
Eliminations/ Consolidation Adjustments	(5.23)	(6,901.99)	1.06	527.10	-	-	1.07	527.10
Total	**100.00**	**1,31,687.26**	**100.00**	**49,440.22**	**100.00**	**(16.62)**	**100.00**	**49,423.59**

NOTE: 31 SEGMENT INFORMATION FOR THE YEAR ENDED 31ST MARCH 2021

The CEO of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108 - "Operating Segments". The CODM evaluates the Group's performance and allocates resources. The Group's operations predominantly relate to providing asset management services and portfolio management services. In the opinion of the CODM and Management, the risks and rewards attached to the business are similar in nature. Hence the separate Segment under Ind AS 108 on "Operating Segments" is not required to be reported as the Group's business is restricted to single Operating Segment i.e. Asset Management Services.

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

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Revenue from Aditya Birla Sun Life Mutual Fund	99,098.38	1,07,022.87

Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated IND AS Financial Statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

Geographic Information

(₹ in Lakh)

Particulars	In India		Outside India		Total	
	For the year ended 31 Mar 21	For the year ended 31 Mar 20	For the year ended 31 Mar 21	For the year ended 31 Mar 20	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Revenue by location of customers	1,04,068.49	1,13,965.75	3,828.45	2,975.40	1,07,896.94	1,16,941.15
Less: Eliminations	-	-	1,106.23	974.11	1,106.23	974.11
Net Revenue	**1,04,068.49**	**1,13,965.75**	**2,722.22**	**2,001.29**	**1,06,790.71**	**1,15,967.04**

NOTE: 32 CORPORATE SOCIAL RESPONSIBILITY

(₹ in Lakh)

No.	Amount spent during the year on	For the year ended 31 Mar 21	For the year ended 31 Mar 20
1	Gross amount required to be spent by the Company during the year (under Section 135 of the Companies Act, 2013)	1,062.89	869.00
2	Construction/acquisition of assets	614.00	50.00
3	On purpose other than (i) above	448.89	819.00
4	Amount yet to be spent/paid	-	-

NOTE: 33 CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March 2021.

Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated IND AS Financial Statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

NOTE: 34 FAIR VALUES OF FINANCIAL INSTRUMENTS

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

(₹ in Lakh)

Particulars	Carrying Amount			Fair Value			
As at 31st March 2021	FVTPL	Amortised Cost	Total Carrying amount	Level 1	Level 2	Level 3	Total Fair Value
Financial Assets							
Investments in:							
Mutual Funds	1,61,126.84	-	1,61,126.84	1,61,126.84	-	-	1,61,126.84
Alternative Investment Funds	1,083.27	-	1,083.27	94.36	-	988.91	1,083.27
Debt Securities	-	10,335.60	10,335.60	10,695.40	-	-	10,695.40
Equity Instruments	79.69	-	79.69	-	-	79.69	79.69
Cash and cash equivalents	-	5,653.07	5,653.07	-	-	-	-
Bank balances other than those mentioned above	-	30.70	30.70	-	-	-	-
Trade receivables	-	3,095.36	3,095.36	-	-	-	-
Loans	-	3.20	3.20	-	-	-	-
Other financial assets	-	1,918.67	1,918.67	-	-	-	-
Total Financial Assets	**1,62,289.80**	**21,036.60**	**1,83,326.40**	**1,71,916.60**	**-**	**1,068.60**	**1,72,985.20**
Financial Liabilities							
Trade Payables	-	3,738.67	3,738.67	-	-	-	-
Lease Liabilities	-	5,931.43	5,931.43	-	-	-	-
Others Financial Liabilities	-	4,661.03	4,661.03	-	-	-	-
Total Financial Liabilities	**-**	**14,331.13**	**14,331.13**	**-**	**-**	**-**	**-**

(₹ in Lakh)

Particulars	Carrying Amount			Fair Value			
As at 31st March 2020	FVTPL	Amortised Cost	Total Carrying amount	Level 1	Level 2	Level 3	Total Fair Value
Financial Assets							
Investments in:							
Mutual Funds	1,23,819.80	-	1,23,819.80	1,23,819.80	-	-	1,23,819.80
Alternative Investment Funds	2,329.82	-	2,329.82	1,193.91	-	1,135.91	2,329.82
Debt Securities	-	115.81	115.81	120.41	-	-	120.41
Equity Instruments	70.38	-	70.38	-	-	70.38	70.38
Cash and cash equivalents	-	4,660.55	4,660.55	-	-	-	-
Bank balances other than those mentioned above	-	28.92	28.92	-	-	-	-
Trade receivables	-	4,046.44	4,046.44	-	-	-	-
Loans	-	12.50	12.50	-	-	-	-
Other financial assets	-	1,292.81	1,292.81	-	-	-	-
Total Financial Assets	**1,26,220.00**	**10,157.03**	**1,36,377.03**	**1,25,134.12**	**-**	**1,206.29**	**1,26,340.41**
Financial Liabilities							
Trade Payables	-	4,740.43	4,740.43	-	-	-	-
Lease Liabilities	-	6,208.44	6,208.44	-	-	-	-
Others Financial Liabilities	-	4,693.82	4,693.82	-	-	-	-
Total Financial Liabilities	**-**	**15,642.69**	**15,642.69**	**-**	**-**	**-**	**-**

The management assessed that cash and cash equivalents, trade receivables, other financial assets, trade payables, lease liabilities and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Accordingly, fair value hierarchy for these financial instruments have not been presented above.

Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated IND AS Financial Statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

Valuation techniques used to determine fair value: -

- Mutual Funds: - Net Asset Value (NAV) declared by the mutual fund at which units are issued or redeemed
- Alternative Investment Funds: - Net Asset Value (NAV) provided by issuer fund which is arrived at based on valuation from independent valuer for unlisted portfolio companies, quoted price of listed portfolio companies and price of recent investments
- Debt Securities: - Fair value of debt securities which are actively traded bonds, is derived on the basis of quoted price available on the National Stock Exchange
- Equity Instruments: - Discounted cash flow based on present value of the expected future economic benefit

In order to assess Level 3 valuations as per Group's investment policy, the management reviews the performance of the investee companies (including unlisted portfolio companies of venture capital funds and alternative investment funds) on a regular basis by tracking their latest available financial statements / financial information, valuation report of independent valuers, recent transaction results etc. which are considered in valuation process.

Fair value reconciliation for Level 3 instruments:

The following table shows reconciliation from opening to closing balances for Level 3 assets:

	(₹ in Lakh)
Balance as at 1st April 2019	**663.38**
Net gain/ (loss) recognised in Profit & Loss	(70.00)
Purchases of financial instrument	765.00
Sales of financial instruments	(152.09)
Balance as at 31st March 2020	**1,206.29**
Net gain/ (loss) recognised in Profit & Loss	(147.00)
Purchases of financial instrument	9.31
Sales of financial instruments	-
Balance as at 31st March 2021	**1,068.60**

NOTE: 35 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities comprise trade and other payables. The Group's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Group also holds investments in mutual fund units, debt and equity instruments.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group's financial risk management policy is set by Risk Management Committee and the auditors have relied on the same. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A. Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows related to financial instrument that may result from adverse changes in market rates and prices (such as foreign exchange rates, interest rates, other prices). The Company is exposed to market risk primarily related to interest rate risk and price risk.

(i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The sensitivity of the portfolio towards the interest rate is mentioned in the table below

Sensitivity

The following table demonstrates the sensitivity to :

- Interest Rate Risk is basis impact on debt portfolios for 1% change in interest rates.
- Hybrid funds considered at 100% as a conservative basis for assessing interest rate impact on portfolio. (which form approximately 1% of the entire portfolio of schemes).

Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated IND AS Financial Statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

Impact on profit and loss

(₹ in Lakh)

Risk	As at 31 Mar 21	As at 31 Mar 20
Interest Rate Risk – (Impact of 1% increase in interest rate)	1.60%	1.55%
Effect on Profit and Loss	(2,448.88)	(1,870.75)
Interest Rate Risk – (Impact of 1% decrease in interest rate)	1.60%	1.55%
Effect on Profit and Loss	2,448.88	1,870.75

(ii) Foreign Currency Risk

The Group has insignificant amount of foreign currency denominated assets and liabilities. Accordingly, there is no significant exposure to currency risk.

(iii) Price Risk

Price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices and related market variables including interest rate for investments in debt oriented mutual funds and debt securities, caused by factors specific to an individual investment, its issuer and market.

The Company's exposure to price risk arises from investments in Units of mutual funds, alternative investment funds, etc which are classified as financial asset at Fair Value through Profit and Loss and is as follows:

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Investment exposure to price risk	1,62,210.11	1,26,149.62

The table below sets out the effect on profit or loss and equity due to reasonable possible weakening / strengthening in prices/ market value by 5%:

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Effect on Profit and Loss		
5% increase in prices	8,110.51	6,307.48
5% decrease in prices	(8,110.51)	(6,307.48)

B. Credit Risk

Credit Risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group's has clearly defined policies to mitigate counterparty risks. Cash and liquid investments are held primarily in mutual funds and banks with good credit ratings. Defined limits are in place for exposure to individual counterparties in case of mutual fund houses and banks.

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Group has major receivable from mutual fund schemes.

Trade Receivables Ageing

(₹ in Lakh)

Trade Receivables	Neither past due nor impaired	Past dues but not impaired					Total
		< 30 days	30 to 60 days	61 to 90 days	91 to 120 days	> 120 days	
31st March 2021	3,095.36	-	-	-	-	-	3,095.36
31st March 2020	4,046.44	-	-	-	-	-	4,046.44

The carrying amounts of following financial assets represent the maximum credit risk exposure:

Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated IND AS Financial Statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Trade Receivables	3,095.36	4,046.44
Cash and cash equivalents	5,653.07	4,660.55
Bank balances other than those mentioned above	30.70	28.92
Loans	3.20	12.50
Other financial assets measured at amortised cost	12,254.27	1,408.62

Expected Credit Loss on Financial Assets

The Group continuously monitors all financial assets subject to ECLs. In order to determine whether an instrument is subject to 12 month ECL or life time ECL, the Group assesses whether there has been a significant increase in credit risk or the asset has become credit impaired since initial recognition. For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has determined based on historical experience and expectations that the ECL on its trade receivables is insignificant and was not recorded. The Group applies following quantitative and qualitative criteria to assess whether there is significant increase in credit risk or the asset has been credit impaired:

- Historical trend of collection from counterparty
- Group's contractual rights with respect to recovery of dues from counterparty
- Credit rating of counterparty and any relevant information available in public domain

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

The Group has following types of financial assets that are subject to the expected credit loss:

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

Trade and other receivables

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

Cash and cash equivalents

The Group holds cash and cash equivalents and other bank balances as per note 3 and 4. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be high.

Investment in debt securities measured at amortised cost

Funds are invested after taking into account parameters like safety, liquidity and post-tax returns etc. The Group avoids concentration of credit risk by spreading them over several counterparties with good credit rating profile and sound financial position. The Group's exposure and credit ratings of its counterparties are monitored on an ongoing basis.

Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated IND AS Financial Statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

C. Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations or at a reasonable price. The Group's Finance department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

(₹ in Lakh)

As at 31st March 2021	Within 12 Months	After 12 Months	Total
Trade Payables	3,738.67	-	3,738.67
Employee Dues	4,647.07	-	4,647.07
Payable for Capital Expenditure	13.96	-	13.96
Payable to Schemes	-	-	-
Lease Liabilities	2,355.33	4,511.12	6,866.45
	10,755.03	**4,511.12**	**15,266.15**

(₹ in Lakh)

As at 31st March 2020	Within 12 Months	After 12 Months	Total
Trade Payables	4,740.43	-	4,740.43
Employee Dues	4,466.25	-	4,466.25
Payable for Capital Expenditure	80.47	-	80.47
Payable to Schemes	147.10	-	147.10
Lease Liabilities	1,879.01	5,492.23	7,371.24
	11,313.26	**5,492.23**	**16,805.49**

NOTE: 36 LEASES

Effective 1st April 2019, the Group adopted IND AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee's incremental borrowing rate at the date of initial application.

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of ₹ 6,440.07 Lakh and a lease liability of ₹ 7,084.48 Lakh. The cumulative effect of applying the standard, amounting to ₹ 644.41 Lakh was debited to retained earnings and deferred tax asset created on the same for 1st April 2019. The effect of this adoption is in significant on the operating profit, net profit for the period and earnings per share. In statement of profit and loss for the current period, the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the ROU asset and finance cost for interest accrued on lease liability. Ind AS 116 will result in an increase in cash in flows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with similar characteristics.
2. Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
3. Relied on its previous assessment of whether leases are onerous under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets immediately before the date of initial application as an alternative to performing an impairment review. There were no onerous contracts as at 1st April 2019.
4. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
5. Used hindsight in determining the lease term if the contract contains options to extend or terminate the lease.

Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated IND AS Financial Statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

6. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, for all contracts as on 1st April 2019, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The incremental borrowing rate applied to lease liabilities as at 1st April 2019 is between the range of 8.00% to 8.50% for a period varying from 1 to 10 years.

Critical accounting judgements and key sources of estimation uncertainty

Critical judgements required in the application of Ind AS 116 may include, among others, the following:

- Identifying whether a contract (or part of a contract) includes a lease;
- Determining whether it is reasonably certain that an extension or termination option will be exercised;
- Classification of lease agreements (when the entity is a lessor);
- Determination of whether variable payments are in-substance fixed;
- Establishing whether there are multiple leases in an arrangement;
- Determining the stand-alone selling prices of lease and non-lease components.

Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:

- Estimation of the lease term;
- Determination of the appropriate rate to discount the lease payments;
- Assessment of whether a right-of-use asset is impaired.

Following are the changes in the carrying value of right of use assets for the year ended 31st March 2021:

(₹ in Lakh)

Particulars	Category of ROU Asset Leasehold premises
Balance as at 1st April 2020	5,470.35
Add: New Lease Agreements	1,950.43
Less: Deletion	(178.13)
Less: Depreciation	(2,086.34)
Exchange difference on translating the financial statements of foreign subsidiaries	(0.42)
Balance as at 31st March 2021	**5,155.88**

Following are the changes in the carrying value of right of use assets for the year ended 31st March 2020:

(₹ in Lakh)

Particulars	Category of ROU Asset Leasehold premises
Balance as at 1st April 2019	6,440.07
Add New Lease Agreements	1,058.60
Depreciation	(2,036.75)
Exchange difference on translating the financial statements of foreign subsidiaries	8.43
Balance as at 31st March 2020	**5,470.35**

Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated IND AS Financial Statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

Amounts recognised in profit and loss

(₹ in Lakh)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation and Amortisation Expenses		
Depreciation expense on right-of-use assets	2,086.34	2,036.75
Finance Cost		
Interest expense on lease liabilities	555.68	544.11
Other Income		
Rent concession	(353.94)	-
Other Expense		
Expense relating to short-term leases	40.80	235.14

The following is the break-up of current and non-current lease liabilities

(₹ in Lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Current Lease Liabilities	2,266.91	1,805.62
Non-Current Lease Liabilities	3,664.52	4,402.82
Total	**5,931.43**	**6,208.44**

The following is the movement in lease liabilities during the year ended 31st March 2021:

(₹ in Lakh)

Particulars	Amount
Balance as at 1st April 2020	6,208.44
Additions	1,950.43
Deletions	(178.13)
Finance Cost accrued during the year	555.68
Payment of Lease Liabilities	(2,249.79)
Rent concession	(353.94)
Exchange difference on translating the financial statements of foreign subsidiaries	(1.26)
Balance as at 31st March 2021	**5,931.43**

The following is the movement in lease liabilities during the year ended 31st March 2020:

(₹ in Lakh)

Particulars	Amount
Balance as at 1st April 2019	7,084.48
Additions	1,041.47
Finance Cost accrued during the year	544.11
Payment of Lease Liabilities	(2,469.67)
Exchange difference on translating the financial statements of foreign subsidiaries	8.05
Balance as at 31st March 2020	**6,208.44**

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(₹ in Lakh)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Less than one year	2,355.33	1,879.01
One to Five years	3,946.64	4,477.96
More than Five years	564.47	1,014.27
Total	**6,866.45**	**7,371.24**

Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated IND AS Financial Statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

A reconciliation of the operating lease commitments at 31st March 2019, disclosed in the Group's 2019 financial statements, to the lease liabilities recognised in the statement of financial position at 1st April 2019 is provided below:

(₹ in Lakh)

Particulars	
Operating lease commitments disclosed as at 31st March 2019	9,405.04
Discounted using the incremental borrowing rate at 1st April 2019	7,272.11
(Less): short-term leases recognised on a straight-line basis as expense	(187.63)
Lease liabilities recognised as at 1st April 2019	7,084.48

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

All the future cash flows to which the lease is potentially exposed are reflected in the measurement of lease liabilities.

NOTE: 37 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

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

(₹ in Lakh)

Assets/Liabilities	As at 31 Mar 21			As at 31 Mar 20		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial Assets						
Cash and cash equivalents	5,653.07	-	5,653.07	4,660.55	-	4,660.55
Other bank balances	30.70	-	30.70	28.92	-	28.92
Trade receivables	3,095.36	-	3,095.36	4,046.44	-	4,046.44
Loans	-	3.20	3.20	12.50	-	12.50
Investments	1,54,507.99	18,117.41	1,72,625.40	1,07,912.11	18,423.70	1,26,335.81
Other Financial Assets	524.20	1,394.47	1,918.67	35.68	1,257.13	1,292.81
Non-Financial Assets						
Current tax assets (net)	-	1689.31	1,689.31	-	2,742.82	2,742.82
Property, Plant and Equipment	-	1,224.47	1,224.47	-	1,906.40	1,906.40
Right of use Assets	-	5,155.88	5,155.88	-	5,470.35	5,470.35
Capital work-in-progress	-	7.81	7.81	-	15.50	15.50
Intangible assets under development	-	100.94	100.94	-	82.75	82.75
Other Intangible Assets	-	1,327.90	1,327.90	-	1,242.12	1,242.12
Other Non-Financial Assets	5,184.66	437.74	5,622.40	5,319.91	4,039.25	9,359.16
Total Assets	**1,69,002.38**	**29,452.73**	**1,98,455.11**	**1,22,016.11**	**35,180.02**	**1,57,196.13**
Financial Liabilities						
Trade Payables	3,738.67	-	3,738.67	4740.43	-	4,740.43
Lease Liability	2,266.91	3,664.52	5,931.43	1,805.62	4,402.82	6,208.44
Other Financial Liabilities	4,661.03	-	4,661.03	4693.82	-	4,693.82
Non-Financial Liabilities						
Current tax liabilities (net)	942.00	-	942.00	1.80	-	1.80
Provisions	902.74	8,552.06	9,454.80	3,144.55	3,910.13	7,054.68
Deferred tax liabilities (net)	-	1,373.40	1,373.40	-	1,461.58	1,461.58
Other non-financial liabilities	1,876.20	16.25	1,892.45	1,332.27	15.85	1,348.12
Total Liabilities	**14,387.55**	**13,606.23**	**27,993.78**	**15,718.49**	**9,790.38**	**25,508.87**

Significant Accounting Policies

and other explanatory information (notes) forming part of the Consolidated IND AS Financial Statements for the year ended 31st March 2021

OTHER NOTES TO ACCOUNTS:

NOTE: 38

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

NOTE: 39 EVENTS AFTER THE REPORTING PERIOD

Pursuant to a resolution of Board of Directors dated 5th April 2021 and the shareholders meeting dated 6th April 2021, each equity share of face value of ₹ 10 each has been split into two equity shares of face value of ₹ 5 each. Accordingly, the issued, subscribed and paid-up capital of the Company was subdivided from 1,80,00,000 equity shares of face value of ₹ 10 each to 3,60,00,000 equity shares of face value of ₹ 5 each.

Pursuant to a resolution of Board of Directors dated 5th April 2021 and the shareholders meeting dated 6th April 2021, the Authorised Share Capital of the Company has been increased from ₹ 20,00,00,000/- (Rupees Twenty Crore only) consisting of 4,00,00,000 (Four Crore only) Equity Shares of ₹5/- (Rupees Five only) each to ₹ 1,60,00,00,000 (Rupees One Hundred and Sixty Crore Only) consisting of 32,00,00,000 (Thirty Two Crore) Equity Shares of ₹ 5/- (Rupees Five only) each.

The Board of Directors and the shareholders has also approved the issuance of 7 (Seven) bonus shares of face value 5 (Rupees Five) each for every 1 (One) existing fully paid-up equity share of face value 5 (Rupees Five) each and accordingly 25,20,00,000 bonus shares were issued and alloted on 6th April 2021.

The impact of split of shares and issue of bonus shares are retrospectively considered for the computation of EPS as per the requirement of IND AS 33.

Pursuant to the resolutions passed by the Company's Board on 5th April 2021 and 14th April 2021, and by their Shareholders on 6th April 2021 and 15th April 2021, the Company approved the ESOP Scheme for issue of employee stock options and/or restricted stock units to eligible employees and granted certain options to the eligible employees.

The Board of Directors at their meeting held on 8th May 2021 has approved a final dividend of ₹2.45 per share. The total dividend amounts to ₹ 7,056 Lakh.

NOTE: 40 PRIOR PERIOD COMPARATIVES

Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

As per our report of even date attached
For **S.R. Batliboi & Co. LLP**
Chartered Accountants
(Firm Reg. No. 301003E/E300005)

Jayesh Gandhi
Partner
(Membership No. 037924)

Place: Mumbai
Date: 8th May 2021

For and on behalf of the Board of Directors of
Aditya Birla Sun Life AMC Limited

Ajay Srinivasan
Director
DIN: 00121181

Sandeep Asthana
Director
DIN: 00401858

A. Balasubramanian
Managing Director and CEO
DIN: 02928193

Parag Joglekar
Chief Financial Officer

Hemanti Wadhwa
Company Secretary
FCS No. 6477

Place: Mumbai
Date: 8th May 2021

Aditya Birla Sun Life AMC
Limited, Dubai

Independent Auditor's Report

To the Shareholder of Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai

OPINION

We have audited the financial statements of Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai (the "Company") which comprise the statement of financial position as at 31st March 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Company give a true and fair view of the financial position of the Company as at 31st March 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that 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.

Those charged with governance are 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 ISAs 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 ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, 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.

BDO CHARTERED ACCOUNTANTS & ADVISORS
Dubai
Parag Harendrabhai Patadiya 2nd May 2021

Statement of Financial Position

at 31st March 2021

	Note	$	Reclassified 2020 $
Non-current assets			
Furniture, fixtures and office equipment	6	15,276	12,527
Right-of-use assets	7	80,644	132,784
Total non-current assets		**95,920**	**145,311**
Current assets			
Trade and other receivables	8	74,568	74,162
Due from related parties	9	390,270	125,415
Bank balances		730,702	889,214
Total current assets		**1,195,540**	**1,088,791**
Current liabilities			
Accruals and other payables	10	286,133	128,400
Due to related parties	9	14,300	26,694
Lease liabilities	7	53,595	47,452
Total current liabilities		**354,028**	**202,546**
Net current assets		**841,512**	**886,245**
Non-current liabilities			
Provision for employees end of service benefits	11		85,992
Lease liabilities	7	26,306	82,965
Net assets		**911,126**	**862,599**
Equity			
Share capital	12	3,125,000	3,125,000
Accumulated deficit		(2,213,874)	(2,262,401)
Total equity		**911,126**	**862,599**

The financial statements have been approved by the Board of Directors on 2nd May, 2021. These financial statements are signed on its behalf by:

Vikas Gautam
Director

Ram Goyal
Senior Executive Officer

The notes on pages 7 to 16 form part of these financial statements

Statement of profit or loss and other comprehensive income

for the year ended 31st March 2021

	Note	$	2020 $
Revenue	13	1,448,619	1,315,130
Expenditure			
Salaries and other benefits		(1,075,256)	(798,990)
Administration and general expenses	14	(262,988)	(426,429)
Amortisation of right-of-use assets	7	(52,140)	(24,065)
Depreciation	6	(5,956)	(5,544)
Interest expense on lease liabilities	7	(3,752)	(2,337)
Total comprehensive income for the year		**48,527**	**57,765**

Statement of changes in equity

for the year ended 31st March 2021

	Share capital $	Accumulated deficit $	Total equity $
Balance at 1st April 2019	3,125,000	(2,320,166)	804,834
Total comprehensive income for the year	-	57,765	57,765
Balance at 31st March 2020	**3,125,000**	**(2,262,401)**	**862,599**
Total comprehensive income for the year	-	48,527	48,527
Balance at 31st March 2021	**3,125,000**	**(2,213,874)**	**911,126**

Statement of cash flows

for the year ended 31st March 2021

	Note	$	2020 $
Cash flows from operating activities			
Net profit for the year		48,527	57,765
Adjustments for:			
Depreciation	6	5,956	5,544
Amortisation of right-of-use assets	7	52,140	24,065
Interest expense	7	3,752	2,337
Loss on disposal of property, plant and equipment	6	-	2,437
Provision for employees end of service benefits	11	-	33,991
		110,375	**126,139**
(Increase)/decrease in trade and other receivables	8	(406)	29,330
(Increase)/decrease in due from related parties	9	(264,855)	159,432
Increase in accruals and other payables	10	157,733	22,679
Decrease in due to related parties	9	(12,394)	(283,013)
Cash (used in)/generated from operations		(9,547)	54,567
End of service benefits paid	11	(85,992)	(24,469)
Net cash (used in)/from operating activities		**(95,539)**	**30,098**
Cash flows from investing activities			
Purchase of furniture, fixtures and office equipment	6	(8,705)	(11,226)
Net cash used in investing activities		**(8,705)**	**(11,226)**
Cash flows from financing activities			
Principal paid on lease liabilities	7	(50,516)	(24,065)
Interest paid on lease liabilities	7	(3,752)	(2,337)
Net cash used in financing activities		**(54,268)**	**(26,402)**
Net decrease in cash and cash equivalents		**(158,512)**	**(7,530)**
Cash and cash equivalents at beginning of the year		**889,214**	**896,744**
Cash and cash equivalents at end of the year		**730,702**	**889,214**

Notes to the financial statements
for the year ended 31st March 2021

1 STATUS AND ACTIVITY

Aditya Birla Sun Life Asset Management Company Limited, DIFC, Dubai (the "Company") was incorporated in the Dubai International Financial Centre ("DIFC") as a limited liability Company on 9th November 2010.

The Company obtained authorisation and DIFC license on 9th November 2010, having license no. 0993. The Company obtained its license from the Dubai Financial Services Authority ("DFSA") on 9th December 2010 as a category 4 Company as defined in the DFSA Prudential rules.

The principal place of business of the Company is located at Al Fattan Currency House, Tower 1, DIFC, Dubai. The principal activities of the Company include advising on financial products and arranging deals in investment.

The Company is the subsidiary of Aditya Birla Sun Life AMC Ltd. (the "Parent"), a Company registered in India which is a joint venture between Aditya Birla Group, incorporated in India and Sun Life Financial Inc., incorporated in Canada.

The financial statements for the year ended 31st March 2021 were authorised for issue by the Board of Directors on 2nd May 2021.

These financial statements are presented in US Dollars ($), which is the functional and presentation currency of the Company.

2 GOING CONCERN CONSIDERATIONS

These financial statements are prepared on a going concern basis, which assumes that the Company will continue to operate as a going concern for the foreseeable future. As at the date of statement of financial position, the Company's accumulated deficit is $ 2,213,874 (2020: $ 2,262,401). The Company has a contractual arrangement in place with its Parent for reimbursement of the cost with mark up to meet its commitment and liabilities for foreseeable future. Accordingly, the management does not foresee any concern with regards to the going concern aspect of the business.

3 ADOPTION OF NEW AND REVISED STANDARDS

a) New standards, interpretations and amendments effective from 1st April 2020

The Company has adopted the following standards new standards and amendments in these financial statements which have not had a significant effect on the Company:

- Definition of a Business (Amendments to IFRS 3);
- IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (Amendment – Disclosure Initiative - Definition of Material);
- Revisions to the Conceptual Framework for Financial Reporting; and
- Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7).

b) New standards, interpretations and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Company has decided not to adopt early. The most significant of these are as follows:

- Interest Rate Benchmark Reform – IBOR 'phase 2' (Amendments to IFRS 9, IAS 32, IFRS 7, IFRS 4, and IFRS 16) – Effective from 1st January 2021;
- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37) – Effective from 1st January 2022;
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) – Effective from 1st January 2022;
- Annual Improvements to IFRS Standards 2018-2020 (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41) – Effective from 1st January 2022;
- References to Conceptual Framework (Amendments to IFRS 3) – Effective from 1st January 2022;
- Classification of liabilities as current or non-current (Amendments to IAS 1) – Effective from 1st January 2023;
- COVID-19 Related Rent Concessions (Amendments to IFRS 16) - Effective from 1st June 2020; and
- IFRS 17 Insurance Contracts and amendments to it - Effective 1st January 2023.

The Company is currently assessing the impact of these new accounting standards and amendments and beleives that these amendments will not have significant impact on the financial statements.

4 SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared under the historical cost convention and in accordance with International Financial Reporting Standards. The significant accounting policies adopted are as follows:

Notes to the financial statements

for the year ended 31st March 2021

Furniture, fixtures and office equipment

Furniture, fixtures and office equipment are stated at cost, less accumulated depreciation and accumulated impairment losses. Cost includes the expenditure that is directly attributable to the acquisition of the assets.

The cost of replacing a part of furniture, fixtures and office equipment is recognised in the carrying amount of the items if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably.

The routine servicing of the furniture, fixtures and office equipment are recognised in the statement of profit or loss and other comprehensive income.

An item of furniture, fixtures and office equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on the disposal or retirement of items of office equipments, computer and furniture and fixtures is determined as the difference between the sales proceeds and the carrying value of the assets and it is recognised in the statement of profit or loss and other comprehensive income.

Depreciation

Depreciation is provided consistently on a straight line basis so as to write off the cost of office equipments, computer and furniture and fixtures over their estimated useful lives as follows:

Office equipment	5 years
Computers and softwares	3 years
Furniture and fixtures	5 years

Financial assets

The Company classifies its financial assets into one of the following categories depending on the purpose for which the asset was acquired. Other than financial assets in a qualifying hedging relationship, the Company's accounting policy for each category is as follows:

Fair value through profit or loss

This category comprises in-the-money derivatives and out-of-money derivatives where the time value offsets the negative intrinsic value (see "Financial liabilities" section for out-of-money derivatives classified as liabilities). They are carried in the statement of financial position at fair value with changes in fair value recognised in the statement of profit or loss and other comprehensive income in the finance income or expense line. Other than derivative financial instruments which are not designated as hedging instruments, the Group does not have any assets held for trading nor does it voluntarily classify any financial assets as being at fair value through profit or loss.

Amortised cost

These assets arise principally from the provision of services to customers (e.g. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition of issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions for current and non-current trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within expenses in the statement of profit or loss and other comprehensive income. On confirmation that the trade receivable will not be collectible, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions for receivables from related parties are recognised based on a forward looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those, where credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Company's financial assets measured at amortised cost comprise trade and other receivables, due from related parties and cash and cash equivalents in the statement of financial position.

Notes to the financial statements

for the year ended 31st March 2021

Fair value through other comprehensive income

These financial assets are carried at fair value with changes in fair value recognised in other comprehensive income and accumulated in the fair value through other comprehensive income reserve. Upon disposal any balance within fair value through other comprehensive income reserve is reclassified directly to retained earnings and is not reclassified to profit or loss.

The Company does not have any investments or financial assets which are designated at fair value through other comprehensive income.

Purchases and sales of financial assets measured at fair value through other comprehensive income are recognised on settlement date with any change in fair value between trade date and settlement date being recognised in the fair value through other comprehensive income reserve.

Dividends are recognised in profit or loss, unless the dividend clearly represents a recovery of part of the cost of the investment, in which case the full or partial amount of the dividend is recorded against the associated investments carrying amount.

Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash and bank balances free of encumbrance with maturity periods of three months or less from the date of deposit.

Employees end of service benefits

Provision is made for employees end of service gratuities on the basis prescribed in the DIFC Employment Law, for the accumulated period of service at the date of financial statements. Starting February 2020, monthly contributions are made to the DIFC Employee Workplace Savings Plan which is a defined contribution plan on the basis prescribed in the Employment Law of DIFC. The expense is charged to the statement of profit or loss and other comprehensive income.

Provisions

Other provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows that reflect current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss

These financial liabilities are carried in the statement of financial position at fair value with changes in fair value recognised in the statement of profit or loss and other comprehensive income. The Company does not have any liabilities held for trading nor has it designated any financial liabilities at being at fair value through profit or loss.

Other financial liabilities

Other financial liabilities include other payables and due to related parties, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

Leasing

Identifying Leases

The Company accounts for a contract, or a portion of a contract, as a lease when it conveys the right to use an asset for a period of time in exchange for consideration. Leases are those contracts that satisfy the following criteria:

a. There is an identified asset;

b. The Company obtains substantially all the economic benefits from use of the asset; and

c. The Company has the right to direct use of the asset.

The Company considers whether the supplier has substantive substitution rights. If the supplier does have those rights, the contract is not identified as giving rise to a lease.

In determining whether the Company obtains substantially all the economic benefits from use of the asset, the Exchange considers only the economic benefits that arise of the asset, not those incidental to legal ownership or other potential benefits.

In determining whether the Company has the right to direct use of the asset, the Company considers whether it directs how and for what purpose the asset is used throughout the period of use. If there are no significant

Notes to the financial statements

for the year ended 31st March 2021

decisions to be made because they are pre-determined due to the nature of the asset, the Company considers whether it was involved in the design of the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use. If the contract or portion of a contract does not satisfy these criteria, the Company applies other applicable IFRSs rather than IFRS 16.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Company's incremental borrowing rate is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- Amounts expected to be payable under any residual value guarantee;
- The exercise price of any purchase option granted in favour of the Company if it is reasonably certain to assess that option;
- Any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- Lease payments made at or before commencement of the lease;
- Initial direct costs incurred; and
- The amount of any provision recognised where the Company is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of- use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Company revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to be made over the revised term, which are discounted at the same discount rate that applied on lease commencement. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining revised lease term.

Share capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's ordinary shares are classified as equity instruments.

Foreign currencies

Transaction in foreign currencies during the year are converted into $ at rates of exchange ruling at the transaction dates. Monetary assets and liabilities in foreign currencies are translated to $ at the rates of exchange ruling at the date of statement of financial position. All gains and losses on exchange are taken to the statement of profit or loss and other comprehensive income.

Revenue recognition

Performance obligation, timing of revenue recognition and transaction price

Marketing fee: Revenue is recognised on an accrued basis at specified rates, applied on the average daily net assets of India Advantage Fund.

Marketing support fee: Revenue is recognised on an accrued basis, measured at cost plus mark up taking all the expenses adding a mark up reduced by the marketing fee earned.

Allocating amounts to performance obligations
There are no multiple performance obligations that are identified in the above services provided to related parties, hence, allocating transaction price is not required.

Value Added Tax (VAT)

Expenses and assets are recognised net of the amount of value added tax, except :

- When the value added tax incurred on a purchase of assets or services is not recoverable from the

Notes to the financial statements

for the year ended 31st March 2021

taxation authority, in which case, the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

- When receivables and payables are stated with the amount of value added tax included

The net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of other receivables in the financial statements.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in the statement of profit or loss and other comprehensive income in the period in which they are incurred.

5 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 4, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the date of statement of financial position, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Furniture, fixtures and office equipments

Furniture, fixtures and office equipments are depreciated over the estimated useful life, which is based on estimates for expected usage of the asset and expected physical wear and tear which are dependent on operational factors. Management has not considered any residual value as it is deemed immaterial.

Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and which is within the control of the lessee.

Discount rate used for initial measurement of lease liability

The management has considered the borrowing rate that the Company would charge as the incremental borrowing rate for discounting the lease payments. The management has assessed that the Company would have to pay to borrow at a similar rate and term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use assets in similar economic environment.

Related party

The Company earns marketing fees of $ 27,790 from India Advantage Fund ("the Fund"), a Fund incorporated in Mauritius, which is managed by a related party of the Company. The management has assessed that the Company neither exercises any control nor has any significant influence over the Fund either directly or indirectly. Further, the management confirms that none of the key managerial personnel of the Fund and the Company are common. Based on these facts and assessment, the management confirms that the Fund is not a related party to the Company and transactions with it are not related party transactions.

6 FURNITURE, FIXTURES AND OFFICE EQUIPMENT

Movement in furniture, fixtures and office equipment are given on page 16.

Notes to the financial statements

for the year ended 31st March 2021

7 LEASES

Right of Use Assets

	$	2020 $
Opening balance	132,784	-
At lease inception	-	156,849
Amortisation during the year	(52,140)	(24,065)
At 31st March 2020	**80,644**	**132,784**

Lease liability

	$	2020 $
Opening balance	130,417	-
At lease inception	-	154,482
Interest expense	3,752	2,337
Lease payments	(54,268)	(26,402)
At 31st March 2020	**79,901**	**130,417**
Less: Non-current portion of lease liability	(26,306)	(82,965)
Current portion of lease liability	**53,595**	**47,452**

8 TRADE AND OTHER RECEIVABLES

	$	Reclassified 2020 $
Trade receivables (net)	7,392	9,337
Prepayments	30,045	23,924
Deposits	23,822	23,822
Dividend receivable	23,822	23,822
Advances	-	9,291
VAT receivable	13,309	7,788
	74,568	**74,162**

9 RELATED PARTY DISCLOSURES

Related parties include the parent company, key management personnel, associates and any businesses which are controlled directly or indirectly by the Company or over which they exercise significant management influence. The balances due to/from such parties, which have been disclosed separately in the financial statements, are unsecured, interest-free and are repayable on demand.

The significant related party transactions during the year are as follows:

	$	2020 $
Key management personnel		
- Short term benefits	608,394	611,334
- Long term benefits	15,253	24,846
Parent		
- Marketing support* (Note 13)	**1,420,829**	**1,268,462**

*Marketing support income represents the cost plus mark up earned from the agreement entered with the Parent. This agreement is entered to maintain the Company's profitability.

Notes to the financial statements

for the year ended 31st March 2021

Related party balances are as follows:

		Reclassified 2020 $
	$	
Payables:		
- Key management personnel	14,300	26,694
Receivables:		
- Parent	390,270	125,415

The receivable balance relates to the market support fees receivable from the Parent Company. The balances are expected to be settled by 30th June 2021. Based on the underlying arrangement and assessment performed by the management, there is no material impact of expected credit loss on related party receivables.

10 ACCRUALS AND OTHER PAYABLES

	$	2020 $
Accruals	279,204	118,417
Other payables	6,929	9,983
Current portion of lease liability	**286,133**	**128,400**

11 PROVISION FOR EMPLOYEES END OF SERVICE BENEFITS

	$	2020 $
Opening balance	85,992	76,470
Provision made during the year	-	33,991
Payments made during the year	(85,992)	(24,469)
Closing balance	**-**	**85,992**

DIFC Employee Workplace Savings (DEWS) is an end-of-service benefits plan which has been introduced within the DIFC from 1st February 2020 to restructure the provision for employees' end of service benefits scheme into a funded and professionally managed, defined contribution savings plan.

For the year ended 31st March 2021, the Company recognised total contribution of $ 22,700 in the statement of profit or loss and other comprehensive income.

12 SHARE CAPITAL

	$	2020 $
Authorised capital:		
5,000,000 shares of $ 1 each	5,000,000	5,000,000
Issued and paid up capital:		
3,125,000 shares of $ 1 each	**3,125,000**	**3,125,000**

Notes to the financial statements
for the year ended 31st March 2021

13 REVENUE

	$	2020 $
Marketing support (note 9)	1,420,829	1,268,462
Marketing fee	27,790	46,668
	1,448,619	**1,315,130**

14 ADMINISTRATION AND GENERAL EXPENSES

	$	2020 $
Directors remuneration	43,004	41,471
Rent and license fees	31,254	58,405
Communication	43,099	43,111
Travelling, conveyance and vehicle expenses	7,207	107,788
Entertainment and business promotion	22,792	70,154
Professional fees	72,874	58,463
Other	42,758	47,037
	262,988	**426,429**

15 FINANCIAL INSTRUMENTS - RISK MANAGEMENT

The Company is exposed through its operations to the following financial risks:

Capital risk management

The capital is managed by the Company in a way that it is able to continue as a going concern while maximising returns to shareholders.

The capital structure of the Company consists of bank balances and equity attributable to equity holders, comprising of issued capital and accumulated deficit.

As a risk management policy, the Company reviews its cost of capital and risks associated with each class of capital. The Company balances its capital structure based on the above review.

Regulatory capital

In implementing current capital requirements, the Company assesses its capital resources in accordance with the guidelines issued by the Dubai Financial Services Authority prescribing the minimum capital adequacy requirements.

Summary data of regulatory capital managed as at the year end was as follows:

Capital resources

	$	2020 $
Share capital	3,125,000	3,125,000
Accumulated deficit	(2,213,874)	(2,262,401)
Total Capital resources	**911,126**	**862,599**

Notes to the financial statements

for the year ended 31st March 2021

Capital Requirements	$	2020 $
Capital requirement is the higher of:	$	$
Base Capital requirement	10,000	10,000
Expenditure based capital requirement - as notified by the regulator	161,000	161,000
Total capital requirement	**161,000**	**161,000**
Resources less capital requirement	**750,126**	**701,599**

The Company has complied with all externally mandated capital requirements.

Market risk management

Market risk is the risk that the value of an asset will fluctuate as a result of changes in market variables such as interest rates, foreign exchange rates, and equity prices, whether those changes are caused by factors specific to the individual investment or its issuer or factors affecting all financial assets traded in the market.

The Company is primarily exposed to the financial risks of changes in foreign currency exchange rates (currency risk).

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuation arise. The Company is mainly exposed to UAE Dirham (AED). As US Dollar is pegged to the UAE Dirham (AED), the Company is not exposed to any significant exchange rate fluctuations to the UAE Dirham (AED).

Credit risk management

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is potentially exposed to concentration of credit risk from its financial assets which comprise principally bank balances, trade and other receivables and due from related parties. The Company's bank accounts are placed with high credit quality financial institutions. The credit risk on trade and other receivables and due from related parties are subjected to credit evaluations.

Financial instruments by category

The carrying amounts for each class of financial instrument are listed below:

	$	2020 $
Financial assets		
Amortised cost		
- Trade and other receivables	44,523	50,238
- Due from related parties	390,270	125,415
- Bank balances	730,702	889,214
Financial liabilities		
Other financial liabilities		
- Accruals and other payables	286,133	128,400
- Due to related parties	14,300	26,694
- Lease liability	79,901	130,417

Notes to the financial statements

for the year ended 31st March 2021

The carrying value of the above stated financial assets and liabilities approximates to its fair value.

The contractual maturities (representing undiscounted contractual cash-flows) of financial liabilities is upto three months, except the non-current portion of lease liabilities.

16 IMPACT OF COVID-19

COVID-19 has in general had impact over the business and across the industry to which the Company caters to. The management has assessed and concluded that the impact of COVID 19 was limited and that there was no significant impact on quality and recoverability of its financial assets. The management is of the view that the COVID 19 may have further impact on future business of the Company. However, it is difficult to evaluate the nature and extent of such impact. The management will continue to monitor the future developments on regular basis and assess its impact on the business.

17 RECLASSIFICATION

The management has identified that it had inadvertently classified the party from which it earns marketing fees as a related party and had disclosed the transactions with it as related party transactions. The management has reclassified comparative figures in these financial statements to account for this change. Accordingly, the due from related party balance as at the end of previous year has changed from $ 134,752, as reported in previous year, to $ 125,415. Please refer Note 5 which describes the basis for this change. Further, as these reclassification has not resulted into change either in the net assets of the Company or the reported profit of previous year, the management has not presented the statement of financial position at the earliest reporting period i.e. 1st April 2019.

18 COMPARATIVE FIGURES

Previous year's figures have been regrouped or reclassified wherever necessary to make them comparable with those of the current year. These regrouping and reclassifications were not material except to the extent as referred in Note 17.

Schedule of furniture, fixtures and office equipment

	Office equipment $	Computers and software $	Furniture and fixtures $	Total $
Cost				
At 1st April 2019	14,416	29,988	79,405	123,809
Additions	263	6,373	4,590	11,226
Disposals/write off	(1,772)	(9,584)	(2,760)	(14,116)
At 31st March 2020	**12,907**	**26,777**	**81,235**	**120,919**
Additions	6,323	2,382	-	8,705
Disposals/write off	-	(5,521)	-	(5,521)
At 31st March 2021	**19,230**	**23,638**	**81,235**	**124,103**
Depreciation				
At 1st April 2019	13,959	22,466	78,099	114,524
Charge for the year	308	4,698	538	5,544
On disposals/write off	(1,770)	(9,584)	(322)	(11,676)
At 31st March 2020	**12,497**	**17,580**	**78,315**	**108,392**
Charge for the year	383	4,925	648	5,956
On disposals/write off	-	(5,521)	-	(5,521)
At 31st March 2021	**12,880**	**16,984**	**78,963**	**108,827**
Net Book Value				
At 31st March 2021	6,350	6,654	2,272	15,276
At 30th March 2020	**410**	**9,197**	**2,920**	**12,527**

Aditya Birla Sun Life AMC
(Mauritius) Limited

ADITYA BIRLA
CAPITAL

Independent Auditor's Report

To
The members of
Aditya Birla Sun Life AMC (Mauritius) Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of **Aditya Birla Sun Life AMC (Mauritius) Limited** (the "Company") set out on pages 7 to 24 which comprise the statement of financial position as at 31 March 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of Company as at 31 March 2021, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) and other independence requirements applicable to performing audits of financial statements of the Company and in Mauritius. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits of the Company and in Mauritius. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – basis of preparation and restriction on distribution and use

We draw attention to Note 2 to the financial statements, which describes the basis of preparation. The financial statements are prepared for the purpose of inclusion of the company's financial statements in the consolidated financial statement of Aditya Birla Sun Life AMC. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Company its members and should not be distributed to or used by parties other than Company its members. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Aditya Birla Sun Life AMC (Mauritius) Limited Audited Financial Statements and Other Information for Group Reporting for the year ended 31 March 2021", which includes the Corporate Information and the Commentary of the Directors.

The other information 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 an audit opinion or any form of assurance conclusion thereon.

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

Responsibilities of the Directors for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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 ISAs 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 ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

We communicate with the directors 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.

ERNST & YOUNG
Ebène, Mauritius
Date: 15th April 2021

THIERRY LEUNG HING WAH, F.C.C.A.
Licensed by FRC

Statement of Profit and Loss Account and Other Comprehensive Income

for the year ended 31st March 2021

Particulars	Notes	2021	2020
		$	$
INCOME			
Revenue from contract with customers	4	208,418	347,961
Finance income		342	502
		208,760	**348,463**
Expenses			
Salary		50,752	51,812
Professional fees		22,977	24,275
Directors fees		20,000	20,000
Local office expenses		12,092	14,457
Audit fees		12,995	11,845
Other expenses		4,109	7,383
Bank charges		6,882	7,504
Licence fees		5,000	4,825
Depreciation	6	94	559
		134,901	**142,660**
Profit before tax		73,859	205,803
Income tax expense	5	(2,222)	(6,181)
Profit for the year		71,637	199,622
Other comprehensive income		-	-
Total comprehensive income for the year, net of tax		**71,637**	**199,622**

The notes on pages 10 to 19 form an integral part of these financial statements.

Statement of Financial Position

as at 31st March 2021

	Notes	2021 $	2020 $
ASSETS			
Non Current Assets			
Office equipment	6	-	94
Loan at amortised cost	7	1,323	4,371
Total non-current assets		**1,323**	**4,465**
Current assets			
Cash at bank		1,194,153	1,116,719
Receivables and prepayments	8	25,919	21,302
Loan at amortised cost	7	3,049	2,879
Total current assets		**1,223,121**	**1,140,900**
Total Assets		**1,224,444**	**1,145,365**
LIABILITIES AND EQUITY			
Equity			
Stated capital	9	45,000	45,000
Retained earnings		1,150,113	1,078,476
Total Equity		**1,195,113**	**1,123,476**
Current Liabilities			
Income tax payable	5	927	2,389
Other payables		28,404	19,500
Total Liabilities		**29,331**	**21,889**
Total Equity and Liabilities		**1,224,444**	**1,145,365**

Approved by the Committee of directors and authorised for issue on 15th April 2021 and signed on its behalf by:

Director

The notes on pages 10 to 19 form an integral part of these financial statements.

Statement of Changes in Equity

for the year ended 31st March 2021

	Stated capital	Retained earnings	Total equity
	$	$	$
At 1st April 2019	**45,000**	**878,854**	**923,854**
Profit/total comprehensive income for the year	-	199,622	199,622
At 31st March 2020	45,000	**1,078,476**	**1,123,476**
Profit/total comprehensive income for the year	-	71,637	71,637
At 31st March 2021	**45,000**	**1,150,113**	**1,195,113**

The notes on pages 10 to 19 form an integral part of these financial statements.

Cash Flow Statement

for the year ended 31st March 2021

	Notes	2021 $	2020 $
Operating Activities			
Profit before tax		73,859	205,803
Non-cash adjustment to reconcile profit before tax to net cash flows:			
Depreciation	6	94	559
Finance income		(342)	(502)
Foreign exchange loss		446	185
		74,057	**206,045**
Working capital adjustments:			
(Increase)/decrease in receivables and prepayments		(4,617)	23,552
Increase/(decrease) in other payables		8,904	(4,625)
		78,344	**224,972**
Income tax paid	5	(3,684)	(9,072)
Proceeds from loan receivable	7	2,774	3,036
Net cash flows from operating activities		**77,434**	**218,936**
Net increase in cash and cash equivalent		77,434	218,936
Cash and cash equivalents at 1st April		1,116,719	897,783
Cash and cash equivalents at 31st March		**1,194,153**	**1,116,719**

The notes on pages 10 to 19 form an integral part of these financial statements.

Notes

to financial statements for the year ended 31st March 2021

1 LEGAL FORM AND PRINCIPAL ACTIVITY

Aditya Birla Sun Life AMC (Mauritius) Limited (the "Company") was incorporated in Mauritius on 20th May 1996 as a private Company with liability limited by shares and has registered office at Sanne House, Bank Street, TwentyEight, Cybercity, Ebène 72201, Mauritius. It holds a Category 1 Global Business Licence and a CIS Manager Licence issued by the Financial Services Commission under the Financial Services Act 2007 and the Securities Act 2005 respectively.

The principal activity of the Company is to act as investment manager to India Advantage Fund Limited (the "Fund"), a related entity.

2 SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention. The financial statements are presented in the United States Dollar (''$''), and all figures rounded to the nearest dollar, except where otherwise stated. These financial statements are not the statutory financial statements and have been prepared for the purpose of inclusion in the consolidated financial statement of Aditya Birla Sun Life AMC Limited.

(b) Statement of compliance

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

(c) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer. A five-step model is used to account for revenue arising from contracts with customers as follows:

- Identify the contracts with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognise revenue when (or as) the entity satisfies a performance obligation

Investment management income

Investment management income is recognised in accordance with the terms of the investment management agreement in place and is disclosed under Note 4.

As per the terms of the Investment Management Agreement entered into by the Company, the Company provides investment management services to India Advantage Fund Limited. In performing this obligation, the Company receives management fees at a fixed rate of 0.75%per annum of the daily net assets of India Advantage Fund Limited on a monthly basis and therefore the revenue is recognised over the time it corresponds.

(d) Foreign currencies

Functional and presentation currency

The financial statements are presented in United States Dollars ("$") which is also the currency of the primary economic environment in which the Company operates. The $ is the currency that most faithfully reflects the underlying transactions, events and conditions that are relevant to the Company. The Company derives its revenue in $.

Transactions and balances

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transactions. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value was determined.

(e) Office equipment

Office equipment is stated at cost less accumulated depreciation and impairment losses. Cost includes all costs directly attributable to bringing the asset to working condition for their intended use.

Depreciation is calculated to write off the cost of the assets on a straight line basis over the expected useful lives of such assets. Additions during the year bear a due proportion of the annual depreciation charge. The annual depreciation rate used for the purpose of calculating depreciation is 33.33%.

Gains and losses on disposal of plant and equipment are determined by reference to their written down value and are included in determining operating profit.

Notes

to financial statements for the year ended 31st March 2021

(f) Financial instruments

Financial assets

Initial recognition

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15 as detailed in Note 2(c).

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost
- Financial assets at fair value through OCI with recycling of cumulative gains and losses
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition
- Financial assets at fair value through profit or loss

The Company only holds financial assets at amortised cost.

The Company measures financial assets at amortised cost if both of the following conditions are met:

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

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised,modified or impaired.

The Company's financial assets at amortised cost include receivables and cash at bank .

Derecognition

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

- 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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum

Notes

to financial statements for the year ended 31st March 2021

amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For management fees receivable, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company considers its historical loss experience on its debtors and adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, financial liabilities at amortised cost, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost and payables, net of directly attributable transaction costs.

The Company's financial liabilities include short term payables and accruals.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities at amortised cost

This is the category most relevant to the Company. After initial recognition, these financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss. This category generally applies to payables and accruals.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(g) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Notes

to financial statements for the year ended 31st March 2021

(h) Cash and cash equivalents

Cash comprises cash at bank. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(i) Related parties

Related parties are individuals and companies where the individual or Company has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties include key management personnel.

(j) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

(k) Taxes

Current income tax

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

2.1 CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year, except for the following new and amendments to IFRS as from 1st April 2020:

	Effective for accounting period beginning on or after
Amendments	
• Amendments to IFRS 3 Definition of a Business	1st January 2020
• Amendments to IAS 1 and IAS 8 Definition of Material	1st January 2020
• Amendment to IFRS 7, IFRS 9 and IAS 39 Interest Rate Benchmark Reform	1st January 2020
• Conceptual Framework for Financial Reporting	1st January 2020
• Amendments to IFRS 16 Covid-19 Related Rent Concessions	1st April 2020

Where the adoption of the standards or amendments or improvements are deemed to have an impact on the financial statements or performance of the Company, their impact is described below:

Definition of material – amendments to IAS 1 and IAS 8

The IASB issued amendments to IAS 1 Presentation of Financial Statements and IAS 8 to align the definition of 'material' across the standards and to clarify certain aspects of the definition. The new definition states that, 'Information is material is omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.

The amendments clarify that materiality will depend on the nature or magnitude of information, or both. An entity will need to assess whether the information, either individually or in combination with other information, is material in the context of the financial statements.

The amendments are effective from 1st April 2020 but may be applied earlier. Since the refinements are not intended to alter the concept of materiality, there were no changes to the financial statements.

Amendments to reference to conceptual framework in IFRS standards

The IASB decide to revise the Conceptual Framework because certain important issues were not covered, and certain guidance was unclear or out of date. The revised Conceptual Framework, issued by the IASB in March 2018, includes:

- A new chapter on measurement;
- Guidance on reporting financial performance;
- Improved definitions of an asset and a liability, and guidance supporting these definitions; and
- Clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting.

The IASB also updated references to the Conceptual Framework in IFRS Standards by issuing Amendments to References to the Conceptual Framework in IFRS Standards. This was done to support transition to the revised Conceptual Framework for companies that develop accounting policies using the Conceptual Framework when no IFRS Standard applies to a particular transaction. There were no impact on the financial statements.

Notes

to financial statements for the year ended 31st March 2021

Amendments to IFRS 16 Covid-19 related rent concessions

On 28th May 2020, the IASB issued Covid-19-Related Rent Concessions - amendment to IFRS 16 Leases

The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification. The amendment applies to annual reporting periods beginning on or after 1st June 2020. Earlier application is permitted. This amendment had no impact on the financial statements of the Company.

2.2 STANDARDS ISSUED BUT NOT YET EFFECTIVE

A number of new standards, amendments to existing standards and interpretations have been issued and are not yet effective at the date of issuance of the financial statements of the Company. The Company does not intend to early adopt these standards and interpretations as the directors do not consider these to have a material impact on the Company.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements.

Determination of functional currency

The determination of functional currency of the Company is critical since recording of transactions and exchange differences arising thereon are dependent on the functional currency selected. As described in Note 2, the directors have considered those factors therein and have determined that the functional currency of the Company is the $.

Estimates and assumptions

No significant accounting estimates and assumptions were used in the preparation of the financial statements.

4. REVENUE FROM CONTRACT WITH CUSTOMERS

The Company has entered into an Investment Management Agreement ("IMA") with India Advantage Fund Limited (the "Fund"), a related party. Under the IMA, the Company is entitled to a fee, accruing at the annual rate of 0.25% of the net proceeds of the initial placing to 30th September 1996 and subsequently at the annual rate of 0.25% of the net asset value of the Fund on the last Business day in each calendar month until 31st July 2005.

The annual rate was afterwards revised as follows:

- 1.25% of the daily NAV of the Fund with effect from 1st August 2005.
- 0.75% of the daily NAV of the Fund with effect from 1st February 2012.

The IMA shall be effective until terminated by either party giving at least ninety day's notice in writing on the Valuation Day falling in March, June, September or December in any year on or after December 1999.

The Fund will indemnify the Company against any claim as specified in clause 17.3 of the IMA and to the extent that such claim is not due to breach of duty, negligence, wilful default or liability on the part of the Company.

5. TAXATION

The Company holds a Category 1 Global Business License for the purpose of the Financial Services Act 2007 of Mauritius. Pursuant to the enactment of the Finance Act 2018, with effect as from 1 January 2019, the deemed tax credit has been phased out, through the implementation of a new tax regime. Companies which had obtained their Category 1 Global Business Licence on or before 16th October 2017, including the Company, have been grandfathered and would benefit from the deemed tax credit regime up to 30th June 2021.

Accordingly, the Company is entitled to a foreign tax credit equivalent to the higher of the actual foreign tax suffered or 80% of the Mauritian tax ("Deemed tax credit") on its foreign source income resulting in an effective tax rate on net income of up to 3%, up to 30th June 2021. Further, the Company is exempted from income tax in Mauritius on profits or gains arising from sale of securities. In addition,

Notes

to financial statements for the year ended 31st March 2021

there is no withholding tax payable in Mauritius in respect of payments of dividends to Shareholders or in respect of redemptions or exchanges of Shares.

Post 30th June 2021 and under the new tax regime and subject to meeting the necessary substance requirements as required under the Financial Services Act 2007 (as amended by the Finance Act 2018) and such guidelines issued by the Financial Services Commission, the Company would be entitled to either (a) a foreign tax credit equivalent to the actual foreign tax suffered on its foreign income against the Company's tax liability computed at 15% on such income, or (b) a partial exemption of 80% of the income of the Company from tax in Mauritius, with the remaining 20% of the income to be subject to a 15% tax, resulting in effective tax rate on of 3%.

(a) Reconciliation of tax charge and accounting profit

	2021 $	2020 $
Profit before tax	73,859	205,803
Tax calculated at the rate of 15%	11,079	30,870
Tax effect of:		
Income not subject to tax	(51)	(76)
Non allowable expenses	81	112
Foreign tax credit	(8,887)	(24,725)
Income tax charge	**2,222**	**6,181**

(b) In the statement of financial position

	2021 $	2020 $
Income tax payable		
At 1st April	2,389	5,280
Paid during the year	(3,684)	(9,072)
Charge for the year	2,222	6,181
At 31st March	**927**	**2,389**

NOTE 6 : OFFICE EQUIPMENT

	2021 $	2020 $
Cost		
At 1st April	1,678	1,678
Movement during the year	-	-
At 31st March	**1,678**	**1,678**
Depreciation		
At 1st April	1,584	1,025
Depreciation charge for the year	94	559
At 31st March	**1,678**	**1,584**
Net Book Value		
At 31st March	**-**	**94**

Notes

to financial statements for the year ended 31st March 2021

NOTE 7 : LOAN

During 2018, the Company has granted an unsecured and interest free loan of MUR438,000 to its employee which is repayable over 48 months.

The loan has been classified and measured at amortised cost.

	2021 $	2020 $
At 1st April	7,250	9,969
Finance income	342	502
Proceeds from loan receivable	(2,774)	(3,036)
Foreign exchange loss	(446)	(185)
At 31st March	**4,372**	**7,250**
Non-current assets	1,323	4,371
Current assets	3,049	2,879
	4,372	**7,250**

The Company measures credit risk and ECL using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward looking information in determining any ECL. Management consider the probability of default to be close to zero as the counterparty is employed by the Company has a strong capacity to meet the contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month ECL as any such impairment would be wholly insignificant to the Company.

NOTE 8 : RECEIVABLES AND PREPAYMENTS

	2021 $	2020 $
Amount due from India Advantage Fund Limited (note 12)	19,835	18,218
Prepayments	5,250	2,250
Deposit for office rental	834	834
	25,919	**21,302**

The amount due from India Advantage Fund Limited, is unsecured, interest free and receivable on demand. The Company measures credit risk and ECL using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward looking information in determining any ECL. Management consider the probability of default to be close to zero as the counterparty has a strong capacity to meet the contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month ECL as any such impairment would be wholly insignificant to the Company.

NOTE 9 : STATED CAPITAL

	2021 $	2020 $
Issued share capital		
4,500 (2020: 4,500) ordinary shares of $10 each	**45,000**	**45,000**

10. DIVIDEND PAID

No dividend was paid during the year ended 31st March 2021 (2020: nil).

Notes

to financial statements for the year ended 31st March 2021

11. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including cash flow interest rate risk and foreign currency risk), liquidity risk and credit risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Market risk

Cash flow interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Thus, the Company is not exposed to interest rate risk.

Currency risk

All of the Company's financial assets and liabilities are denominated in $ except for the loan granted to the employee of the Company which is denominated in MUR. Consequently, the Company is exposed to the risk that the exchange rate of the $ relative to the MUR may change in a manner which does not have a material effect on the reported values of the Company's assets which are denominated in $ and hence, the Company is not exposed to significant currency risk.

Liquidity risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company is not exposed to any significant liquidity risk.

The table below summarises the maturity profile of the Company's financial liabilities at 31st March 2021 and 31st March 2020 based on contractual undiscounted payments:

	Less than 3 months	Total	Less than 3 months	Total
	2021	2021	2020	2020
	$	$	$	$
Other payables	**28,404**	**28,404**	**19,500**	**19,500**

Credit risk

The Company takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. The Company's main credit risk concentration is its other receivables and cash and short term deposits.

With respect to credit risk arising from financial assets, the Company's exposure arises from the default of the counterparties, with a maximum exposure equal to the carrying amounts of these financial assets.

The maximum exposure to credit risk at the statement of financial position date was:

	Carrying amount	
	2021	2020
	$	$
Receivables	19,835	18,218
Cash and cash equivalents	1,194,153	1,116,719
Loan at amortised cost (Note 7)	4,372	7,250
	1,218,360	**1,142,187**

Prepayments and deposits amounting to $5,250 (2020: $3,084) have been excluded.

The financial assets were neither past due nor impaired at the reporting date. The cash and short term deposits are maintained with a regulated financial institution.

Fair values of financial instruments

Except where otherwise stated the carrying amounts of financial assets and liabilities approximate their fair value.

Notes

to financial statements for the year ended 31st March 2021

12. CAPITAL RISK MANAGEMENT

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholder through the optimisation of the debt and equity balance. In order to maintain or adjust the capital structure, the Company may adjust the amounts of dividends paid, return capital to shareholders, issue new shares or sell assets to reduce debts.

The Company has external capital requirement imposed by the Financial Services Commission, the Regulator, in that at all times it shall maintain a minimum paid-up and unimpaired stated capital and shareholder's funds of at least Mauritian Rupees 1,000,000 or its equivalent in any currency. At year end, this condition was met.

No changes were made in the objectives, policies or processes during the year ended 31st March 2021. (2020: none)

13. RELATED PARTY DISCLOSURES

During the year, the Company transacted with related entities. Details of the nature, volume of transactions and the balances with the entities are as follows:

	2021	2020
	$	$
Amount due from India Advantage Fund Limited		
At 1st April	18,218	41,945
Investment management fees	208,418	347,961
Amount received	(206,801)	(371,688)
At 31st March (note 8)	**19,835**	**18,218**

	2021	2020
	$	$
Amount due to SANNE Mauritius		
At 1st April	3,060	4,035
Professional fees for the year	16,774	13,525
Amount paid during the year	(15,534)	(14,500)
At 31st March	**4,300**	**3,060**

Director's fees

Director's fees amounting to $20,000 (2020: $20,000) were paid to Messrs Kishore Sunil Banymandhub and Sudesh Anauthlall Basanta Lala. All of them are independent of the Administrator or Investment Manager and do not have any shareholding in the Company.

14. HOLDING AND ULTIMATE HOLDING COMPANIES

The directors consider Aditya Birla Sun Life AMC Limited, a Company incorporated in India, as the immediate holding Company.

The Company is ultimately owned jointly by Aditya Birla Capital Limited and Sun Life (India) AMC Investments Inc, incorporated in India.

Notes

to financial statements for the year ended 31st March 2021

15. COVID 19

On 11th March 2020, the COVID-19 outbreak was declared a global pandemic by the World Health Organisation. This event is a significant event considering the spread of virus all over the world and the situation of lock-down in Mauritius during the month of March 2020 and the period subsequent to that. Due to this significant event, there could be low to severe direct and indirect effects developing with companies across multiple industries and the world. The Company will continue to monitor the impact of COVID-19 has on them and reflect the consequences as appropriate in its accounting and reporting.

The Company receives management fees from the Fund. The management fees are based on the Net Asset Value ("NAV") of the Fund and thus evolution of the prices of the investments that the Fund holds as well as the level of subscription and redemption in the shares may affect the management fees.

As at the date of approval of these financial statements, the COVID-19 crisis is still unfolding and there will be some uncertainty remaining around the accurate assessment of the full impact of COVID-19 crisis or any prediction regarding the future course of events that would arise due to the COVID-19 crisis. The directors have made an assessment of the Company's ability to continue as going concern taking into account all available information about the future including the analysis of the possible impacts in relation to COVID-19, which is at least, but not limited to, twelve months from the date of approval of these financial statements and confirm that they have not identified events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

16. EVENTS AFTER THE REPORTING DATE

There were no material events after the reporting date which would require disclosure or adjustments to the financial statements for the year ended 31st March 2021.

Aditya Birla Sun Life AMC
Pte. Limited, Singapore

ADITYA BIRLA
CAPITAL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

ADITYA BIRLA SUN LIFE ASSET MANAGEMENT COMPANY PTE. LTD.

(Incorporated in the Republic of Singapore)

Report on the audit of the financial statements

OPINION

We have audited the accompanying financial statements of Aditya Birla Sun Life Asset Management Company Pte. Ltd. ("the Company"), which comprise the statement of financial position as at 31st March 2021, and statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Company as at 31st March 2021 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). 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 Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OTHER INFORMATION

Management is responsible for the other information. The other information comprises the Director's Statement set out on page 1.

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

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

RESPONSIBILITIES OF MANAGEMENT AND DIRECTORS FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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 director's responsibilities include 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 SSAs 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 SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

ROHAN • MAH & PARTNERS LLP
Public Accountants and
Chartered Accountants
Singapore
23rd April 2021
(RK/MA./SR/DB/AT/ccy)

STATEMENT OF FINANCIAL POSITION

as at 31st March, 2021

S$

	Note	2021	2020
ASSETS LESS LIABILITIES			
Non-Current Assets			
Property, plant and equipment	3	75,645	1,96,282
Financial assets at fair value through profit or loss	4	1	1
		75,646	**1,96,283**
Current Assets			
Trade and other receivables	5	14,28,931	12,38,707
Cash and cash equivalents	8	59,64,540	41,67,015
		73,93,471	**54,05,722**
Current Liabilities			
Trade and other payables	9	9,10,856	7,75,393
Lease liabilities	11	50,423	96,969
		9,61,279	**8,72,362**
Net Current Assets		64,32,192	45,33,360
Non-Current Liability			
Lease liabilities	11	-	50,423
Net Assets		**65,07,838**	**46,79,220**
Capital and reserves attributable to equity holders of the Company			
Share capital	13	1,36,00,000	1,36,00,000
Accumulated losses		(70,92,162)	(89,20,780)
Total Equity		**65,07,838**	**46,79,220**

The accompanying notes form an integral part of these audited financial statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31st March 2021

S$

	Note	2021	2020
REVENUE	14	47,81,155	34,75,258
Other income	15	1,12,177	391
		48,93,332	**34,75,649**
Less: Other items of expense			
Database research expenses		1,97,313	1,82,523
Depreciation of property, plant and equipment		1,26,685	70,211
Fund expenses		7,32,304	9,26,608
Insurance expenses		1,75,544	1,66,384
Office rental		-	51,578
Staff costs	16	14,56,736	13,25,457
Legal and professional fees		2,32,055	2,61,069
Travelling expenses		3,574	55,336
Other expenses	17	1,40,503	1,64,625
		30,64,714	**32,03,791**
Profit before taxation		18,28,618	2,71,858
Taxation	18	-	-
Profit for the year		**18,28,618**	**2,71,858**
Total comprehensive income		**18,28,618**	**2,71,858**
Profit attributable to:			
Equity holders of the Company		**18,28,618**	**2,71,858**
Total comprehensive income attributable to:			
Equity holders of the Company		**18,28,618**	**2,71,858**

The accompanying notes form an integral part of these audited financial statements.

STATEMENT OF CHANGES IN EQUITY

For the year ended 31st March 2021

S$

	Share Capital	Accumulated Losses	Total
As at 1st April 2019	1,36,00,000	(91,92,638)	44,07,362
Total comprehensive income for the year	-	**2,71,858**	**2,71,858**
As at 31st March 2020	1,36,00,000	(89,20,780)	46,79,220
Total comprehensive income for the year	-	**18,28,618**	**18,28,618**
As at 31st March 2021	1,36,00,000	(70,92,162)	65,07,838

The accompanying notes form an integral part of these audited financial statements.

STATEMENT OF CASH FLOWS

For the year ended 31st March 2021

		S$
	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	18,28,618	2,71,858
Adjustments for:		
Depreciation of property, plant and equipment	1,26,685	70,211
Finance lease interest	4,981	4,363
Net provisions for the year	33,007	112,743
Operating profit before working capital changes	19,93,291	4,59,175
Working capital changes, excluding changes related to cash:		
Trade and other receivables	(1,90,224)	(2,37,198)
Trade and other payables	1,02,456	(79,309)
Net cash flow generated from operating activities	19,05,523	1,42,668
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(6,048)	(18,278)
Disposal of investment	-	2
Net cash used in investing activities	(6,048)	(18,276)
CASH FLOWS FROM FINANCING ACTIVITY		
Payment of finance lease liability	(1,01,950)	(50,975)
Net cash used in financing activity	(1,01,950)	(50,975)
Net increase in cash and cash equivalents	17,97,525	73,417
Cash and cash equivalents at beginning of year	41,67,015	40,93,598
Cash and cash equivalents at end of year (Note 8)	**59,64,540**	**41,67,015**

The accompanying notes form an integral part of these audited financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2021

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1 CORPORATE INFORMATION

Aditya Birla Sun Life Asset Management Company Pte. Ltd. is a private Company limited by shares, incorporated and domiciled in the Republic of Singapore with its registered office and the principal place of business at 16 Raffles Quay #32-04, Hong Leong Building, Singapore 048581.

The principal activities of the Company are that of fund management and investment advisory. There have been no significant changes in the nature of these activities during the financial year.

Aditya Birla Sun Life AMC Ltd, a Company incorporated in Republic of India holds 100% shares in the Company. Aditya Birla Sun Life AMC Ltd is a joint venture between the Aditya Birla Capital Ltd, India and Sun Life Financial Inc, of Canada. Related corporations in the financial statements refer to companies within the group of Aditya Birla Capital Ltd and Sun Life Financial Inc.

The financial statements of the Company for the year ended 31st March 2021 were authorised for issue in accordance with a resolution of the Directors on 23rd April 2021.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

The financial statements are prepared in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements, expressed in Singapore Dollar (SGD or S$), which is also the functional currency of the Company, are prepared on the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates. There are no critical accounting estimates and assumptions used that are significant to the financial statements, and areas involving a higher degree of judgement or complexity except as disclosed in Note 20.

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Company has adopted all the new and revised standards which are relevant to the Company and are effective for annual financial periods beginning on or after 1st April 2020. The adoption of these standards did not have any material effect on the financial statements.

A number of new standards, amendments to standards and interpretations are issued but effective for annual periods beginning on or after 1st April 2021, and have not been applied in preparing these financial statements. The Company does not plan to early adopt these standards.

Description	Effective for annual periods beginning on or after
Amendments to FRS 116 Leases: Covid-19 Related Rent Concessions	1st June 2020
Amendments to FRS 109 Financial Instruments, FRS 39 Financial Instruments: Recognition and Measurement, FRS 107 Financial Instruments: Disclosures, FRS 104 Insurance Contracts, FRS 116 Leases: Interest Rate Benchmark Reform - Phase 2	1st April 2021
Amendments to FRS 16 Property, Plant and Equipment: Proceeds before Intended Use	1st April 2022
Amendments to FRS 37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling a Contract	1st April 2022
Annual Improvements to FRS 2018 - 2020	1st April 2022
Amendments to FRS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non - Current	1st April 2023
Amendments to FRS 110 Consolidated Financial Statements and FRS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to determined
Amendments to FRS 103 Business Combinations: Reference to the Conceptual Framework	1st April 2022
FRS 117 Insurance Contracts	1st April 2023

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2021

The directors expect that the adoption of the other standards above will have no material impact on the financial statements in the period of initial application.

2.2 Property, Plant and Equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

Depreciation is calculated using the straight-line method to allocate depreciation amounts over their estimated useful lives. The estimated useful lives are as follows:

	Years
Office equipment	5
Computer	3
Furniture and fittings	5
Leasehold improvements	4 or leasehold term whichever is shorter
Building	2

The residual value, useful lives and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the assets is included in profit or loss in the year the asset is derecognised.

2.3 Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exits, (or, where applicable, when an annual impairment testing for an asset is required), the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates use to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.4 Financial Instrument

2.4.1 Financial Assets

Initial Recognition and Measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent Measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income (FVOCI) and FVPL. The Company only has debt instruments at amortised cost.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and thorough the amortisation process.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2021

Investments in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in the other comprehensive income which will not be reclassified subsequently to profit or loss. Dividends from such investments are to be recognised in profit or loss when the Company's right to receive payments is established. For investments in equity instruments which the Company has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognised in profit or loss.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirely, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

2.4.2 Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

Subsequent Measurement

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.5 Impairment of Financial Assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors ability to pay.

The Company considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.6 Cash and Cash Equivalents

Cash and cash equivalents comprise cash at banks and on hand which are subject to an insignificant risk of changes in value.

2.7 Leases

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

2.7.1 As Lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and lease of low-value assets. The Company recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2021

Right-of-Use Assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlaying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.3.

The Company's right-of-use assets are presented within property, plant and equipment (Note 3).

Lease Liabilities

At the commencement date of the lease, the Company recognise lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlaying asset.

The Company's lease liability is disclosed in Note 12.

Short-Term Leases and Leases of Low-Value Assets

The Company applies the short-term lease recognition exemption to its short-term leases of office rental (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

2.8 Borrowing Costs

All borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss in the period in which they are incurred.

2.9 Provision

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is possible that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate, If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.10 Share Capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.11 Related Parties

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Company if that person:

(i) Has control or joint control over the Company;

(ii) Has significant influence over the Company; or

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2021

(iii) Is a member of the key management personnel of the Company or of a parent of the Company.

(b) An entity is related to the Company if any of the following conditions applies:

(i) The entity and the Company are members of the same Company (which means that each parent, subsidiary and fellow subsidiary is related to the others);

(ii) One entity is an associate or joint venture of the other entity (or and associate or joint venture of a member of a Company of which the other entity is a member);

(iii) Both entities are joint ventures of the same third party;

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;

(vi) The entity is controlled or jointly controlled by a person identified in (a);

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or

(viii) The entity, or any member of a Company of which it is a part, provides key management personnel services to the reporting Company or to the parent of the reporting Company.

2.12 Foreign Currency Transactions and Balances

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

2.13 Revenue

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to as customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

2.13.1 Rendering of Services

Revenue from sale of goods and services in the ordinary course of business is recognised when the Company satisfies a performance obligation ("PO") by transferring control of a promised good and service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

The transaction price is allocated to each PO in the contract on the basis of the relative standalone selling prices of the promised goods and services. The individual standalone selling price of a good and service that has not previously been sold on a stand-alone basis, or has a highly variable selling price, is determined based on the residual portion of the transaction price after allocating the transaction price to goods and services with observable stand-alone selling prices. A discount or variable consideration is allocated to one or more, but not all, of the performance obligations if it relates specifically to those performance obligations.

Revenue is recognised at a point in time upon satisfaction of the PO.

2.13.2 Interest income

Interest income is recognised using the effective interest method.

2.14 Employee Benefits

2.14.1 Defined Contribution Pension Costs

The Company makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

2.14.2 Short-Term Employee Benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2021

2.15 Taxes

2.15.1 Current Income Tax

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

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income 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.

2.15.2 Deferred Tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

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

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.15.3 Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

(a) Where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable, and

(b) Receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2.16 Government Grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the fair value is recognised as deferred income on the statement of financial position and is recognised as income in equal amounts over the expected useful life of the related asset.

Where loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as additional government grant.

2.16.1 Property Tax Rebate

The Singapore Government had given remission of property tax (property tax rebates) under section 6(8) of the Property Tax Act (Cap. 254) to qualifying non-residential properties in response to the COVID-19 pandemic.

For the portion of a non-residential property leased out to a lessee (tenant), the owner of the property (landlord) must transfer the benefit from the property tax rebate under section 29 of the COVID-19 (Temporary Measures) Act 2020. For the vacant portion of the property, the landlord itself will benefit from the property tax rebate.

2.16.2 Jobs Support Scheme

The Jobs Support Scheme provides wage support to employers to help them retain their local employees during this period of economic uncertainty. Employers who have made CPF contributions for their local employees will qualify for the payouts under the scheme.

2.16.3 Rental Relief

Qualifying property owners received support via a Government cash grant and they must in turn provide the necessary rental relief to their eligible Small and Medium Enterprises (SMEs) and Non-Profit organisations (NPOs) tenant - occupiers of the prescribed properties under the Rental Relief Framework.

2.16.4 Foreign Worker Levy Waiver and Rebate

The Singapore Government provided business employers who hire foreign workers on work permits and S-passes with Foreign Worker Levy (FWL) and FWL rebates to ease the labour costs of such firms.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2021

3. PROPERTY, PLANT AND EQUIPMENT

2021	Office equipment	Computer	Furniture and fittings	Building	Leasehold improvements	Total
Cost	S$	S$	S$	S$	S$	S$
At beginning of year	30,514	1,15,711	36,153	2,23,894	1,11,117	5,17,389
Additions	-	6,048	-	-	-	6,048
At end of year	30,514	1,21,759	36,153	2,23,894	1,11,117	5,23,437
Accumulated Depreciation						
At beginning of year	22,696	99,461	31,859	55,974	1,11,117	3,21,107
Depreciation	2,373	9,119	3,246	1,11,947	-	1,26,685
At end of year	25,069	1,08,580	35,105	1,67,921	1,11,117	4,47,792
Carrying Amount						
At end of year	5,445	13,179	1,048	55,973	-	75,645

2020	Office equipment	Computer	Furniture and fittings	Building	Leasehold improvements	Total
Cost	S$	S$	S$	S$	S$	S$
At beginning of year	22,700	1,05,247	36,153	-	1,11,117	2,75,217
Effect adopting FRS 116	-	-	-	2,23,894	-	2,23,894
At beginning of year (restated)	22,700	1,05,247	36,153	2,23,894	1,11,117	4,99,111
Additions	7,814	10,464	-	-	-	18,278
At end of year	30,514	1,15,711	36,153	2,23,894	1,11,117	5,17,389
Accumulated Depreciation						
At beginning of year	19,734	93,329	26,716	-	1,11,117	2,50,896
Depreciation	2,962	6,132	5,143	55,974	-	70,211
At end of year	22,696	99,461	31,859	55,974	1,11,117	3,21,107
Carrying Amount						
At end of year	7,818	16,250	4,294	1,67,920	-	1,96,282

4 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Company has 2 (2020: 2) unquoted financial assets at fair value through profit or loss.

A - International Opportunities Fund SPC (IOF)

This relates to an investment of US$0.01 in International Opportunities Fund SPC ("IOF") made by the Company in November 2013. IOF is a Segregated Portfolio Company set up as a fund in Cayman Islands.

B - New Horizon Fund SPC (NHF)

This relates to an Investment of US$1.00 in New Horizon Fund SPC ("NHF") made by the Company in April 2017. NHF is a Segregated Portfolio Company set up as a fund in Cayman Islands.

5 TRADE AND OTHER RECEIVABLES

S$

	2021	2020
Trade receivables (Note 6)	13,863	1,44,929
Unbilled revenue	11,16,182	7,34,025
Other receivables (Note 7)	2,98,886	3,59,753
	14,28,931	**12,38,707**

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2021

6 TRADE RECEIVABLES

S$

	2021	2020
Third parties	13,863	1,20,828
Amount due to related parties - trade	-	24,101
	13,863	**1,44,929**

Trade receivables are non-interest bearing and are generally on 30 to 90 days terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

The maximum exposure of credit risk for trade receivables at the reporting date is S$13,863 (2020: S$1,44,929).

Expected credit losses

The following table provides information about the exposure to credit risk and ECLs for trade receivables for individual customers as at 31st March:

S$

	Gross	ECL rate	ECL
2021			
Current	13,863	-	-
Past due 0 - 30 days	-	-	-
	13,863	**-**	**-**
Allowance for expected credit losses			-
2020			
Current	1,44,929	-	-
Past due 0 - 30 days	-	-	-
	1,44,929	-	-
Allowance for expected credit losses			-

7 OTHER RECEIVABLES

S$

	2021	2020
Deposits	24,380	24,380
Prepayments	2,31,932	2,64,019
Recoverable expenses	42,574	71,354
	2,98,886	**3,59,753**

8 CASH AND CASH EQUIVALENTS

S$

	2021	2020
Cash at bank	59,61,614	41,65,247
Cash on hand	2,926	1,768
	59,64,540	**41,67,015**

9 TRADE AND OTHER PAYABLES

S$

	2021	2020
Accrued operating expenses - others	1,85,736	1,66,414
Provisions (Note 10)	2,86,332	2,53,326
Other payables	4,38,788	3,55,653
	9,10,856	**7,75,393**

These amounts are non-interest bearing. Other payables are unsecured and have a credit terms of 30 days (2020: 30 days).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2021

10 PROVISIONS

S$

	Provision for bonus	Provision for restoration costs	Total
2021			
At beginning of year	2,23,437	29,889	2,53,326
Provision made during the year	2,60,106	-	2,60,106
Provision utilised during the year	(1,99,989)	-	(1,99,989)
Provision written back during the year	(27,111)	-	(27,111)
At end of year	2,56,443	29,889	2,86,332
2020			
At beginning of year	3,27,222	28,134	3,55,356
Provision made during the year	2,87,640	1,755	2,89,395
Provision utilised during the year	(2,14,773)	-	(2,14,773)
Provision written back during the year	(1,76,652)	-	(1,76,652)
At end of year	2,23,437	29,889	2,53,326

The provision for bonus represents the management's best estimate of the bonus to be paid to the employees based on the Company's and individual's performance during the current financial year.

Provision for restoration costs is the estimated costs of dismantlement, removal or restoration of plant and equipment. This provision and the related asset is being expensed off and capitalised, respectively.

11 LEASE LIABILITIES

S$

	2021	2020
Current	50,423	96,969
Non-current	-	50,423
	50,423	**1,47,392**

A reconciliation of liabilities arising from financing activities is as follows:

S$

	1st April 2020	Cash flows	Non-cash changes: Accretion of interest	Non-cash changes: Others	31st March 2021
Liability					
Lease liability					
- Current	96,969	(1,01,950)	4,981	50,423	50,423
- Non-current	50,423	-	-	(50,423)	-
	1,47,392	**(1,01,950)**	**4,981**	**-**	**50,423**

S$

	1st April 2019	Cash flows	Non-cash changes: Accretion of interest	Non-cash changes: Others	31st March 2020
Liability					
Lease liability					
- Current	-	(50,975)	4,363	1,43,581	96,969
- Non-current	-	-	-	50,423	50,423
	-	**(50,975)**	**4,363**	**1,94,004**	**1,47,392**

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2021

12 LEASES

Company as a lessee

The Company has lease contracts for building. The Company's obligations under these leases are secured by the lessor's title to the leased assets. The Company is restricted from assigning and subleasing the leased assets.

Carrying amounts of right-of-use assets classified within property, plant and equipment

S$

	Building	Total
At 1st April 2020	1,67,920	1,67,920
Additions	-	-
Depreciation	(1,11,947)	(1,11,947)
At 31st March 2021	**55,973**	**55,973**

Lease liabilities

The carrying amounts of lease liabilities and the movements during the year are disclosed in Note 11 and the maturity analysis of lease liability is disclosed in Note 21.2.

Amounts recognised in profit or loss

S$

	2021
Depreciation of right-of-use assets	(1,11,947)
Finance lease interest (Note 17)	(4,981)
Total amount recognised in profit or loss	**(1,16,928)**

Total cash outflow

The Company had total cash outflows for leases of S$1,01,950 in 2021.

13 SHARE CAPITAL

	2021		2020	
	No. of shares	S$	No. of shares	S$
Ordinary shares issued and fully paid:				
At beginning and end of year	1,36,00,000	1,36,00,000	1,36,00,000	1,36,00,000

The holder of ordinary shares is entitled to receive dividends as declared from time to time by the Company. All ordinary shares have no par value and carry one vote per share without restriction.

14 REVENUE

S$

	2021	2020
Advisory fee income	3,20,274	-
Management fee income	40,48,624	28,26,498
Marketing fee income	2,44,165	3,97,857
Sub-management fee income	1,68,092	2,50,903
	47,81,155	**34,75,258**

The Company's revenue is recognised at a point in time.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2021

15 OTHER INCOME

S$

	2021	2020
Government grants	1,12,177	391

Government grants include rental rebates (S$14,681) and Job Support Scheme (S$91,540) received from Singapore government to help business deal with the impact from COVID-19.

16 STAFF COSTS

S$

	2021	2020
Salaries, bonus and other related costs	13,38,742	12,07,139
Defined contribution pension costs	73,504	71,701
Other benefits	44,490	46,617
	14,56,736	**13,25,457**

The above includes key management personnel remuneration as disclosed in Note 19.

17 OTHER EXPENSES

Other expenses include:

S$

	2021	2020
Exchange loss	17,704	10,293
Finance lease interest	4,981	4,363
Office upkeep and maintenance	21,419	24,821
Telecommunication expenses	28,824	40,566
Transportation expense	1,091	7,449

18 TAXATION

Major components of income tax expense are as follows:

S$

	2021	2020
Current year taxation	-	-

A reconciliation between the tax expense and the product of accounting profit and loss multiplied by the applicable tax rate are as follows:

S$

	2021	2020
Profit before taxation	18,28,618	2,71,858
Income tax on profit before tax at 17%	3,10,865	46,216
Adjustments:		
Non-deductible expenses	24,822	14,341
Utilisation of tax losses and capital allowances	(3,35,687)	(60,557)
Tax expense	-	-

The Singapore Government has announced that for Year of Assessment (YA) 2020, all companies will receive a 25% Corporate Income Tax (CIT) Rebate that is subject to a cap of S$15,000.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2021

Unrecognised deferred tax assets:

Deferred tax assets in respect of the following items have not been recognised in the financial statements as the probability of future taxable profits being available to utilise such benefits cannot be reliably established:

S$

	2021	2020
Unutilised tax losses	62,32,967	82,01,552

The Company's unutilised capital allowances and tax losses are available for offset against future taxable profits subject to the agreement of the tax authorities and compliance with certain provisions of the Singapore Income Tax Act, Cap.134.

19 SIGNIFICANT RELATED PARTIES TRANSACTIONS

Significant related parties transactions on terms agreed between the Company and its related parties are as follows:

S$

	2021	2020
Immediate Holding Company		
Marketing fee from immediate holding Company	(93,236)	(1,21,142)

The Company has received an amount of S$2,83,423 (2020: S$2,29,782) from a related party, Sun Life Assurance of Canada (SLAC), on behalf of its Funds. These pertain to fund management services rendered to UCIT Fund where SLAC Funds are the investors.

Balances with related party at the reporting date is set out in Note 6.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Company's key management personnel are mainly the Directors of the Company.

Key management personnel compensation for the financial year is as follows:

S$

	2021	2020
DIRECTORS		
Fees	20,318	20,828
Salary, bonus and other allowances	3,47,054	3,57,877
	3,67,372	**3,78,705**

20 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

20.1 Key Sources of Estimation Uncertainty

Provision for Income Tax

There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Provision for Expected Credit Losses of Trade Receivables

The Company uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2021

rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables is disclosed in Note 21.1.

The carrying amount of the Company's trade receivables as at 31st March 2021 was S$13,863 (2020: S$144,929).

21 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks from its operations. The key financial risks include credit risk, liquidity risk and market risk (including interest rate risk and foreign currency risk).

The directors review and agree policies and procedures for the management of these risks which are executed by the management team. It is, and has been throughout the current and previous financial year, the Company's policy that no trading in derivatives for speculative purpose shall be undertaken.

The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

21.1 Credit Risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company. The Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash), the Company minimises credit risk by dealing exclusively high credit rating counterparties.

The Company has adopted a policy of only dealing with creditworthy counterparties. The Company performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Company has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 60 days, default of interest due for more than 30 days or there is significant difficulty of the counterparty.

To minimise credit risk, the Company has developed and maintained the Company's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by publicly available financial information and the Company's own trading records to rate its major customers and other debtors. The Company considers available reasonable and supportive forward-looking information which includes the following indicators:

- Internal credit rating
- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations
- Actual or expected significant changes in the operating results of the debtor
- Significant increases in credit risk on other financial instruments of the same debtor
- Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors in the group and changes in the operating results of the debtor.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.

The Company determined that its financial assets are credit-impaired when:

- There is significant difficulty of the debtor
- A breach of contract, such as a default or past due event
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- There is a disappearance of an active market for that financial asset because of financial difficulty.

The Company categorises a receivable for potential write-off when a debtor fails to make contractual payments more than 180 days past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2021

The Company's current credit risk grading framework comprises the following categories:

Category	Definition of category	Basis for recognising expected credit loss (ECL)
I	Counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL

The table below details the credit quality of the Company's financial assets, as well as maximum exposure to credit risk by credit risk rating categories:

S$

	Note	12-month or lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
2021					
Trade receivables	6	Lifetime ECL (simplified)	13,863	-	13,863
Other receivables	7	12-month ECL	2,98,886	-	2,98,886
2020					
Trade receivables	6	Lifetime ECL (simplified)	1,44,929	-	1,44,929
Other receivables	7	12-month ECL	3,59,753	-	3,59,753

Trade Receivables

For trade receivables, the Company has applied the simplified approach in FRS 109 to measure the loss allowance at lifetime ECL. The Company determines the ECL by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile to trade receivables is presented based on their past due status in terms of the provision matrix.

Information regarding loss allowance movement of trade receivables is disclosed in Note 6.

Excessive Risk Concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

Exposure to Credit Risk

The Company has no significant concentration of credit risk. The Company has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

See Note 6 for more disclosure on credit risk.

21.2 Liquidity Risk

Liquidity risk refers to the risk that the Company will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Company's exposure to liquidity risk arise primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of standby credit facilities. The Company finances its working capital requirements through a combination of funds generated from operations. The directors are satisfied that funds are available to finance the operations of the Company.

Analysis of Financial Instruments by Remaining Contractual Maturities

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2021

The table below summarises the maturity profile of the Company's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

S$

	Within 1 year	Within 2 to 5 years	Total
2021			
Financial assets			
Financial assets at fair value through profit or loss		1	1
Trade and other receivables	11,96,999	-	11,96,999
Cash and cash equivalents	59,64,540		59,64,540
Total undiscounted financial assets	**71,61,539**	**1**	**71,61,540**
Financial liabilities			
Trade and other payables	6,24,523	-	6,24,523
Lease liabilities	50,423	-	50,423
Total net undiscounted financial liabilities	**6,74,946**	**-**	**6,74,946**
Total net undiscounted financial liabilities	**64,86,593**	**1**	**64,86,594**
2020			
Financial assets			
Financial assets at fair value through profit or loss	-	1	1
Trade and other receivables	9,74,688	-	9,74,688
Cash and cash equivalents	41,67,015	-	41,67,015
Total undiscounted financial assets	**51,41,703**	**1**	**51,41,704**
Financial liabilities			
Trade and other payables	5,22,067	-	5,22,067
Lease liabilities	96,969	50,423	1,47,392
Total net undiscounted financial liabilities	**6,19,036**	**50,423**	**6,69,459**
Total net undiscounted financial assets/(liabilities)	**45,22,667**	**(50,422)**	**44,72,245**

21.3 Market Risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

21.3.1 Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises primarily from their cash and cash equivalents.

The Company is not exposed to interest rate risk as it does not have any financial instruments bearing variable interest rate as at the reporting date.

21.3.2 Foreign Currency Risk

The Company's foreign exchange risk results mainly from cash flows from transactions denominated in foreign currencies. At present, the Company does not have any formal policy for hedging against currency risk. The Company ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates, where necessary, to address short term imbalances.

The Company has transactional currency exposures arising from sales or purchases that are denominated in currency other than the functional currency of the Company, primarily Canadian Dollar (CAD), Indian Rupee (INR), United State Dollar (USD) and others.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2021

The Company's exposures foreign currency is as follows:

S$

	CAD	USD	Others
2021			
Financial assets at fair value through profit or loss	-	1	-
Trade and other receivables	29,144	11,42,032	-
Cash and cash equivalent	-	-	710
Trade and other payables	-	(4,93,381)	-
	29,144	**6,48,652**	**710**
2020			
Financial assets at fair value through profit or loss	-	1	-
Trade and other receivables	35,195	8,96,948	17,244
Cash and cash equivalent	-	-	741
Trade and other payables	-	(3,55,653)	-
	35,195	**5,41,296**	**17,985**

Sensitivity analysis

A 10% strengthening of Singapore Dollar against the following currencies at the reporting date would increase/(decrease) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Profit or loss (before tax)
2021	
Canadian Dollar	(2,914)
United States Dollar	(64,865)
Others	(71)
	(67,850)

A 10% strengthening of Singapore Dollar against the following currencies at the reporting date would increase/(decrease) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Profit or loss (before tax)
2020	
Canadian Dollar	(3,520)
United States Dollar	(54,130)
Others	(1,799)
	(59,449)

A 10% weakening of Singapore Dollar against the above currencies would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2021

22 FINANCIAL INSTRUMENTS BY CATEGORY

At the reporting date, the aggregate carrying amounts of financial assets at amortised cost and financial liabilities at amortised cost were as follows:

S$

	2021	2020
FINANCIAL ASSETS		
Loans and receivables:		
Financial assets at fair value through profit or loss	1	1
Trade and other receivables	11,96,999	9,74,688
Cash and cash equivalents	59,64,540	41,67,015
	71,61,540	**51,41,704**
FINANCIAL LIABILITIES		
Financial liabilities measured at amortised cost:		
Trade and other payables	6,24,523	5,22,067
Lease liabilities	50,423	1,47,392
	6,74,946	**6,69,459**

23 FAIR VALUES

Cash and Cash Equivalents, Other Receivables and Other Payables

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

Trade Receivables and Trade Payables

The carrying amounts of these receivables and payables (including trade balances due to holding Company and related parties) approximate their fair values as they are subject to normal trade credit terms.

24 CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for its shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including trade and other payables as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as total equity, as shown in the statement of financial position, plus net debts.

No specific gearing ratio has been determined by management with the overall objective to keep the ratio as low as possible and such policy has not been changed since the previous financial year.

The gearing ratios at 31st March were as follows:

S$

	2021	2020
Total trade and other payables and lease liability	9,61,279	9,22,785
Less: Cash and cash equivalents	(59,64,540)	(41,67,015)
Net debts	(50,03,261)	(32,44,230)
Total equity	65,07,838	46,79,220
Total capital	15,04,577	14,34,990
Gearing ratio	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st March 2021

The Company is required to maintain a minimum net worth of S$2,50,000 under the Securities and Futures (Financial and Margin Requirements for Holders of Capital Market Services Licenses) Regulations issued by the Monetary Authority of Singapore. In addition, the Company is required, at all times, to maintain a base capital of not less than 120% of its total risk requirement (Operational Risk Requirement). The Company is in compliance with these requirements for the financial year ended 31st March 2021.

Other than the above, the Company does not have any externally imposed capital requirements for the financial year ended 31st March 2021 and 31st March 2020. The Company's overall strategy remains unchanged from 31st March 2020.

25 OTHER MATTER

An outbreak of the COVID-19 had been reported to the World Health Organisation in China on 31st December 2019. On 31st January 2020, the World Health Organisation announced then COVID-19 outbreak as a global health emergency. On 11th March 2020, the World Health Organisation declared the COVID-19 outbreak to be a pandemic in recognition of its rapid spread across the globe. The COVID-19 outbreak and the measures taken to contain the spread of the pandemic have created a high level of uncertainty to global economic prospects

Management has reviewed the possible impact of the COVID-19 outbreak on the following matters:

1. Changes in economic and market conditions that affect the fair values of the Company's financial and non-financial assets and liabilities.

2. Additional expected credit losses due to a decline in the repayment ability of debtors.

Management assessment requires the exercise of judgement and careful consideration of Company's specific facts and circumstances. The Company operates in business segments that have remain relatively stable or unaffected by the outbreak and there may not be a significant increase in loss allowance as the Company's key customers are not in sectors severely affected by the outbreak, and they generally have good repayment history. The Company will continue to monitor any material impact due to changes in future economic conditions.

Aditya Birla Sun Life Trustee
Private Limited

ADITYA BIRLA
CAPITAL

Independent Auditor's Report

To the members of
Aditya Birla Sun Life Trustee Private Limited

REPORT ON THE AUDIT OF THE INDIAN ACCOUNTING STANDARDS (IND AS) FINANCIAL STATEMENTS

Opinion

We have audited the accompanying Ind AS Financial Statements of Aditya Birla Sun Life Trustee Private Limited (hereinafter referred to as "the Company"), comprising of the Balance Sheet as at 31st March 2021, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Ind AS Financial Statements").

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

Basis for opinion

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

Other information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the Ind AS Financial Statements and our auditor's report thereon.

Our opinion on the Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Responsibilities of management for the Ind AS Financial Statements

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

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

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

Auditor's responsibilities for the audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the special purpose 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 Ind AS Financial Statements.

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

- Identify and assess the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of 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 Ind AS 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 Ind AS Financial Statements, including the disclosures, and whether the Ind AS Financial Statements represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of written representations received from the directors as on 31st March 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021, from being appointed as a director in terms of section 164 (2) of the Act;

(f) This report does not include Report on the internal financial controls under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Report on internal financial controls'), since in our opinion and according to the information and explanation given to us, the said report on internal financial controls is not applicable to the Company basis the exemption available to the Company under MCA notification no. G.S.R. 583(E) dated 13th June 2017, read with corrigendum dated 13th July 2017 on reporting on internal financial controls over financial reporting;

(g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended 31st March 2021;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Jayesh Gandhi**
Partner
Membership No.: 037924
UDIN: 21037924AAAACS7918

Place: Mumbai
Date: 29th April 2021

Annexure 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Aditya Birla Sun Life Trustee Private Limited

(i) The Company did not have any property, plant and equipment during the year, and accordingly the provisions of clause 3(i) of the order related to property, plant and equipment are not applicable.

(ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the order are not applicable to the Company.

(iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of Section 185 and 186 of the Companies Act, 2013 are applicable.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of Cost Records under section 148(1) of the Companies Act, 2013, for the services of the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax, goods and service tax, cess and other material statutory dues applicable to it. The provisions relating to employee's state insurance, provident fund, sales tax, duty of custom, duty of excise are not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, goods and service tax, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to employee's state insurance, provident fund, sales tax, duty of custom, duty of excise are not applicable to the Company.

(c) According to the information and explanation given to us, there are no dues of income tax, goods and service tax, cess which have not been deposited on account of any dispute. The provisions relating to sales tax, duty of custom, duty of excise are not applicable to the Company.

(viii) The Company did not have any outstanding loans or borrowings dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.

(ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer, further public offer, debt instruments or term loans hence, reporting under clause (ix) is not applicable to the Company.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V to the Act are not applicable to the Company and hence reporting under clause 3(xi) is not applicable.

(xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with Section 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of Section 177 of the Act are not applicable to the Company and accordingly reporting under clause 3(xiii) insofar as it relates to Section 177 of the Act is not applicable to the Company.

(xiv) According to information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of the Act.

(xvi) According to information and explanations given to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Jayesh Gandhi**
Partner
Membership No.: 037924
UDIN: 21037924AAAACS7918

Place: Mumbai
Date: 29th April 2021

Balance Sheet

as at 31st March 2021

(Amount in ₹)

	Note	As at 31 Mar 21	As at 31 Mar 20
I ASSETS			
(1) Non-current assets			
(a) Financial Assets			
(i) Investments - Mutual Funds	3A	7,33,607	7,07,654
(ii) Long Term Loans and advances	4	3,000	5,000
		7,36,607	**7,12,654**
(2) Current assets			
(a) Financial Assets			
(i) Investments - Mutual Funds	3B	1,16,38,823	1,02,11,734
(ii) Trade Receivable	6	11,06,234	5,47,021
(iii) Cash and cash equivalents	7	1,22,538	2,11,959
(b) Current tax Asset (Net)		97,097	86,815
(c) Other Current Assets	5	31,664	26,337
		1,29,96,356	**1,10,83,866**
Total assets		**1,37,32,963**	**1,17,96,520**
II EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share capital	8	2,00,000	2,00,000
(b) Other Equity	9	1,23,70,256	1,11,17,482
Total equity		**1,25,70,256**	**1,13,17,482**
(2) Non-current liabilities			
(a) Deferred tax liabilities (net)	10	2,54,389	2,28,268
(b) Provisions	11	64,378	-
		3,18,767	**2,28,268**
(3) Current liabilities			
(a) Financial Liabilities			
(1) Trade Payables			
(i) Total outstanding dues to micro enterprises and small enterprises		-	-
(ii) Total outstanding dues to creditors other than micro enterprises and small enterprises	12	53,380	1,57,287
(b) Other Current Liabilities	13	1,55,998	93,483
(c) Provisions	11	6,34,562	-
		8,43,940	**2,50,770**
Total liabilities		**11,62,707**	**4,79,038**
Total Equity and Liabilities		**1,37,32,963**	**1,17,96,520**
Summary of significant accounting policies	2.1		
The accompanying notes are an integral part of the financial statements.	18-23		

As per our report of even date.

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No. 301003E/E300005

per **Jayesh Gandhi**
Partner
Membership No. 037924

Place: Mumbai
Date: 29th April 2021

For and on behalf of the Board of Directors of
Aditya Birla Sun Life Trustee Private Limited

Gopalaraman Padmanabhan
Director
DIN: 07130908

Najib Shah
Director
DIN: 08120210

Place: Mumbai
Date: 29th April 2021

Statement of Profit and Loss
for the year ended 31st March 2021

(Amount in ₹)

	Note	Year Ended 31 Mar 21	Year Ended 31 Mar 20
INCOME			
Revenue from operations		9,14,400	17,76,279
Other income	14	8,53,144	8,75,743
Total Income		**17,67,544**	**26,52,022**
EXPENSES			
Employee Benefit Expenses	15	-	-
Finance Cost		-	2,307
Other expenses	16	2,15,649	2,18,424
Total Expenses		**2,15,649**	**2,20,731**
Profit before tax		**15,51,895**	**24,31,291**
Tax expenses			
- Current tax		2,73,000	4,10,500
- Deferred tax		26,121	1,53,690
Profit after tax		**12,52,774**	**18,67,101**
Earnings per equity share (Nominal value of shares ₹ 10)	17		
Basic earnings per share		62.64	93.36
Diluted earnings per share		62.64	93.36
Summary of significant accounting policies	2.1		
The accompanying notes are an integral part of the financial statements.	18-23		

As per our report of even date.

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No. 301003E/E300005

per **Jayesh Gandhi**
Partner
Membership No. 037924

Place: Mumbai
Date: 29th April 2021

For and on behalf of the Board of Directors of
Aditya Birla Sun Life Trustee Private Limited

Gopalaraman Padmanabhan
Director
DIN: 07130908

Najib Shah
Director
DIN: 08120210

Place: Mumbai
Date: 29th April 2021

Statement of Changes in Equity

for the year ended 31st March 2021

A. EQUITY SHARE CAPITAL

Equity shares of INR 10/- each issued, subscribed and fully paid	Number of Shares	In ₹
At 1st April 2020	20,000	2,00,000
At 31st March 2021	20,000	2,00,000

B. OTHER EQUITY

(Amount in ₹)

Particulars	Reserve and Surplus		Equity attributable to Shareholders of Grasim Industries Ltd	Total Equity
	Retained Earnings	Capital Fund *		
Balance as of 1st April 2020	1,07,39,571	3,77,911	1,11,17,482	1,11,17,482
Profit for the year	12,52,774	-	12,52,774	12,52,774
Balance as at 31st March 2021	**1,19,92,345**	**3,77,911**	**1,23,70,256**	**1,23,70,256**

(Amount in ₹)

Particulars	Reserve and Surplus		Equity attributable to Shareholders of Grasim Industries Ltd	Total Equity
	Retained Earnings	Capital Fund *		
Balance as at 1st April 2019	88,72,470	3,77,911	92,50,381	92,50,381
Profit for the year	18,67,101	-	18,67,101	18,67,101
Balance as at 31st March 2020	**1,07,39,571**	**3,77,911**	**1,11,17,482**	**1,11,17,482**

* Capital fund comprises an amount received, on a non-repatriable basis from the Sponsor, Aditya Birla Capital Ltd, as a contribution to the Aditya Birla Sun Life Mutual Fund ('the Fund') in accordance with the terms of the Trust Deed. The amount is held by the Company in its fiduciary capacity as the trustee to the Fund and is intended to be utilised only for the purposes of settlement of claims, if any, from the unit holders of the mutual fund schemes launched by the Fund.

As per our report of even date.

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No. 301003E/E300005

per **Jayesh Gandhi**
Partner
Membership No. 037924

Place: Mumbai
Date: 29th April 2021

For and on behalf of the Board of Directors of
Aditya Birla Sun Life Trustee Private Limited

Gopalaraman Padmanabhan
Director
DIN: 07130908

Najib Shah
Director
DIN: 08120210

Place: Mumbai
Date: 29th April 2021

Cash Flow Statement

for the year ended 31st March 2021

(Amount in ₹)

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit (Loss) before tax	15,51,895	24,31,291
Adjustments :		
Net Gain on sale of current investments	(1,72,548)	(21,496)
Net unrealised Gain on investments	(6,80,596)	(8,54,247)
Finance Cost	-	2,307
Operating Profit/(Loss) before working capital changes	6,98,751	15,57,855
Adjustment for :		
Increase/(Decrease) in Current liabilities	6,57,548	(3,69,933)
(Increase)/Decrease in Loans and advances	(3,327)	16,023
(Increase)/Decrease in Trade Receivables	(5,59,213)	20,12,611
Cash from operating activities	**7,93,759**	**32,16,556**
Taxes Paid, net of refund received	(2,83,279)	(9,57,845)
NET CASH(USED IN)/ FROM OPERATING ACTIVITIES A	**5,10,480**	**22,58,711**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Investments	(19,74,901)	(28,00,000)
Proceeds from sale of Investments	13,75,000	4,00,000
NET CASH(USED IN)/ FROM INVESTING ACTIVITIES B	**(5,99,901)**	**(24,00,000)**
C. CASH FLOW FROM FINANCING ACTIVITIES	-	-
Finance Cost	-	(2,307)
NET CASH (USED IN)/FROM FINANCING ACTIVITIES C	**-**	**(2,307)**
Net increase/(Decrease) in Cash and Cash equivalent (A+B+C)	(89,421)	(1,43,597)
Cash and Cash equivalent at beginning of the year	2,11,959	3,55,556
Cash and Cash equivalent at end of the year	**1,22,538**	**2,11,959**
Notes:		
1) Cash and Cash equivalent includes :		
Cash in hand	-	-
Balance with Banks	1,22,538	2,11,959
Total	**1,22,538**	**2,11,959**

As per our report of even date.

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No. 301003E/E300005

per **Jayesh Gandhi**
Partner
Membership No. 037924

Place: Mumbai
Date: 29th April 2021

For and on behalf of the Board of Directors of
Aditya Birla Sun Life Trustee Private Limited

Gopalaraman Padmanabhan
Director
DIN: 07130908

Najib Shah
Director
DIN: 08120210

Place: Mumbai
Date: 29th April 2021

Notes

to financial statements for the year ended 31st March 2021

1. CORPORATE INFORMATION

Aditya Birla Sun Life Trustee Private Limited ('the Company') is a private limited Company, incorporated in India on 23rd September 1994 under the provisions of the Companies Act, 1956. The principal object of the Company is to act as trustee for Aditya Birla Sun Life Mutual Fund ('the Fund') under a trust deed dated 16th December 1994, and for that purpose to set up, promote, settle and execute trusts and devise various schemes for raising funds in any manner from persons, body corporates, trust, society, association of persons in India and abroad and to deploy funds raised and earn reasonable returns on their investments and to acquire, hold, manage, dispose of all or any property or assets or securities. The Company also acts as trustee for India Income Opportunities Fund (a Category II Alternative Investment Fund) and India Small and Mid Cap Gems Fund (a Category III Alternative Investment Fund).

2. BASIS OF PREPARATION

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 as amended.

2.1 Summary of significant accounting policies

a) Use of estimate

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

b) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Investment has been recognised at fair value as per Ind AS 109.

c) Revenue recognition

Trusteeship fee earned by the Company for discharging its obligations as trustee to the Fund is recognised on an accrual basis, in accordance with the terms of the Deed of Trust.

Purchase and sale of investments are recorded on the trade date. The profit/ loss on sale of investments are recognised in the statement of profit and loss on trade date, using weighted average cost method.

(d) Income taxes

Tax expense comprises current tax and deferred taxes. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India.

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal Income Tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the Guidance Note issued by the ICAI, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing

Notes

to financial statements for the year ended 31st March 2021

evidence to the effect that the Company will pay normal Income Tax during the specified period. In the year of utilisation of MAT credit, not recognised earlier, the same is credited to statement of Profit & Loss for the year.

e) Earnings per share

Basic earnings per share is calculated by dividing the net profit/ loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is calculated by dividing net profit/ loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period, adjusted for the effects of all dilutive equity shares.

f) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

g) Contingent liability

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

h) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

i) Current versus Non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

j) 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

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Notes

to financial statements for the year ended 31st March 2021

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial asset at amortised cost
- Financial asset at fair value through other comprehensive income (FVTOCI)
- Financial asset at fair value through profit or loss (FVTPL)

Financial asset at amortised cost

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

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial asset at FVTOCI

A financial asset is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Financial asset at FVTPL

FVTPL is a residual category. Any financial asset which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

The Company does not have any financial assets at amortised cost or FVTOCI. It has mutual fund units classified as financial assets at FVTPL.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) 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 Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not

Notes

to financial statements for the year ended 31st March 2021

subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

k) Employee benefits

a) Provident fund: Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund. All eligible employees are covered under statutory provident fund and contributions are accounted on an accrual basis.

b) Gratuity: The Company operates a defined benefit gratuity plan in India, which is unfunded. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

c) Leave encashment: Provision for leave encashment is made on the basis of actuarial valuation of the expected liability.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Notes

to financial statements for the year ended 31st March 2021

NOTE: 3A NON CURRENT INVESTMENTS*

(Amount in ₹)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Quoted mutual fund units at fair value through profit or loss		
1,010.80 Units (31st March 2020 : 1,010.80 Units) of Aditya Birla Sun Life Liquid Fund - Retail Plan (Growth Option)	5,40,168	5,21,201
583.47 Units (31st March 2020 : 583.47 Units) of Aditya Birla Sun Life Liquid Fund - Direct Plan (Growth Option)	1,93,439	1,86,453
Total non current investments	**7,33,607**	**7,07,654**

* The above investments are earmarked towards capital fund (Refer note 9)

NOTE: 3B CURRENT INVESTMENTS

(Amount in ₹)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Quoted mutual fund units at fair value through profit or loss		
9,041.91 Units (31st March 2020 : 9,041.91 Units) of Aditya Birla Sun Life Savings Fund - Direct Plan (Growth Option)	38,59,415	36,24,260
26,851.46 Units (31st March 2020 : 24,675.70 Units) of Aditya Birla Sun Life Banking & PSU Debt Fund - Direct Plan (Growth Option)	77,79,408	65,87,474
Total current investments	**1,16,38,823**	**1,02,11,734**

NOTE: 4 LONG-TERM LOANS AND ADVANCES

(Amount in ₹)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Advance to Aditya Birla Sun Life Mutual Fund towards corpus of the Fund*	3,000	5,000
Total long-term loans and advances	**3,000**	**5,000**

* This amount is repayable by the Fund only at the closure of the Fund.

NOTE: 5 OTHER CURRENT ASSET NON FINANCIAL

(Amount in ₹)

Particulars	As at 31 Mar 21	As at 31 Mar 20
(Unsecured, considered good unless otherwise stated)		
Tax input credit (GST)	31,664	26,337
Total Other Current Asset Non Financial	**31,664**	**26,337**

NOTE: 6 TRADE RECEIVABLE

(Amount in ₹)

Particulars	As at 31 Mar 21	As at 31 Mar 20
(Unsecured considered good)		
Trade receivable	11,06,234	5,47,021
Less: expected credit loss	-	-
Total Trade Receivable	**11,06,234**	**5,47,021**

Notes

to financial statements for the year ended 31st March 2021

NOTE: 7 CASH AND CASH EQUIVALENTS

(Amount in ₹)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Balances with Bank		
Current Account	1,22,538	2,11,959
Total Cash and Cash Equivalents	**1,22,538**	**2,11,959**

NOTE: 8 EQUITY SHARE CAPITAL

(Amount in ₹)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Authorised shares		
10,00,000 (31st March 2020 : 10,00,000) equity shares of ₹10/- each	1,00,00,000	1,00,00,000
Total	**1,00,00,000**	**1,00,00,000**
Issued, subscribed and fully paid-up shares		
20,000 (31st March 2020 : 20,000) equity shares of ₹10/- each	2,00,000	2,00,000
Total issued, subscribed and fully paid-up share capital	**2,00,000**	**2,00,000**

a) Reconciliation of shares outstanding at the beginning and at the end of the year

Sr. No.	Equity shares	As at 31 Mar 21		As at 31 Mar 20	
		Number of Shares	In ₹	Number of Shares	In ₹
1.	At the beginning of the year	20,000	2,00,000	20,000	2,00,000
2.	Issued during the year	-	-	-	-
	Outstanding at the end of the year	**20,000**	**2,00,000**	**20,000**	**2,00,000**

b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.

The Company has not declared any dividend during the year.

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

c) Details of shares held by holding Company and shareholders holding more than 5 percent shares

Sr. No.	Name of shareholder	As at 31 Mar 21			As at 31 Mar 20		
		Number of Shares held	Value of Shares In ₹	% of total paid-up equity share capital	Number of Shares held	Value of Shares In ₹	% of total paid-up equity share capital
1.	Aditya Birla Capital Ltd., the holding Company	10,170	1,01,700	50.85%	10,170	1,01,700	50.85%
2.	Sun Life (India) AMC Investment Inc.	9,800	98,000	49.00%	9,800	98,000	49.00%

Notes
to financial statements for the year ended 31st March 2021

NOTE: 9 OTHER EQUITY

(Amount in ₹)

Particulars	Reserve and Surplus		Equity attributable to Shareholders of Grasim Industries Ltd	Total Equity
	Retained Earnings	Capital Fund *		
Balance as of 1st April 2020	1,07,39,571	3,77,911	1,11,17,482	1,11,17,482
Profit for the year	12,52,774	-	12,52,774	12,52,774
Balance as at 31st March 2021	**1,19,92,345**	**3,77,911**	**1,23,70,256**	**1,23,70,256**

(Amount in ₹)

Particulars	Reserve and Surplus		Equity attributable to Shareholders of Grasim Industries Ltd	Total Equity
	Retained Earnings	Capital Fund *		
Balance as at 1st April 2019	88,72,470	3,77,911	92,50,381	92,50,381
Profit for the year	18,67,101	-	18,67,101	18,67,101
Balance as at 31st March 2020	**1,07,39,571**	**3,77,911**	**1,11,17,482**	**1,11,17,482**

* Capital fund comprises an amount received, on a non-repatriable basis from the Sponsor, Aditya Birla Capital Ltd, as a contribution to the Aditya Birla Sun Life Mutual Fund ('the Fund') in accordance with the terms of the Trust Deed. The amount is held by the Company in its fiduciary capacity as the trustee to the Fund and is intended to be utilised only for the purposes of settlement of claims, if any, from the unit holders of the mutual fund schemes launched by the Fund.

NOTE: 10 DEFERRED TAX LIABILITY (NET)

(Amount in ₹)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Deferred tax liability	4,56,359	4,30,238
MAT credit entitlement	(2,01,970)	(2,01,970)
Total deferred tax liability (Net)	**2,54,389**	**2,28,268**

NOTE: 11 PROVISIONS

(Amount in ₹)

Particulars	Long Term		Short Term	
	31 Mar 21	31 Mar 20	31 Mar 21	31 Mar 20
Leave encashment	64,378	-	88,705	-
Bonus payable	-	-	1,50,000	-
Gratuity (Refer Note 17)	-	-	3,95,857	-
Total provisions	**64,378**	**-**	**6,34,562**	**-**

Notes

to financial statements for the year ended 31st March 2021

NOTE: 12 CURRENT LIABILITIES - FINANCIAL

(Amount in ₹)

Particulars	As at 31 Mar 21	As at 31 Mar 20
- Total outstanding dues to micro enterprises and small enterprises*	-	-
- Total outstanding dues to creditors other than micro enterprises and small enterprises	53,380	1,57,287
Total Current Liabilities - Financial	**53,380**	**1,57,287**

* Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

(Amount in ₹)

Particulars	As at 31 Mar 21	As at 31 Mar 20
a) Principal amount and interest thereon remaining unpaid at the end of year	-	-
b) Interest paid including payment made beyond appointed day during the year	-	-
c) Interest due and payable for delay during the year	-	-
d) Amount of interest accrued and unpaid as at year end	-	-
e) The amount of further interest due and payable even in the succeeding year	-	-

NOTE: 13 OTHER CURRENT LIABILITIES

(Amount in ₹)

Particulars	As at 31 Mar 21	As at 31 Mar 20
TDS payable	56,070	3,750
GST payable	63,358	89,733
Employee provident fund payable	35,870	-
Professional tax payable	700	-
Total Other Current Liabilities	**1,55,998**	**93,483**

NOTE: 14 OTHER INCOME

(Amount in ₹)

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Net Gain on sale of investments	1,72,548	21,496
Fair Value gain on financial instruments at fair value through profit or loss	6,80,596	8,54,247
Total other income	**8,53,144**	**8,75,743**

NOTE: 15 EMPLOYEE BENEFIT EXPENSES

(Amount in ₹)

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Salaries and allowances	8,10,044	-
Contribution to provident and other funds	30,603	-
Gratuity Expenses (Refer Note 18)	1,14,002	-
Less: Recovered/Recoverable from schemes of Aditya Birla Sun Life Mutual Fund	(9,54,649)	-
Total employee benefit expenses	**-**	**-**

Notes
to financial statements for the year ended 31st March 2021

NOTE: 16 ADMINISTRATIVE AND OTHER EXPENSES

(Amount in ₹)

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Travelling and conveyance	-	6,28,169
Directors' sitting fees	26,00,000	25,50,000
Payment to auditors' (excluding GST)		
As audit fees	1,50,000	1,50,000
Other Services	1,00,000	-
Reimbursement of expenses	-	7,040
Professional charges	63,050	58,884
Profession tax	2,500	2,500
Miscellaneous expenses	99	-
Less: Recovered from Schemes of Aditya Birla Sun Life Mutual Fund	(26,00,000)	(31,78,169)
Less: Reimbursed from Grasim Industries Ltd	(1,00,000)	-
Total administrative and other expenses	**2,15,649**	**2,18,424**

NOTE: 17 EARNING PER SHARE ('EPS')

(Amount in ₹)

Particulars		Year Ended 31 Mar 21	Year Ended 31 Mar 20
Earnings per Share (EPS) is calculated as under:			
Net Profit as per Statement of Profit and Loss		12,52,774	18,67,101
Net profit considered for EPS -	A	12,52,774	18,67,101
Weighted average number of equity shares for calculation of basic EPS	B	20,000	20,000
Basic and diluted EPS (₹)	**A/B**	**62.64**	**93.36**
Nominal value of shares (₹)		10.00	10.00

The Company has not issued any potential equity shares and, accordingly, the basic EPS and diluted EPS are the same.

18. EMPLOYEE BENEFITS

In accordance with the Indian Accounting Standard (Ind AS) 19 "Employee Benefits", the Company has classified the various benefits provided to the employees as under:

a. Defined contribution plan

Defined contribution plan – The Company has recognised the following amounts in the Statement of Profit and Loss Account which are included under contribution to Provident Fund and other funds.

(Amount in ₹)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Employers Contribution to Provident Fund (PF)	25,128	-
Employers Contribution to Employees Pension Fund	3750	-

Notes

to financial statements for the year ended 31st March 2021

b. Gratuity (Defined Benefit Plan)

The following table sets out the status of the gratuity plan as required under IND AS 19 as certified by actuary. Reconciliation of opening and closing balances of the present value of the defined benefit obligation.

(Amount in ₹)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Amounts recognised in the Balance Sheet in respect of Gratuity		
Present Value of the funded Defined Benefit Obligations at the end of the year	3,95,857	-
Amounts recognised in Employee Benefits Expenses in the Statement of Profit and Loss in respect of Gratuity Amounts recognised during the period:		
In Income Statement	1,14,002	-
In Other Comprehensive Income	-	-
Total Expenses Recognised during the period	**1,14,002**	**-**

(Amount in ₹)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Reconciliation of Present Value of Obligation:		
Change in Present Value of the Obligations:		
Opening Defined Benefit Obligations	-	-
Current Service Cost	65,976	-
Past Service Cost	3,29,881	-
Interest Cost	-	-
Actuarial (Gain)/Loss arising from:	-	-
- Changes in demographic assumptions	-	-
- Changes in financial assumptions	-	-
- Experience variance (i.e. actual experience vs assumption)	-	-
Liabilities Settled on Divestment	-	-
Benefits Paid	-	-
Closing Defined Benefit Obligations	3,95,857	-
Expense Recognised in Income Statement		
Current Service Cost	65,976	-
Past Service Cost	3,29,881	-
Net Interest cost / (income) on the defined Benefit Liability / (Asset)	-	-
Expense Recognised in Income Statement	3,95,857	-
Other Comprehensive Income		
Actuarial (Gain)/Loss arising from:	-	-
- Changes in demographic assumptions	-	-
- Changes in financial assumptions	-	-
- Experience variance (i.e. actual experience vs assumption)	-	-
Return on plan asset, excluding amount recognised in net interest expense	-	-
Components of defined benefit costs recognised in other comprehensive income	-	-
Assumptions		
Discount rate	6.20%	-
Compensation Escalation rate	8.5% for first five years, 7.5% for next five years, 6.5% for next five years and 5% thereafter	-
Average Age	52	-
Mortality Basis	Indian Assured Lives mortality (2012-14)	-
Withdrawal/Attrition rate (based on age)	20% up to 30 years, 10% - 31-44 years, 5% above 44 years	-

Notes

to financial statements for the year ended 31st March 2021

A. Sensitivity analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis are given below:

(Amount in ₹)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Defined Benefit Obligation (Base)	3,95,857	-

(Amount in ₹)

Particulars	As at 31 Mar 21		As at 31 Mar 20	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 0.50 %)	4,08,879	3,83,347	-	-
(% change compared to base due to sensitivity)	3.30%	-3.20%	-	-
Salary Growth Rate (- / + 0.50 %)	3,83,491	4,08,602	-	-
(% change compared to base due to sensitivity)	-3.10%	3.20%	-	-
Attrition Rate (- / + 50%)	4,17,052	3,77,907	-	-
(% change compared to base due to sensitivity)	5.40%	-4.50%	-	-
Mortality Rate (- / + 10%)	3,95,271	3,96,440	-	-
(% change compared to base due to sensitivity)	-0.10%	0.10%	-	-

Asset Liability Matching Strategies: The scheme is managed on unfunded basis.

B. Effect of plan on Company's future cash flows

i) Maturity profile of defined benefit obligation

Weighted average duration (based on discounted cash flows) 7 years

ii) Expected cash flows over the next (valued on undiscounted basis)

	(Amount in ₹)
1 year	17,957
2 to 5 years	79,893
6 to 10 years	5,04,324
More than 10 years	-

The estimate of future salary increase, considered in the actuarial valuation, takes into account inflation, seniority, promotion, and other relevant factors. The above information is certified by the actuary based on assumptions provided by the Company.

NOTE 19 RELATED PARTY DISCLOSURES

Name and relationship with the parties:-

1. **Parties where control exists:**
   Ultimate Holding Company : Grasim Industries Ltd.

   Holding Company : Aditya Birla Capital Ltd.
2. **Fellow Subsidiary of Holding Company :**
   Aditya Birla Sun Life AMC Limited

Notes

to financial statements for the year ended 31st March 2021

3. **Directors of the Company :-**

Mr. Gopalaraman Padmanabhan - Independent director (Appointed w.e.f. 7th October 2019)

Mr. Anjani Agrawal - Independent director (Appointed w.e.f. 4th December 2019)

Mr. Najib Shah - Independent director (Appointed w.e.f. 26th December 2019)

Mr. Debasish Mallick - Independent director (Appointed w.e.f. 28th October 2020)

Mr. Karim Gilani - Associate director (Appointed w.e.f. 21st December 2020)

Dr. Ajit Ranade - Associate director (Appointed w.e.f. 26th March 2021)

Mr. B.N. Puranmalka - Associate director (Ceased w.e.f. 9th December 2020)

Mr. Prafull Anubhai - Independent director (Ceased w.e.f. 29th November 2019)

Mr. Suresh Talwar - Independent director (Ceased w.e.f. 29th November 2019)

Dr. V. S. Arunachalam - Independent director (Ceased w.e.f. 29th November 2019)

Mr. Gurcharan Das - Independent director (Ceased w.e.f. 29th November 2019)

Transactions with related parties during the year in the ordinary course of business:

(Amount in ₹)

Sr. No.	Particulars	For the Year Ended 31 Mar 21	For the Year Ended 31 Mar 20
1	**Reimbursement of Expenses Received**		
	Grasim Industires Ltd (Administrative & Other Expenses)	1,18,000	-
	Aditya Birla Sun Life AMC Limited (Employee Benefit Expenses)	4,16,756	-
2	**Payment to Director**		
i	**Sitting Fee**		
	Mr. Gopalaraman Padmanabhan	8,00,000	3,25,000
	Mr. Anjani Agrawal	8,00,000	1,25,000
	Mr. Najib Shah	7,00,000	1,00,000
	Mr. Debasish Mallick	3,00,000	-
	Mr. Prafull Anubhai	-	6,00,000
	Mr. Suresh Talwar	-	6,00,000
	Dr. V. S. Arunachalam	-	4,00,000
	Mr. Gurcharan Das	-	4,00,000
ii	**Reimbursement of expenses paid**		
	Mr. Prafull Anubhai	-	54,418
	Mr. Gurcharan Das	-	10,432

Outstanding balances:

(Amount in ₹)

Sr. No.	Particulars	For the Year Ended 31 Mar 21	For the Year Ended 31 Mar 20
1	Payable		
	Mr. Gurcharan Das	-	10,432
2	Receivable		
	Grasim Industries Ltd	1,10,500	-
	Aditya Birla Sun Life AMC Limited	4,16,756	-

Notes

to financial statements for the year ended 31st March 2021

NOTE 20 SEGMENTAL REPORTING

Since the Company operates in single business and geographical segment (i.e. rendering of trusteeship services), no further disclosure is required to be given as per the notified Indian Accounting Standard - 108 'Operating Segments'.

NOTE 21 FAIR VALUE HIERARCHY

The Company measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company

.The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest."

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments or NAV declared by Mutual Fund.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Valuation as on 31st March 2021

(Amount in ₹)

Particulars	Level 1	Level 2	Level 3	Total
FVTPL ASSETS:				
- Equity	-	-	-	-
- Mutual Funds	1,23,72,430	-	-	1,23,72,430
- Others	-	-	-	-
Total	**1,23,72,430**	**-**	**-**	**1,23,72,430**
AMORTISED COST ASSETS:				
- Equity	-	-	-	-
- Mutual Funds	-	-	-	-
- Others	-	-	-	-
Total	**-**	**-**	**-**	**-**
Loans and advances to customers	-	-	-	-
Financial liabilities	53,380	-	-	53,380
Total	**1,23,19,050**	**-**	**-**	**1,23,19,050**

Notes

to financial statements for the year ended 31st March 2021

Valuation as on 31st March 2020

(Amount in ₹)

Particulars	Level 1	Level 2	Level 3	Total
FVTPL ASSETS :				
- Equity	-	-	-	-
- Mutual Funds	1,09,19,388	-	-	1,09,19,388
- Others	-	-	-	-
Total	**1,09,19,388**	**-**	**-**	**1,09,19,388**
AMORTISED COST ASSETS :				
- Equity	-	-	-	-
- Mutual Funds	-	-	-	-
- Others	-	-	-	-
Total	**-**	**-**	**-**	**-**
Loans and advances to customers	-	-	-	-
Financial liabilities	1,57,287	-	-	1,57,287
Total	**1,07,62,101**	**-**	**-**	**1,07,62,101**

NOTE 22 CAPITAL RISK MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital and other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2021 and 31st March 2020

NOTE 23 EVENTS AFTER THE REPORTING PERIOD

There are no events after the reporting period that materially affect the financial position, financial performance, changes in equity or cash flows for the year ended 31st March 2021.

As per our report of even date.

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
Firm Registration No. 301003E/E300005

per **Jayesh Gandhi**
Partner
Membership No. 037924

Place: Mumbai
Date: 29th April 2021

For and on behalf of the Board of Directors of
Aditya Birla Sun Life Trustee Private Limited

Gopalaraman Padmanabhan
Director
DIN: 07130908

Najib Shah
Director
DIN: 08120210

Place: Mumbai
Date: 29th April 2021

Aditya Birla Finance Limited

ADITYA BIRLA CAPITAL

Independent Auditor's Report

To the Members of

Aditya Birla Finance Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of Aditya Birla Finance Limited (the "Company"), which comprise the Balance Sheet as at 31st March 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (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 31st March 2021, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act ("SA"s). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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.

Emphasis of Matter

We draw attention to Note 51(e) to the financial statements, in which the Company describes the continuing uncertainties arising from the COVID 19 pandemic.

Our opinion on the financial statements is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Allowances for Expected Credit Losses:** As at 31st March 2021, the carrying value of loan assets measured at amortised cost, aggregated ₹ 47,59,743.36 Lakh (net of allowance of expected credit loss ₹1,02,118.65 Lakh) constituting approximately 94% of the Company's total assets. Significant judgement is used in classifying these loan assets and applying appropriate measurement principles. The allowance for expected credit losses ("ECL") on such loan assets measured at amortised cost is a critical estimate involving greater level of management judgement. As part of our risk assessment, we determined that the allowance for ECL on loan assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the financial statements. The elements of estimating ECL which involved increased level of audit focus are the following: • Qualitative and quantitative factors used in staging the loan assets measured at amortised cost. • Basis used for estimating Probabilities of Default ("PD"). • Basis used for estimating Loss Given Default ("LGD").	**We performed the following audit procedures:** We have examined the policies approved by the Board of Directors of the Company that articulate the objectives of managing each portfolio and their business models. We have also verified the methodology adopted for computation of ECL ("ECL Model") that addresses policies approved by the Board of Directors, procedures and controls for assessing and measuring credit risk on all lending exposures measured at amortised cost. Additionally, we have confirmed that adjustments to the output of the ECL Model is consistent with the documented rationale and basis for such adjustments and that the amount of adjustment has been approved by the Audit Committee of the Board of Directors. Our audit procedures related to the allowance for ECL included the following, among others: • Testing the design and effectiveness of internal controls over the following: – completeness and accuracy of the Exposure at Default ("EAD") and the classification thereof into stages consistent with the definitions applied in accordance with the policy approved by the Board of Directors including the appropriateness of the qualitative factors to be applied.

Sr. No.	Key Audit Matter	Auditor's Response
	• Judgements used in projecting economic scenarios and probability weights applied to reflect future economic conditions. • Adjustments to model driven ECL results to address emerging trends. (Refer Note 51 to the Financial Statements)	– completeness, accuracy and appropriateness of information used in the estimation of the PD and LGD for the different stages depending on the nature of the portfolio; and – computation of the ECL including methodology used to determine macro-economic overlays and adjustments to the output of the ECL Model. • Also, for a sample of ECL allowance on loan assets tested: – we tested the input data such as ratings and period of default and other related information used in estimating the PD; – we evaluated reasonableness of LGD estimates by comparing actual recoveries post the loan asset becoming credit impaired with estimates of LGD; and – we evaluated the incorporation of the applicable assumptions into the ECL Model and tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company. • We also evaluated the adequacy of the adjustment after stressing the inputs used in determining the output as per the ECL Model and ensured that the adjustment was in conformity with the amount approved by the Audit Committee. • We also assessed the disclosures made in relation to the ECL allowance to confirm compliance with the provisions of Ind AS 107.
2.	Information Technology and General Controls The Company is dependent on its Information Technology ("IT") systems due to the significant number of transactions that are processed daily across such multiple and discrete IT systems. Also, IT application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner and under controlled environments. Appropriate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to applications and data. On account of the pervasive use of its IT systems, the testing of the general computer controls of the IT systems used in financial reporting was considered to be a Key Audit Matter	With the assistance of our IT specialists, we obtained an understanding of the Company's IT applications, databases and operating systems relevant to financial reporting and the control environment. For these elements of the IT infrastucture the areas of our focus included access security (including controls over privileged access), program change controls, database management and network operations. **In particular:** • we tested the design, implementation and operating effectiveness of the Company's general IT controls over the IT systems relevant to financial reporting. This included evaluation of Company's controls over segregation of duties and access rights being provisioned / modified based on duly approved requests, access for exit cases being revoked in a timely manner and access of all users being recertified during the period of audit; • We also tested key automated and manual business cycle controls and logic for the reports generated through the IT infrastructure that were relevant for financial reporting or were used in the exercise of internal financial controls over financial reporting. Our tests including testing of the compensating controls or alternate procedures to assess whether there were any unaddressed IT risks that would materiality impact 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 Management Discussion and Analysis, Directors' report including Annexures to Director's Report, but does not include the financial statements and our auditors 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.

Management's Responsibility 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, cash flows and changes in equity 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 statement 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 Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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 financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The financial statements of the Company as at and for the year ended 31st March 2020 prepared in accordance with Ind AS have been audited by the predecessor auditor/other auditors. The report of these auditors on these comparative financial information expressed an un-modified opinion.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. 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 Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

    d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

    e. On the basis of the written representations received from the directors as on 31st March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021 from being appointed as a director in terms of Section 164(2) of the Act.

    f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". 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 to the best of our information and according to the explanations given to us the remuneration paid by the Company to its directors during the year is in accordance with the provisions of 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;

   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.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sanjiv V. Pilgaonkar
Partner
(Membership No. 039826)
UDIN: 21039826AAAAEB3427

Mumbai, 13th May 2021

Annexure "A" to the Independent Auditor's Report

(REFERRED TO IN PARAGRAPH 1(F) UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT OF EVEN DATE)

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 Aditya Birla Finance Limited ("the Company") as of 31st March 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 Institute of Chartered Accountants of India 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 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.

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 31st March 2021 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 Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sanjiv V. Pilgaonkar
Partner
(Membership No. 039826)
UDIN: 21039826AAAAEB3427)

Mumbai, 13th May 2021

Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Aditya Birla Finance Limited on the financial statements as at and for the year ended 31st March 2021)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its property plant and equipment.

(b) The property plant and equipment were physically verified during the year by the Management in accordance with a regular program for verification which, in our opinion, provides for physical verification of all the property plant and equipment at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noted on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

(ii) According to the information and explanations given to us, the Company is engaged primarily in lending activities and these activities do not require the Company to hold any inventories. Hence reporting under clause (ii) of the CARO 2016 is not applicable.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors / to a company in which director is interested to which provisions of section 185 of the Companies Act, 2013 apply and the provisions of Section 186 of the Companies Act 2013 are not applicable to the Company.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and does not have any unclaimed deposits as at 31st March 2021 and therefore, the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 are not applicable to the Company

(vi) The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under Clause 3(vi) of the Order is not applicable to the Company.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax Act, cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax Act, cess and other material statutory dues in arrears as at 31st March 2021, for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax and Service Tax Act which have not been deposited as on 31st March 2021, on account of disputes are given below:

Name of the statute	Nature of dues	Amount Involved (₹)	Amount Unpaid (₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	55,82,955	55,82,955	AY 2007-08	Income Tax Officer(Assessing Officer)
Income Tax Act, 1961	Income Tax	32,34,11,508	32,34,11,508	AY 2011-12	Income Tax Appellate Tribunal (ITAT)
Income Tax Act, 1961	Income Tax	1,89,42,896	1,89,42,896	AY 2012-13	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	75,758	75,758	AY 2013-14	Income Tax Officer (Assessing Officer)
Income Tax Act, 1961	Income Tax	48,645	48,645	AY 2014-15	Income Tax Officer (Assessing Officer)
Income Tax Act, 1961	Income Tax	36,484	36,484	AY 2015-16	Income Tax Officer (Assessing Officer)
Income Tax Act, 1961	Income Tax	15,46,07,392	15,46,07,392	AY 2017-18	Commissioner of Income Tax (Appeals)
Finance Act, 1994	Service Tax	69,84,000	69,84,000	FY 2014-15 and 2015-16	Custom, Excise and Service Tax Appellate Tribunal, Mumbai
Finance Act, 1994	Service Tax	61,65,000	61,65,000	April, 2016 to June, 2017	Commissioner of Central Excise (Appeals) – II

There were no dues in respect of Customs Duties, Excise Duties and State Value Added Tax or related cess which have not been deposited as on 31st March 2021 on account of disputes.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks, government and dues to debenture holders.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and the term loans have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained the registration.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sanjiv V. Pilgaonkar
Partner
(Membership No. 039826)
UDIN: 21039826AAAAEB3427)

Mumbai, 13th May 2021

Balance Sheet

as at 31st March 2021

₹ in Lakh

Particulars			Notes	As at 31st March 2021	As at 31st March 2020
I	ASSETS				
	1	**Financial assets**			
		Cash and cash equivalents	7	1,51,098.56	1,82,042.53
		Bank balance other than cash and cash equivalents	8	1,913.09	-
		Derivative financial instruments	9	-	5,408.39
		Trade Receivables	10	998.86	1,195.36
		Loans	11	47,59,743.36	45,98,535.45
		Investments	12	79,290.90	3,34,240.17
		Other financial assets	13	5,117.95	4,341.17
	2	**Non-financial assets**			
		Current tax assets (net)	14	23,971.65	23,364.88
		Deferred tax assets (net)	42	26,013.31	24,058.99
		Property, plant and equipments	15	1,465.80	1,953.20
		Intangible assets under development	16	1,197.92	4,898.29
		Other intangible assets	17	7,149.74	2,481.14
		Right of use Lease Assets	18	9,405.31	8,069.45
		Other non-financial assets	19	8,150.54	9,363.27
		Total assets		**50,75,516.99**	**51,99,952.29**
II	LIABILITIES AND EQUITY				
	Liabilities				
	1	**Financial liabilities**			
		Derivative financial instruments	9	3,063.81	0.40
		Payables			
		Trade Payables			
		- Total outstanding dues of Micro and small enterprises	20	214.66	282.07
		- Total outstanding dues of creditors Other than micro and small enterprises	20	10,957.65	10,184.87
		Debt securities	21	16,57,875.04	17,86,922.93
		Borrowings (other than debt securities)	22	22,45,460.08	23,48,463.85
		Subordinated liabilities	23	2,18,183.26	2,10,142.09
		Lease Liability	24	10,224.64	8,909.91
		Other financial liabilities	25	31,157.54	11,403.74
	2	**Non-financial liabilities**			
		Current tax liabilities (Net)	26	1,466.63	2,825.65
		Provisions	27	8,062.51	9,703.56
		Other non-financial liabilities	28	5,063.23	3,298.18
		Total liabilities		**41,91,729.05**	**43,92,137.25**
		Equity			
		Equity share capital	29	66,210.08	66,210.08
		Other equity	30	8,17,577.86	7,41,604.96
		Total equity		**8,83,787.94**	**8,07,815.04**
		Total liabilities and equity		**50,75,516.99**	**51,99,952.29**

As per our report of even date attached.
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
ICAI Firm Registration No: 117366W/W-100018

per Sanjiv V. Pilgaonkar
Partner
Membership No: 039826

Place: Mumbai
Date: 13th May 2021

For and on behalf of the Board of Directors of
Aditya Birla Finance Limited

Ajay Srinivasan
Director
(DIN - 00121181)

Rakesh Singh
Managing Director and Chief Executive Officer
(DIN - 07006067)

Sanjay Miranka
(Chief Financial Officer)

Ankur Shah
(Company Secretary)

Place: Mumbai
Date: 13th May 2021

Statement of Profit and Loss

For the year ended 31st March 2021

₹ in Lakh

	Particulars	Notes	Year ended 31st March 2021	Year ended 31st March 2020
	REVENUE FROM OPERATIONS			
	(i) Interest income	32	5,28,338.56	5,72,706.65
	(ii) Dividend income	33	284.75	1,924.97
	(iii) Fee and commission income	34	15,251.64	16,361.38
	(iv) Net gain on fair value changes	35	7,277.03	16,649.46
(I)	**Total revenue from operations**		**5,51,151.98**	**6,07,642.46**
(II)	Other income	36	1,644.28	1,296.07
(III)	**Total income (I + II)**		**5,52,796.26**	**6,08,938.53**
	Expenses			
	(i) Finance cost	37	3,01,990.53	3,60,812.40
	(ii) Impairment on financial instruments	38	68,177.51	70,707.00
	(iii) Employee benefit expenses	39	44,892.29	40,480.52
	(iv) Depreciation, amortization and impairment	40	5,850.05	4,976.64
	(v) Other expenses	41	28,744.65	26,671.24
(IV)	**Total expenses**		**4,49,655.03**	**5,03,647.80**
(V)	**Profit/(loss) before tax (III- IV)**		**1,03,141.23**	**1,05,290.73**
(VI)	**Tax expense:**			
	(1) Current tax	42	28,600.00	29,136.44
	(2) Deferred tax expenses(credit)	42	(1,648.16)	(3,793.01)
	(3) Prior year adjustments	42	(693.82)	(547.30)
(VII)	**Profit/(loss) for the year**			
(VIII)	**Other comprehensive income**		76,883.21	80,494.60
	Items that will not be reclassified to profit or loss			
	Remeasurement gain/(loss) on defined benefit plan		439.59	(425.93)
	Income tax impact of above		(110.64)	106.84
			328.95	**(319.09)**
	Gain/(Loss) on FVTOCI Equity Instrument		35.36	(13.89)
	Income tax impact of above		(8.90)	3.50
			26.46	**(10.39)**
	Items that will be reclassified to profit or loss			
	Fair Value change on derivatives designated as cash flow hedge		(1,691.42)	(1,649.32)
	Income tax impact on above		425.70	415.10
			(1,265.72)	**(1,234.22)**
	Other comprehensive income for the year net of tax		(910.31)	(1,563.70)
	Total comprehensive income for the year net of tax		**75,972.90**	**78,930.90**
(IX)	**Earnings per equity share**			
	Basic (₹)	43	11.61	12.16
	Diluted (₹)	43	11.61	12.16

As per our report of even date attached.
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
ICAI Firm Registration No: 117366W/W-100018

per Sanjiv V. Pilgaonkar
Partner
Membership No: 039826

Place: Mumbai
Date: 13th May 2021

For and on behalf of the Board of Directors of
Aditya Birla Finance Limited

Ajay Srinivasan
Director
(DIN - 00121181)

Rakesh Singh
Managing Director and Chief Executive Officer
(DIN - 07006067)

Sanjay Miranka
(Chief Financial Officer)

Ankur Shah
(Company Secretary)

Place: Mumbai
Date: 13th May 2021

Cash Flows Statement

For the year ended 31st March 2021

₹ in Lakh

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
OPERATING ACTIVITIES		
Profit before tax	1,03,141.23	1,05,290.73
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation, amortization and impairment	5,850.05	4,976.64
Impairment on financial instruments	68,177.51	70,707.00
Net (Gain) / Loss on fair value changes	(7,277.03)	(16,649.46)
(Gain)/Loss on sale of property, plant and equipment	95.94	(1.77)
Dividend income	(284.75)	(1,924.97)
Interest income on investment and Bonds	(5,430.12)	(6,710.84)
Finance cost on lease liability	897.27	724.94
Profit on surrender of lease liability/ income from rent concession	(691.99)	-
Operating Profit before Working Capital Changes	**1,64,478.11**	**1,56,412.27**
Working capital changes		
Decrease / (Increase) in Loans	(2,29,398.74)	3,50,133.03
Decrease / (Increase) in Trade Receivables	233.63	(651.02)
Decrease / (Increase) in Other financial assets	(776.78)	2,357.98
Decrease / (Increase) in Other non-financial assets	1,046.49	(3,082.16)
Increase/ (Decrease) in Trade Payables	705.37	1,569.77
Increase/ (Decrease) in Other financial liabilities	(9,369.11)	29,066.67
Increase/ (Decrease) in Provisions	(1,201.46)	469.79
Increase/ (Decrease) in Other non-financial liabilities	1,765.05	(510.64)
	(72,517.44)	**5,35,765.69**
Income tax paid (net of refunds)	(29,871.97)	(49,508.77)
Net cash flows from/(used in) operating activities	**(1,02,389.41)**	**4,86,256.92**
Investing activities		
Purchase of property, plant and equipments	(328.69)	(847.53)
Purchase of Intangible assets including assets under development	(3,479.95)	(4,894.28)
Net (Purchase) / Sale of Investments	2,59,041.50	(1,57,547.83)
Sale of property, plant and equipments	83.74	86.87
Dividend received	284.75	1,924.97
Increase in bank balance otherthan cash and cash equivalents	(1,913.09)	-
Interest received on investment measured at FVTPL	8,650.27	3,503.13
Net cash flows from/(used in) investing activities	**2,62,338.53**	**(1,57,774.67)**
Financing activities		
Proceeds from long term borrowings	8,27,599.99	11,68,157.84
Repayment of long term borrowings	(11,22,209.08)	(7,54,807.06)
(Repayment) / Proceeds from short term borrowings*	1,06,501.88	(5,64,166.25)
Payment of lease & other liability	(2,785.88)	(1,532.26)
Net cash flows from/(used in) financing activities	**(1,90,893.09)**	**(1,52,347.73)**
Net increase/(Decrease) in Cash and Cash Equivalents	(30,943.97)	1,76,134.52
Cash and cash equivalents as at the beginning of the year	**1,82,042.53**	**5,908.01**
Cash and cash equivalents as at the end of the year	**1,51,098.56**	**1,82,042.53**
Components of cash and cash equivalents		
Cash / Cheques on hand	-	-
Balances with banks		
In Fixed Deposits	-	22,294.66
In current accounts	1,51,098.56	1,59,747.87
Total cash and cash equivalents	**1,51,098.56**	**1,82,042.53**
Cash Flow from Operations includes:		
Interest Received	5,30,708.88	5,69,599.83
Interest paid	3,32,556.90	3,28,124.06
Dividend Received	284.75	1,924.97

*(Repayment) / Proceeds from short term borrowings includes commercial paper, Book overdraft Cash Credit and Working Capital Demand Loan.

Cash Flows Statement

For the year ended 31st March 2021

Additional disclosure pursuant to Ind AS 7

₹ in Lakh

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Opening balance of Debt securities, borrowings (other than debt securities) and subordinated liabilities	**43,45,528.87**	**44,52,589.94**
Cash Flows	(1,88,107.21)	(1,50,815.47)
Fair Value Adjustment	(5,336.91)	11,066.06
Interest Accrued on borrowings	(30,566.37)	32,688.34
Acquisition	-	-
Closing balance of Debt securities, borrowings (other than debt securities) and subordinated liabilities	**41,21,518.38**	**43,45,528.87**

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
ICAI Firm Registration No: 117366W/W-100018

per Sanjiv V. Pilgaonkar
Partner
Membership No: 039826

Place: Mumbai
Date: 13th May 2021

For and on behalf of the Board of Directors of
Aditya Birla Finance Limited

Ajay Srinivasan
Director
(DIN - 00121181)

Rakesh Singh
Managing Director and Chief Executive Officer
(DIN - 07006067)

Sanjay Miranka
(Chief Financial Officer)

Ankur Shah
(Company Secretary)

Place: Mumbai
Date: 13th May 2021

Statement of Changes in Equity

For the year ended 31st March 2021

(A) EQUITY SHARE CAPITAL

₹ in Lakh

	No. in lakhs	₹ in lakhs
Equity shares of ₹ 10 each issued, subscribed and fully paid		
As at 1st April 2019	6,621.01	66,210.08
Issued during the year	-	-
As at 31st March 2020	**6,621.01**	**66,210.08**
Issued during the period	-	-
As at 31st March 2021	**6,621.01**	**66,210.08**

(B) OTHER EQUITY

₹ in Lakh

Particulars	Reserves and Surplus						Other comprehensive income		Total Other Equity
	Special reserve	Securities premium account	Capital Reserve	General Reserve	Capital Redemption Reserve	Retained Earnings	Equity instruments through other comprehensive income	Cash Flow Hedge Reserve	
Balance as at 1st April 2019	66,187.79	3,63,738.29	(10,452.11)	13,660.95	-	2,29,237.04	138.33	-	6,62,510.29
Profit for the Year	-	-	-	-	-	80,494.60	-	-	80,494.60
Fair Value change on derivatives designated as cash flow hedge	-	-	-	-	-	-	-	(1,234.22)	(1,234.22)
On redemption of Preference Share Capital	-	-	-	-	1,000.00	(1,000.00)	-	-	-
Adjustment on account of Merger of Transaction business of demerger of Aditya Birla Capital Technologies Services Limited, ABCTSL (formerly known as Aditya Birla MyUniverse Limited,(ABMUL)	-	-	-	-	-	792.81	-	-	792.81
Other comprehensive income	-	-	-	-	-	(319.09)	(10.39)	-	(329.48)
Total comprehensive Income	**-**	**-**	**-**	**-**	**1,000.00**	**79,968.32**	**(10.39)**	**(1,234.22)**	**79,723.71**
Transition Reserve created for Ind AS 116	-	-	-	-	-	(629.04)	-	-	(629.04)
Transfer to/from retained earnings	16,420.21	-	-	-	-	(16,420.21)	-	-	-
Balance as at 31st March 2020	**82,608.00**	**3,63,738.29**	**(10,452.11)**	**13,660.95**	**1,000.00**	**2,92,156.11**	**127.94**	**(1,234.22)**	**7,41,604.96**
Balance as at 1st April 2020	82,608.00	3,63,738.29	(10,452.11)	13,660.95	1,000.00	2,92,156.11	127.94	(1,234.22)	7,41,604.96
Profit for the Period	-	-	-	-	-	76,883.21	-	-	76,883.21
Fair Value change on derivatives designated as cash flow hedge	-	-	-	-	-	-	-	(1,265.72)	(1,265.72)
Other comprehensive income	-	-	-	-	-	328.95	26.46	-	355.41
Total comprehensive Income	**-**	**-**	**-**	**-**	**-**	**77,212.16**	**26.46**	**(1,265.72)**	**75,972.90**
Transfer to/from retained earnings	15,376.48	-	-	-	-	(15,376.48)	-	-	-
Balance as at 31st March 2021	**97,984.48**	**3,63,738.29**	**(10,452.11)**	**13,660.95**	**1,000.00**	**3,53,991.79**	**154.40**	**(2,499.94)**	**8,17,577.86**

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
ICAI Firm Registration No: 117366W/W-100018

per Sanjiv V. Pilgaonkar
Partner
Membership No: 039826

Place: Mumbai
Date: 13th May 2021

For and on behalf of the Board of Directors of
Aditya Birla Finance Limited

Ajay Srinivasan
Director
(DIN - 00121181)

Rakesh Singh
Managing Director and Chief Executive Officer
(DIN - 07006067)

Sanjay Miranka
(Chief Financial Officer)

Ankur Shah
(Company Secretary)

Place: Mumbai
Date: 13th May 2021

Notes

Forming part of financial statements as on 31st March 2021

1 CORPORATE INFORMATION - BRIEF DESCRIPTION ABOUT THE COMPANY

Aditya Birla Finance Limited ('ABFL' or 'the Company') is a public company domiciled in India incorporated on 28th August 1991 under the provisions of the Companies Act, 1956.

The Company is registered with Reserve Bank of India (RBI) as non-deposit taking systematically important Non Banking Financial Company (NBFC) with Registration no.N-01.00500 and is certified as ISO 9001: 2015 for all its Business processes by British Standards Institution (BSI).

The Company is also certified with ISO 27001: 2013 - Information security Management System (ISMS) for Human resource and administration, Information Technology and Internal audit & compliance functions.

The Company is among the leading well-diversified financial services company in India offering end-to-end lending, financing and wealth management solutions to a diversified range of customers across the country.

The Company is one of the wholly owned subsidiary of Aditya Birla Capital Limited and the ultimate parent company is Grasim Industries Limited.

The registered office of the Company is Indian Rayon Compound, Veraval, Gujarat - 362266.

The financial statements were authorised for issue by the Board of Directors on 13th May 2021.

2 BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015, the Companies (Indian Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant accounting standards. Accounting policies have been consistently applied to all periods presented, unless otherwise stated.

The preparation of financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Company are discussed in Note 6 - Significant accounting judgements, estimates and assumptions.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakh, except when otherwise indicated.

To provide more reliable and relevant information about the effect of certain items in the Balance Sheet and Statement of Profit and Loss, the Company has changed the classification of certain items. Accordingly, previous period/year figures have been re-grouped or reclassified, to confirm to such current period grouping / classifications. There is no impact on Equity or Net Loss due to these regrouping / reclassifications.

3 PRESENTATION OF FINANCIAL STATEMENTS:

The financial statements of the Company are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified by the Ministry of Corporate Affairs (MCA). Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:

i. The normal course of business

ii. The event of default

iii. The event of insolvency or bankruptcy of the Company and/or its counterparties"

4 STATEMENT OF COMPLIANCE:

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 and the other relevant provisions of the Act.

5 SIGNIFICANT ACCOUNTING POLICIES:

5.1 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.

(i) Classification of financial instruments

The classification depends on the contractual terms of the financial assets' cash flows and the Company's business model for managing financial assets.

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

Notes

Forming part of financial statements as on 31st March 2021

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

1. Financial assets to be measured at amortised cost
2. Financial assets to be measured at fair value through other comprehensive income
3. Financial assets to be measured at fair value through profit or loss account "

The business model is assessed on the basis of aggregated portfolios based on observable factors. These factors include:

- Reports reviewed by the entity's key management personnel on the performance of the financial assets.
- The risks impacting the performance of the business model (and the financial assets held within that business model) and its management thereof.
- The compensation of the managing teams (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- The expected frequency, value and timing of trades.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account."

The Company also assesses the contractual terms of financial assets on the basis of its contractual cash flow characteristics that are solely for the payments of principal and interest on the principal amount outstanding.

'Principal' is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

Sales that are infrequent and insignificant in value both individually and in aggregate are considered to be consistent with the business model whose objective is to hold and collect the contractual cash flows.

The Company classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss.

(ii) Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, except in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement - Financial assets measured at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely for the payments of principal and interest on the principal amount outstanding."

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate method (EIR). Amortised cost is calculated by taking into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in fee and commission income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

These financial assets comprise bank balances, trade receivables, loans and other financial assets.

Subsequent measurement - Financial assets measured at fair value through other comprehensive income

Debt instruments

A 'debt instrument' is classified as at the Fair Value through Other Comprehensive Income (FVTOCI) if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent Solely Payment of Principal and Interest(SPPI).

Notes

Forming part of financial statements as on 31st March 2021

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Equity Instruments

All equity investments in scope of Ind AS 109 are measured at fair value. For all such equity investments, the Company may make an irrevocable election to present in OCI the subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the Fair Value through Profit or Loss (FVTPL) category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Subsequent measurement - Items at fair value through profit or loss

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

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

(iii) Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include borrowings including Company overdrafts and trade and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

(iv) Recognition and Derecognition of financial assets and liabilities

Recognition:

A financial asset or financial liability is recognised in the balance sheet when the Company becomes a party to the contractual provisions of the instrument, which is generally on trade date. Loans and receivables are recognised when cash is advanced (or settled) to the borrowers. Financial assets at fair value through profit or loss are recognised initially at fair value. All other financial assets are recognised initially at fair value plus directly attributable transaction costs."

Derecognition:

Financial assets

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

(a) The right to receive cash flows from the asset have expired, or

(b) The Company has transferred its right 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 (i) the Company has transferred substantially all the risks and rewards of the asset, or (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset."

Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced

Notes

Forming part of financial statements as on 31st March 2021

by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(v) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments are measured at amortised cost e.g., loans, debt securities, deposits, and other balances

b) Financial assets that are measured as at FVTOCI

c) Loan commitments which are not measured as at FVTPL

d) Financial guarantee contracts which are not measured as at FVTPL.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

The Company has established a policy to perform an assessment at the end of each reporting period of whether credit risk has increased significantly since initial recognition by considering the change in the risk of default occurring over the remaining life of the financial instrument.

To calculate ECL, the Company estimate the risk of a default occurring on the financial instrument during its expected life. ECLs are estimated based on the present value of all cash shortfalls over the remaining expected life of the financial asset i.e., the difference between the contractual cash flows that are due to the Company under the contract, and the cash flows that the Company expects to receive are discounted at the effective interest rate of the loan.

The Company groups its loans into Stage 1, Stage 2 and Stage 3, based on the applied impairment methodology, as described below:

Stage 1: 12-months ECL

For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised.

Stage 2: Lifetime ECL – not credit impaired

For exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired, a lifetime ECL (i.e. reflecting the remaining lifetime of the financial asset) is recognised.

Stage 3: Lifetime ECL – credit impaired

Exposures are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount."

ECL impairment loss allowance (or reversal) during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'Impairment on financial instruments' in the Statement of Profit and Loss. On the other side, for financial assets measured as at amortised cost, ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

In terms of the requirement as per RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD. No.109/22.10.106/2019-20 dated 13th March 2020 on Implementation of Indian Accounting Standards, Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset Classification and Provisioning (IRACP) norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the company exceeds the total provision required under IRACP (including standard asset provisioning), as at 31st March 2021 and accordingly, no amount is required to be transferred to impairment reserve.

(vi) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if

Notes

Forming part of financial statements as on 31st March 2021

there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(vii) Write-offs

The Company reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. The Company reserves the right to recover such written off amount. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

(viii) Derivative Financial Instruments and Hedge Accounting:

The Company enters into forward contracts to hedge the foreign currency risk of firm commitments and highly probable forecast transactions. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedging relationship and the nature of the hedged item.

The Company enters into derivative financial instruments viz. foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate and foreign exchange rate risks. The Company does not hold derivative financial instruments for speculative purposes.

Hedge Accounting: The Company designates certain hedging instruments in respect of foreign currency risk and interest rate risk as cash flow hedges. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows, and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognised in Other Comprehensive Income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss.

Amounts previously recognised in Other Comprehensive Income and accumulated in other equity relating to (effective portion as described above) are re-classified to the Statement of Profit and Loss in the periods when the hedged item affects profit or loss. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires, terminated, or exercised, without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in Other Comprehensive Income and accumulated in other equity at that time remains in other equity and is recognised when the forecast transaction is ultimately recognised in Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in other equity is recognised immediately in the Statement of Profit and Loss.

(ix) Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Company measures certain categories of financial instruments (as explained in note 5.1 (ii) and (iii)) at fair value on each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in

Notes

Forming part of financial statements as on 31st March 2021

its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable"

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

5.2 Revenue from operations

(i) Interest Income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the EIR. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Interest income on credit impaired assets is recognised by applying the effective interest rate to the net amortised cost (net of provision) of the financial asset.

(ii) Dividend Income

Dividend income is recognised

a. When the right to receive the payment is established which is generally when shareholders approve the dividend,

b. it is probable that the economic benefits associated with the dividend will flow to the entity and

c. the amount of the dividend can be measured reliably

(iii) Rental Income

Rental income arising from operating leases is recognised on a straight-line basis over the lease term. In cases where the increase is in line with expected general inflation. Rental Income is recognised as per the contractual terms.

Operating leases are leases where the Company does not transfer substantially all of the risk and benefits of ownership of the asset.

(iv) Fees & Commission Income

Fees and commissions are recognised when the Company satisfies the performance obligation, at fair value of the consideration received or receivable based on a five-step model as set out below, unless included in the effective interest calculation:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract. For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Notes

Forming part of financial statements as on 31st March 2021

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

(v) Net gain on Fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss (refer Note 35), held by the Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain/loss in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations in the statement of Profit and Loss. Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL is recognised in net gain / loss on fair value changes.

Similarly, any differences between the fair values of financial assets classified as fair value through other comprehensive income are disclosed in the OCI.

However, net gain / loss on derecognition of financial instruments classified as amortised cost is presented separately under the respective head in the Statement of Profit and Loss.

5.3 Expenses

(i) Finance Costs

Finance costs represents Interest expense recognised by applying the EIR to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to advisers and other expenses such as external legal costs, provided these are incremental costs that are directly related to the issue of a financial liability.

(ii) Retirement and other employee benefits

Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus/ex-gratia are recognised in the period in which the employee renders the related service.

Post employment employee benefit

a) Defined contribution schemes

The Company makes defined contribution to Government managed Employee Provident Fund, Government managed Employee Pension Fund, Employee Deposit Linked Insurance, Employee State Insurance and Superannuation Schemes which are recognised in Statement of Profit and Loss on accrual basis. Payments to defined contribution retirement benefit plans are recognised as an expense when employee have rendered the service entitling them to the contribution.

If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

b) Defined benefit expenses

The Company's liabilities under Payment of Gratuity Act and long term compensated absences are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. Actuarial gain and losses are recognised immediately in Statement of Profit and Loss as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government bonds where the currency and terms of the Government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

The Company presents the entire leave as a provision in the Balance Sheet, since it does not have any unconditional right to defer its settlement for twelve months after the reporting date.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined

Notes

Forming part of financial statements as on 31st March 2021

benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss at the earliest of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation under employee benefit expenses in the Statement of Profit and Loss.

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements,
- Net interest expense or income.

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, attrition rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Other long-term employee benefits

Company's liabilities towards compensated absences to employees are accrued on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary using Projected Unit Credit Method. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss.

The Company presents the Provision for compensated absences under provisions in the Balance Sheet.

(iii) Rent expense

In case of short term leases and leases for which the underlying asset is of low value, the company has elected not to apply the requirements of Ind AS 116 and the lease payments associated with those leases are recognised as rent expense on a straight line basis.

(iv) Leases

The Company as a lessee

The Company's lease assets primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes right – of – use ("ROU") asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the under lying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in use) is determined on an individual asset basis unless the asset generates cash flows that are largely dependent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Notes

Forming part of financial statements as on 31st March 2021

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment on exercise of an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly for all contracts as on 1st April 2019, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The weighted average incremental borrowing rate applied to lease liabilities as at 1st April 2020 is between the range of 6.72% p.a. to 7.15% p.a. for a period varying from 1 to 10 years.

Critical accounting judgements and key sources of estimation uncertainty

Critical judgements required in the application of Ind AS 116 may include, among others, the following:

- Identifying whether a contract (or part of a contract) includes a lease;
- Determining whether it is reasonably certain that an extension or termination option will be exercised;
- Classification of lease agreements (when the entity is a lessor);
- Determination of whether variable payments are in substance fixed;
- Establishing whether there are multiple leases in an arrangement;
- Determining the stand-alone selling prices of lease and non-lease components.

Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:

- Estimation of the lease term;
- Determination of the appropriate rate to discount the lease payments;
- Assessment of whether a right-of-use asset is impaired.

(v) Other income and expenses

All Other income and expense are recognized in the period they occur.

(vi) Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each reporting date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An impairment loss, if any, is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss."

(vii) Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction, or production of a

Notes

Forming part of financial statements as on 31st March 2021

qualifying asset are capitalised as a part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

All other borrowing costs are expensed in the period in which they occur at amortised cost using Effective Interest Rate (EIR).

Borrowing costs consist of interest and other costs that an entity incurs in connection with borrowing funds.

(viii) Taxes

Current tax

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 in the countries where the company operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. 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.

Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it becomes probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss account is recognised either in OCI or in equity. Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income (OCI) or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(ix) Functional and presentational currency

The financial statements are presented in Indian rupees (rounded to the nearest lakhs) which is determined to be the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

5.4 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet and for the purpose of statement of cash flows comprise cash at bank and cheques in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. They are held for the purposes of meeting short-term cash commitments (rather than for investment or other purposes).

5.5 Property, Plant and Equipments

All items of property, plant and equipments are stated at historical cost, net of accumulated depreciation and impairment loss if any. The cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

Depreciation methods, estimated useful lives and residual value

Depreciation on the property, plant and equipments is provided on straight line method using the rates arrived as per estimates made by the management supported by

Notes

Forming part of financial statements as on 31st March 2021

technical assessment which coincides with the useful lives of assets as specified in Schedule II to the Companies Act, 2013, except for the assets specified below. The Company has used the following useful lives of the property, plant and equipments to provide depreciation.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Asset	Useful Life as Prescribed by Schedule II of the Companies Act, 2013	Estimated Useful Life by Company
Office Computers and Electronic Equipments (including Plant & Machinery)	3 Years	4 Years
Vehicles	8 Years	5 Years
Furniture, Fixtures and Other Office Equipments	10 Years	7 Years
Leasehold Improvements	Over the primary period of the lease	3 Years

Useful life of assets different from prescribed in Schedule II has been estimated by management supported by technical assessment.

Depreciation on assets acquired / sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss from/ till the date of acquisition or sale.

The residual values, useful lives and methods of depreciation of property, plant and equipments are reviewed at each financial year end and adjusted prospectively, if appropriate.

5.6 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses if any. Intangible assets are amortised on straight line basis over a period of 3 years.

The useful lives of intangible assets are assessed as finite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

5.7 Provisions and Contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

5.8 Contingent Liabilities

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

5.9 Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share.

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

Diluted EPS is calculated by dividing the net profit attributable to ordinary equity holders of Company (after

Notes

Forming part of financial statements as on 31st March 2021

adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, inclusive of tax) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

5.10 Segment Reporting

Operating business segment results are reviewed regularly by the Company's Chief Operating Decision Maker to make decisions about resources to be allocated to the segments and assess their performance. Business segment is the primary segment comprising of 'Financing activity'. As the Company operates only in a single business segment, no segment information thereof is given as required under Ind AS 108.

5.11 Dividend

The Company recognises a liability to make dividend distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity or Statement of profit or loss account.

5.12 Business Combination under Common Control

A common control business combination, involving entities or businesses in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where the control is not transitory, is accounted for in accordance with Appendix C to Ind AS 103 'Business Combinations'.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognize new assets or liabilities. Adjustments are made only to harmonize significant accounting policies.
- The financial information in the financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.
- The identity of the reserves are preserved and appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.

The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves with disclosure of its nature and purpose in the notes."

6 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

6.1 Business Model Assessment

Classification and measurement of financial assets depends on the results of the 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 judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised 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. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not

Notes

Forming part of financial statements as on 31st March 2021

appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

6.2 Estimation of defined benefit plans (gratuity benefits)

Refer Note 5.3 (ii)

6.3 Fair value measurement:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

6.4 Impairment of loans portfolio

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes which can result in different levels of allowances.

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

The impairment loss on loans and advances is disclosed in more detail in Note 11.

6.5 Provisions other than impairment on loan portfolio and contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and proceedings in the ordinary course of the Company's business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates."

6.6 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 loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

6.7 Recognition of deferred tax assets for carried forward losses

Refer Note 5.3 (viii)

6.8 Estimation of useful life of property, plant and equipments and intangible assets

Refer note 5.5 and 5.6

Notes

Forming part of financial statements as on 31st March 2021

NOTE 7: CASH AND CASH EQUIVALENTS

₹ in Lakh

Particulars	As at 31st March 2021	As at 31st March 2020
Balances with bank in		
- Fixed Deposits (with original maturity less than 3 months)	-	22,294.66
- Current Accounts	1,51,098.56	1,59,747.87
Cheques in hand	-	-
Total	**1,51,098.56**	**1,82,042.53**

NOTE 8: BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

₹ in Lakh

Particulars	As at 31st March 2021	As at 31st March 2020
- Fixed Deposits (with original maturity more than 3 months)	1,913.09	-
Total	**1,913.09**	**-**

NOTE 9: DERIVATIVE FINANCIAL INSTRUMENTS

The Company enters into derivatives for risk management purposes. Derivatives held for risk management purposes include hedges that meet the hedge accounting requirements.

The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts.

The notional amounts indicate the value of transactions outstanding at the period/year end and are not indicative of either the market risk or credit risk.

₹ in Lakh

Particulars	As at 31st March 2021			As at 31st March 2020		
	Notional amounts	Fair Value - Assets	Fair Value - Liabilities	Notional amounts	Fair Value - Assets	Fair Value - Liabilities
Part I						
(i) Cross Currency Interest Rate swaps	1,46,367.54	-	3,062.55	1,46,367.54	5,408.39	-
(ii) Currency forward	35.55	-	1.26	36.11	-	0.40
Total	**1,46,403.09**	**-**	**3,063.81**	**1,46,403.65**	**5,408.39**	**0.40**
Part II						
(i) Cash flow hedging						
- Cross Currency Interest Rate swaps	1,46,367.54	-	3,062.55	1,46,367.54	5,408.39	-
- Currency forward	35.55	-	1.26	36.11	-	0.40
Total	**1,46,403.09**	**-**	**3,063.81**	**1,46,403.65**	**5,408.39**	**0.40**

Note 9.1: Hedging activities and derivatives

The Company is exposed to certain risks relating to its external commercial borrowings. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk. The Company's risk management strategy and how it is applied to manage risk are explained in Note 51.

Note 9.2: Derivatives designated as hedging instruments

Cash flow hedges

The Company is exposed to foreign currency risk arising from its External Commercial borrowings amounting to ₹ 1,46,367.54 Lakhs. Interest on the borrowing is payable at a floating rate. The Company economically hedged the foreign currency risk arising from the debt with a 'receive floating pay fixed' cross-currency interest rate swap ('swap'). The notional amount of swap is discosed in the table below. The swap contract converts the cash outflows of the foreign currency borrowing as per table below to cash outflows in INR with a notional amount of ₹ 1,46,367.54 lakhs at fixed interest rate.

Notes

Forming part of financial statements as on 31st March 2021

₹ in Lakh

Name of Lender	Foreign Currency Denominated Borrowing Amount	Interest rate type	Notional Amount of swap (₹)	Interest rate swap type
As at 31st March 2021				
JPY Denominated (in JPY lakhs) (Maturity range: September 2022 to February 2023)	1,89,366.25	Floating rate interest	1,24,089.54	Fixed rate interest
USD Denominated (Maturity March 2023)	300.00	Floating rate interest	22,278.00	Fixed rate interest
Total			**1,46,367.54**	

₹ in Lakh

Name of Lender	Foreign Currency Denominated Borrowing Amount	Interest rate type	Notional Amount of swap (₹)	Interest rate swap type
As at 31st March 2020				
JPY Denominated (in JPY lakhs) (Maturity range: September 2022 to February 2023)	1,89,366.25	Floating rate interest	1,24,089.54	Fixed rate interest
USD Denominated (Maturity March 2023)	300.00	Floating rate interest	22,278.00	Fixed rate interest
Total			**1,46,367.54**	

There is an economic relationship between the hedged item and the hedging instrument as the terms of the cross currency swap contract match that of the foreign currency borrowing (notional amount, interest payment dates, principal repayment date etc.). The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the cross currency swap are identical to the hedged risk components.

The hedge ineffectiveness can arise mainly if there is a change in the credit risk of the Company or the counterparty.

The impact of the hedging instruments on the balance sheet is, as follows

As at 31st March 2021

₹ in Lakh

Particulars	Notional Amounts	Carrying Amount	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness for the period
Cross currency interest rate swaps	1,46,367.54	3,062.55	Derivative liability	(1,265.08)
Currency forward	35.55	1.26	Derivative liability	(0.64)
Total	**1,46,403.09**	**3,063.81**		**(1,265.72)**

As at 31st March 2020

₹ in Lakh

Particulars	Notional Amounts	Carrying Amount	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness for the period
Cross currency interest rate swaps	1,46,367.54	5,408.39	Derivative Asset	(1,233.92)
Currency forward	36.11	0.40	Derivative liability	(0.30)
Total	**1,46,403.65**	**5,408.79**		**(1,234.22)**

The impact of hedged items on the balance sheet is, as follows:

Notes

Forming part of financial statements as on 31st March 2021

As at 31st March 2021

₹ in Lakh

Particulars	Change in fair value used for measuring ineffectiveness for the period	Cash flow hedge reserve as at 31st March 2021
Foreign currency denominated floating rate borrowing	(1,265.72)	(2,499.94)
Total	**(1,265.72)**	**(2,499.94)**

As at 31st March 2020

₹ in Lakh

Particulars	Change in fair value used for measuring ineffectiveness for the period	Cash flow hedge reserve as at 31st March 2020
Foreign currency denominated floating rate borrowing	(1,234.22)	(1,234.22)
Total	**(1,234.22)**	**(1,234.22)**

Note 9.2: Derivatives designated as hedging instruments (contd.)

The effect of the cash flow hedge in the statement of profit or loss and other comprehensive income is, as follows:

As at 31st March 2021

₹ in Lakh

Particulars	Total hedging gain / (loss) recognised in OCI	Ineffective-ness recognised in profit or loss	Line item in the statement of profit or loss	Cost of hedging recognised in OCI	Amount reclassified from OCI to profit or loss	Cost of hedge reclassified from OCI to profit or loss	Line item in the statement of profit or loss
Foreign currency denominated floating rate borrowing	(1,265.72)	-	-	-	-	-	-
Total	**(1,265.72)**	**-**	**-**	**-**	**-**	**-**	**-**

As at 31st March 2020

₹ in Lakh

Particulars	Total hedging gain / (loss) recognised in OCI	Ineffective-ness recognised in profit or loss	Line item in the statement of profit or loss	Cost of hedging recognised in OCI	Amount reclassified from OCI to profit or loss	Cost of hedge reclassified from OCI to profit or loss	Line item in the statement of profit or loss
Foreign currency denominated floating rate borrowing	(1,234.22)	-	-	-	-	-	-
Total	**(1,234.22)**	**-**	**-**	**-**	**-**	**-**	**-**

Note 9.3: Movements in Cash Flow Hedging Reserve

₹ in Lakh

Particulars	As at 1st April 2020	Add/Less: Changes in fair value	Add/Less: Foreign exchange Gain / (loss)	Add/Less: Deferred Tax	Add/Less: Accrued interest	As at 31st March 2021
Cash flow Hedging Reserve	(1,234.22)	(8,471.79)	6,794.51	425.70	(14.14)	(2,499.94)
Total	**(1,234.22)**	**(8,471.79)**	**6,794.51**	**425.70**	**(14.14)**	**(2,499.94)**

₹ in Lakh

Particulars	As at 1st April 2019	Add/Less: Changes in fair value	Add/Less: Foreign exchange Gain / (loss)	Add/Less: Deferred Tax	Add/Less: Accrued interest	As at 31st March 2020
Cash flow Hedging Reserve	-	5,407.99	(8,141.82)	415.10	1,084.51	(1,234.22)
Total	**-**	**5,407.99**	**(8,141.82)**	**415.10**	**1,084.51**	**(1,234.22)**

Notes

Forming part of financial statements as on 31st March 2021

Note 9.4: The following table shows the maturity profile of hedging derivatives based on their notional amounts.

₹ in Lakh

Particulars	As at 31st March 2021				As at 31st March 2020			
	0 to 12 months	1 to 5 years	Over 5 years	Total	0 to 12 months	1 to 5 years	Over 5 years	Total
(i) Cross Currency Interest Rate swaps	-	1,46,367.54	-	1,46,367.54	-	1,46,367.54	-	1,46,367.54
(ii) Currency forward	35.55	-	-	35.55	-	36.11	-	36.11
Total	**35.55**	**1,46,367.54**	**-**	**1,46,403.09**	**-**	**1,46,403.65**	**-**	**1,46,403.65**

NOTE 10: TRADE RECEIVABLES

As at 31st March 2021

₹ in Lakh

	Exposure	Loss Allowance	Net Amount
Trade receivables			
Considered Good – Secured	-	-	-
Considered Good – Unsecured	1,060.38	(61.52)	998.86
Trade Receivables which have significant increase in credit risk	-	-	-
Trade Receivables – credit impaired	-	-	-
Total	**1,060.38**	**(61.52)**	**998.86**

As at 31st March 2020

₹ in Lakh

	Exposure	Loss Allowance	Net Amount
Trade receivables			
Considered Good – Secured	-	-	-
Considered Good – Unsecured	1,251.82	(56.46)	1,195.36
Trade Receivables which have significant increase in credit risk	-	-	-
Trade Receivables – credit impaired	203.52	(203.52)	-
Total	**1,455.34**	**(259.98)**	**1,195.36**

Note:

No Trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies in which any director is a partner, a director or a member.

₹ in Lakh

Trade receivables days past due		0-30 days past due	31-90 days past due	More than 90 days past due	Total
31st March 2021	Total gross carrying amount	997.30	18.54	44.54	1,060.38
	ECL-Simplified approach	(7.71)	(9.27)	(44.54)	(61.52)
	Net carrying amount	989.59	9.27	-	998.86
31st March 2020	Total gross carrying amount	1,143.87	78.86	232.61	1,455.34
	ECL-Simplified approach	(9.84)	(17.53)	(232.61)	(259.98)
	Net carrying amount	1,134.03	61.33	-	1,195.36

Reconciliation of impairment allowance on trade and other receivables:

₹ in Lakh

Impairment allowance measured as per simplified approach	
Impairment allowance as at 31st March 2020	(259.98)
(Add): New assets originated or purchased	37.13
Less: Assets derecognised or repaid (excluding write offs)	161.33
Less: Amounts written off	-
Impairment allowance as at 31st March 2021	(61.52)

Notes

Forming part of financial statements as on 31st March 2021

NOTE 11: LOANS

₹ in Lakh

Particulars	As at 31st March 2021						As at 31st March 2020					
	Amortised Cost	At fair value				Total	Amortised Cost	At fair value				Total
		Through Other Compre-hensive Income	Through profit and loss account	Designated at through profit and loss account	Sub-total			Through Other Compre-hensive Income	Through profit and loss account	Designated at through profit and loss account	Sub-total	
Loans & Advances	48,61,820.53	-	-	-	-	48,61,820.53	46,86,646.56	-	-	-	-	46,86,646.56
Other Advances	41.48	-	-	-	-	41.48	42.03	-	-	-	-	42.03
Total (A) - Gross	**48,61,862.01**	**-**	**-**	**-**	**-**	**48,61,862.01**	**46,86,688.59**	**-**	**-**	**-**	**-**	**46,86,688.59**
Less: Impairment loss allowance	1,02,118.65	-	-	-	-	1,02,118.65	88,153.14	-	-	-	-	88,153.14
Total (A) - Net	**47,59,743.36**	**-**	**-**	**-**	**-**	**47,59,743.36**	**45,98,535.45**	**-**	**-**	**-**	**-**	**45,98,535.45**
i) Secured by tangible assets	35,69,505.55	-	-	-	-	35,69,505.55	33,59,676.84	-	-	-	-	33,59,676.84
ii) Secured by intangible assets	-	-	-	-	-	-	-	-	-	-	-	-
iii) Covered by bank and government guarantee	1,43,439.71	-	-	-	-	1,43,439.71	1,81,784.92	-	-	-	-	1,81,784.92
iv) Secured by book debts, inventories, fixed deposit and other working capital items	2,51,038.77	-	-	-	-	2,51,038.77	3,42,458.46	-	-	-	-	3,42,458.46
v) Unsecured	8,97,877.98	-	-	-	-	8,97,877.98	8,02,768.37	-	-	-	-	8,02,768.37
Total (B) - Gross	**48,61,862.01**	**-**	**-**	**-**	**-**	**48,61,862.01**	**46,86,688.59**	**-**	**-**	**-**	**-**	**46,86,688.59**
Less: Impairment loss allowance	1,02,118.65	-	-	-	-	1,02,118.65	88,153.14	-	-	-	-	88,153.14
Total (B) - Net	**47,59,743.36**	**-**	**-**	**-**	**-**	**47,59,743.36**	**45,98,535.45**	**-**	**-**	**-**	**-**	**45,98,535.45**
Loans in India												
i) Public Sector	47,530.39	-	-	-	-	47,530.39	54,429.24	-	-	-	-	54,429.24
ii) Others	48,14,331.62	-	-	-	-	48,14,331.62	46,32,259.35	-	-	-	-	46,32,259.35
Total - Gross	**48,61,862.01**	**-**	**-**	**-**	**-**	**48,61,862.01**	**46,86,688.59**	**-**	**-**	**-**	**-**	**46,86,688.59**
Less: Impairment loss allowance	1,02,118.65	-	-	-	-	1,02,118.65	88,153.14	-	-	-	-	88,153.14
Total - Net	**47,59,743.36**	**-**	**-**	**-**	**-**	**47,59,743.36**	**45,98,535.45**	**-**	**-**	**-**	**-**	**45,98,535.45**
Loans outside India	-	-	-	-	-	-	-	-	-	-	-	-
Less: Impairment loss allowance	-	-	-	-	-	-	-	-	-	-	-	-
Total - Net	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total (C)	**47,59,743.36**	**-**	**-**	**-**	**-**	**47,59,743.36**	**45,98,535.45**	**-**	**-**	**-**	**-**	**45,98,535.45**

Notes

Forming part of financial statements as on 31st March 2021

NOTE 11: LOANS (CONTINUED)

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans is as follows:

₹ in Lakh

Loans	As at 31st March 2021				As at 31st March 2020			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening Balance of Gross carrying amount	43,86,660.17	1,21,676.21	1,82,708.23	46,91,044.61	48,73,415.01	1,00,643.74	81,340.04	50,55,398.79
New assets originated or purchased	14,37,319.66	42,176.51	2,344.64	14,81,840.81	13,90,926.57	6,150.89	2,875.65	13,99,953.11
Assets derecognised or repaid (excluding write offs)	(12,04,439.47)	(21,783.49)	(27,291.81)	(12,53,514.77)	(16,68,947.83)	(46,851.03)	(14,111.14)	(17,29,910.00)
Transfers to Stage 1	29,095.93	(15,845.90)	(13,250.03)	-	28,009.53	(26,187.51)	(1,822.02)	-
Transfers to Stage 2	(2,58,008.40)	2,58,590.76	(582.36)	-	(1,14,942.67)	1,17,879.49	(2,936.82)	-
Transfers to Stage 3	(34,063.60)	(18,906.79)	52,970.39	-	(1,20,961.84)	(29,512.60)	1,50,474.44	-
Amounts written off	(2,450.21)	-	(54,651.82)	(57,102.03)	(838.60)	(446.77)	(33,111.92)	(34,397.29)
Closing Balance of Gross carrying amount	43,54,114.08	3,65,907.30	1,42,247.24	48,62,268.62	43,86,660.17	1,21,676.21	1,82,708.23	46,91,044.61

Stage 1, 2 and 3 Loans includes Interest Accrued but Excludes EIR amounting to ₹ 406.61 lakhs (31st March 2020: ₹ 4,356.02 lakhs).

Reconciliation of ECL balance is given below:

₹ in Lakh

ECL	As at 31st March 2021				As at 31st March 2020			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening Balance of ECL allowance	21,094.81	10,497.91	56,560.42	88,153.14	15,381.54	4,424.65	31,295.81	51,102.00
Increase in new / existing assets originated or purchased	9,488.24	11,569.24	57,084.73	78,142.21	10,960.66	9,096.18	59,689.97	79,746.81
Assets derecognised or repaid (excluding write offs)	(4,547.69)	(969.69)	(1,557.29)	(7,074.67)	(4,519.20)	(586.87)	(3,192.31)	(8,298.38)
Transfers to Stage 1	964.07	(305.48)	(658.59)	-	1,753.04	(1,114.18)	(638.86)	-
Transfers to Stage 2	(1,025.94)	1,162.76	(136.82)	-	(633.81)	1,193.85	(560.04)	-
Transfers to Stage 3	(501.21)	(1,853.72)	2,354.93	-	(1,008.82)	(2,068.95)	3,077.77	-
Amounts written off	(2,450.21)	-	(54,651.82)	(57,102.03)	(838.60)	(446.77)	(33,111.92)	(34,397.29)
Closing Balance of ECL allowance	23,022.07	20,101.02	58,995.56	1,02,118.65	21,094.81	10,497.91	56,560.42	88,153.14

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to non-fund based exposures is as follows:

₹ in Lakh

Non-funded exposures	Total Non-fund Exposures (not included in the tables above)				ECL on Non-fund exposures (included in the tables above)			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening Balance as on 31st March 2020	5,001.00	204.00	-	5,205.00	14.00	8.00	-	22.00
Net Movement	(1,521.64)	(4.00)	-	(1,525.64)	(3.16)	0.48	-	(2.68)
Closing Balance as on 31st March 2021	**3,479.36**	**200.00**	**-**	**3,679.36**	**10.84**	**8.48**	**-**	**19.32**

Stage 1 represents 'High Grade' internal rating.
Stage 2 represents 'Medium Grade' internal rating.
Stage 3 represents 'Credit-impaired'.

Notes

Forming part of financial statements as on 31st March 2021

NOTE 12: INVESTMENTS

₹ in Lakh

Particulars	Amortised Cost	At Fair value: Through Other Comprehensive Income	At Fair value: Through profit and loss account	At Fair value: Designated at through profit and loss account	Sub-total	Others	Total
As at 31st March 2021							
i) Investment in Govt Securities	-	-	15,420.71	-	15,420.71	-	15,420.71
ii) Equity instruments	-	211.04	36.82	-	247.86	-	247.86
iii) Preference Shares	-	-	-	-	-	-	-
iv) Investment in Alternate Funds	-	-	6,729.83	-	6,729.83	-	6,729.83
v) Investment in Debentures	-	-	56,892.50	-	56,892.50	-	56,892.50
vi) Investment in Bonds	-	-	-	-	-	-	-
vii) Investment in Mutual Funds	-	-	-	-	-	-	-
Total Gross (A)	**-**	**211.04**	**79,079.86**	**-**	**79,290.90**	**-**	**79,290.90**
(i) Investments in India	-	211.04	79,079.86	-	79,290.90	-	79,290.90
(ii) Investments outside India	-	-	-	-	-	-	-
Total (B)	**-**	**211.04**	**79,079.86**	**-**	**79,290.90**	**-**	**79,290.90**
Less: Impairment loss allowance (C)	-	-	-	-	-	-	-
Total - Net [D= (A)-(C)]	**-**	**211.04**	**79,079.86**	**-**	**79,290.90**	**-**	**79,290.90**
As at 31st March 2020							
i) Equity instruments	-	175.68	24.89	-	200.57	-	200.57
ii) Preference Shares	-	-	22,551.00	-	22,551.00	-	22,551.00
iii) PMS Investment	-	-	-	-	-	-	-
iv) Investment in Alternate Funds	-	-	9,221.18	-	9,221.18	-	9,221.18
v) Investment in Debentures	-	-	42,029.37	-	42,029.37	-	42,029.37
vi) Investment in Bonds	-	-	9,365.31	-	9,365.31	-	9,365.31
vii) Investment in Mutual Funds	-	-	2,50,872.74	-	2,50,872.74	-	2,50,872.74
Total Gross (A)	**-**	**175.68**	**3,34,064.49**	**-**	**3,34,240.17**	**-**	**3,34,240.17**
(i) Investments in India	-	175.68	3,34,064.49	-	3,34,240.17	-	3,34,240.17
(ii) Investments outside India	-	-	-	-	-	-	-
Total (B)	**-**	**175.68**	**3,34,064.49**	**-**	**3,34,240.17**	**-**	**3,34,240.17**
Less: Impairment loss allowance (C)	-	-	-	-	-	-	-
Total - Net [D= (A)-(C)]	**-**	**175.68**	**3,34,064.49**	**-**	**3,34,240.17**	**-**	**3,34,240.17**

Note:

1. More information regarding the valuation methodologies are provided in Note 50.
2. The Company received dividends of ₹ 284.75 Lakhs (31st March 2020: ₹ 1,924.97 Lakhs) from its FVTPL securities, recorded as dividend income.

NOTE 13: OTHER FINANCIAL ASSETS

₹ in Lakh

Particulars	As at 31st March 2021	As at 31st March 2020
Security Deposits (Carried at amortised cost, unless otherwise stated)	2,486.83	2,954.09
Others Receivable*	2,631.12	1,387.08
Total	**5,117.95**	**4,341.17**

*Other receivable includes Ex-gratia receivable from government.

Notes

Forming part of financial statements as on 31st March 2021

NOTE 14: CURRENT TAX ASSETS (NET)

₹ in Lakh

Particulars	As at 31st March 2021	As at 31st March 2020
Advance Payment of Taxes (Net of provision for taxation ₹ 1,07,694.47 lakhs; 31st March 2020 ₹ 79,788.29 lakhs)	23,971.65	23,364.88
Total	**23,971.65**	**23,364.88**

NOTE 15: PROPERTY, PLANT AND EQUIPMENTS

₹ in Lakh

Particulars	Building	Plant & Equipments	Furniture & Fixures	Vehicles	Office Equipments	Leasehold Improvements	Total
Costs:							
At 1st April 2019	20.92	1,661.35	130.96	1,253.70	327.14	508.60	3,902.67
Additions	-	120.39	30.83	485.57	131.51	52.70	821.00
Addition / (Deletion) on account of demerger Transaction business of ABCTSL (Formerly known as ABMUL)	-	(12.92)	(3.12)	-	(10.52)	-	(26.56)
Disposals	-	585.27	4.56	203.75	16.77	53.28	863.63
At 31st March 2020	**20.92**	**1,183.55**	**154.11**	**1,535.52**	**431.36**	**508.02**	**3,833.48**
Additions	-	47.99	8.87	144.91	58.81	234.36	494.94
Disposals	-	107.18	14.29	171.89	23.41	52.15	368.92
As at 31st March 2021	**20.92**	**1,124.36**	**148.69**	**1,508.54**	**466.76**	**690.23**	**3,959.50**
Depreciation and impairment:							
At 1st April 2019	0.92	979.31	56.59	319.93	152.84	215.94	1,725.53
Depreciation charge for the year	0.46	362.21	43.04	303.01	89.53	161.59	959.84
Addition / (Deletion) on account of demerger Transaction business of ABCTSL (Formerly known as ABMUL)	-	(8.02)	(0.35)	-	(4.08)	-	(12.45)
Disposals	-	584.06	3.84	138.70	12.76	53.28	792.64
At 31st March 2020	**1.38**	**749.44**	**95.44**	**484.24**	**225.53**	**324.25**	**1,880.28**
Depreciation charge for the period	0.46	268.08	14.85	329.74	90.38	189.04	892.44
Disposals	-	103.54	8.89	93.83	20.75	52.12	279.03
As at 31st March 2021	**1.84**	**913.98**	**101.40**	**720.15**	**295.16**	**461.17**	**2,493.70**
Net book value:							
At 1st April 2019	20.00	682.04	74.37	933.77	174.30	292.66	2,177.14
At 31st March 2020	**19.54**	**434.11**	**58.67**	**1,051.28**	**205.83**	**183.77**	**1,953.20**
As at 31st March 2021	**19.08**	**210.39**	**47.29**	**788.39**	**171.60**	**229.06**	**1,465.80**

Notes:

1 Redeemable Non Convertible Debentures are secured by charge on immovable property of the Company.

2 Office Equipments include Gross Assets amounting to ₹ 2.19 lakhs (31st March 2020: ₹ 2.19 lakhs) held jointly with Aditya Birla Sun Life Insurance Company Limited.

Notes

Forming part of financial statements as on 31st March 2021

NOTE 16: INTANGIBLE ASSETS UNDER DEVELOPMENT

₹ in Lakh

Particulars	Amount
Costs:	
As at 1st April 2019	1,530.42
Additions	3,867.87
Disposals	-
Transfers	500.00
As at 31st March 2020	**4,898.29**
Additions	805.64
Disposals	-
Transfers	4,506.01
As at 31st March 2021	**1,197.92**

NOTE 17: OTHER INTANGIBLE ASSETS

₹ in Lakh

Particulars	Amount
Costs:	
At 1st April 2019	6,979.37
Additions	1,526.41
Addition / (Deletion) on account of demerger Transaction business of ABCTSL (Formerly known as ABMUL)	-
Disposals	-
At 31st March 2020	**8,505.78**
At 1st April 2020	**8,505.78**
Additions	7,090.54
Disposals	(89.78)
As at 31st March 2021	**15,506.54**
Accumulated amortisation:	
At 1st April 2019	3,959.63
Disposals	-
Amortisation charge for the year	2,065.01
Addition / (Deletion) on account of demerger Transaction business of ABCTSL (Formerly known as ABMUL)	-
At 31st March 2020	**6,024.64**
Disposals	-
Amortisation charge for the period	2,332.16
Addition / (Deletion) on account of demerger Transaction business of ABCTSL (Formerly known as ABMUL)	
As at 31st March 2021	**8,356.80**
Net book value:	
At 1st April 2019	3,019.74
At 31st March 2020	**2,481.14**
As at 31st March 2021	**7,149.74**

Note:

All intangible assets are other than Internally generated.

Notes

Forming part of financial statements as on 31st March 2021

NOTE 18: RIGHT OF USE LEASE ASSETS

₹ in Lakh

Particulars	Amount
Costs:	
As at 1st April 2019	8,562.96
Opening Balance as on 1st April 2019 (Refer Note 49 (C))	-
Additions	1,432.23
Addition / (Deletion) on account of demerger Transaction business of ABCTSL (Formerly known as ABMUL)	26.05
Disposals	-
As at 31st March 2020	**10,021.24**
As at 1st April 2020	**10,021.24**
Additions	5,861.15
Addition / (Deletion) on account of demerger Transaction business of ABCTSL (Formerly known as ABMUL)	-
Disposals	1,969.94
As at 31st March 2021	**13,912.45**
Accumulated amortisation:	
As at 1st April 2019	-
Disposals	-
Amortisation charge for the year	1,951.79
Addition / (Deletion) on account of demerger Transaction business of ABCTSL (Formerly known as ABMUL)	-
As at 31st March 2020	**1,951.79**
Disposals	69.99
Amortisation charge for the period	2,625.34
Addition / (Deletion) on account of demerger Transaction business of ABCTSL (Formerly known as ABMUL)	-
As at 31st March 2021	**4,507.14**
Net book value:	
As at 1st April 2019	8,562.96
As at 31st March 2020	**8,069.45**
As at 31st March 2021	**9,405.31**

NOTE 19: OTHER NON-FINANCIAL ASSETS

₹ in Lakh

Particulars	As at 31st March 2021	As at 31st March 2020
Deferred lease expenses	28.59	81.90
Prepaid expenses	2,622.46	3,055.44
Capital advances	26.68	192.92
Goods and Service Tax / Service Tax Receivable	2,805.70	3,489.96
Plan Assets of Gratuity Fund	1,931.77	1,789.54
Others	735.34	753.51
	8,150.54	**9,363.27**

NOTE 20: TRADE PAYABLES

₹ in Lakh

Particulars	As at 31st March 2021	As at 31st March 2020
- Total outstanding dues of Micro and small enterprises	214.66	282.07
- Total outstanding dues of creditors Other than micro and small enterprises	10,957.65	10,184.87
	11,172.31	**10,466.94**

Notes

Forming part of financial statements as on 31st March 2021

NOTE 21: DEBT SECURITIES

₹ in Lakh

Particulars	As at 31st March 2021				As at 31st March 2020			
	At amortised cost	At fair value through profit and loss Account	Designated at fair value through profit and loss account	Total	At amortised cost	At fair value through profit and loss account	Designated at fair value through profit and loss account	Total
Redeemable non-convertible debentures (Secured)	13,32,116.41	-	-	13,32,116.41	15,62,929.66	-	-	15,62,929.66
Redeemable non-convertible debentures (Unsecured)	5,821.46	-	-	5,821.46	-	-	-	-
Compulsory Convertible Debentures (Unsecured)	-	-	-	-	3,393.19	-	-	3,393.19
Commercial papers (Unsecured)	3,19,937.17	-	-	3,19,937.17	2,20,600.08	-	-	2,20,600.08
Total	**16,57,875.04**	**-**	**-**	**16,57,875.04**	**17,86,922.93**	**-**	**-**	**17,86,922.93**
Debt securities in India	16,57,875.04	-	-	16,57,875.04	17,86,922.93	-	-	17,86,922.93
Debt securities outside India	-	-	-	-	-	-	-	-
Total	**16,57,875.04**	**-**	**-**	**16,57,875.04**	**17,86,922.93**	**-**	**-**	**17,86,922.93**

Note:

1. The above figures are including interest accrued but not due on borrowings.
2. Redeemable Non-Convertible Debentures are secured by way of mortgage on the immovable property and first pari-passu charge on certain Financial Assets of the company.

₹ in Lakh

Particulars	As at 31st March 2021	As at 31st March 2020
Redeemable Non-Convertible Debentures (Secured)		
Repayment Terms: Maturing within 1 year, Rate of Interest 7.80% to 9.50%	4,15,781.57	5,97,726.65
Repayment Terms: Maturing between 1 to 3 years, Rate of Interest 5.75% to 9.50%	5,05,493.63	5,35,438.04
Repayment Terms: Maturing after 3 years, Rate of Interest 6.25% to 9.15%	4,10,841.21	4,29,764.97
Total	**13,32,116.41**	**15,62,929.66**
Redeemable Non-Convertible Debentures (Secured): Rate of Interest 7.57% (Maturing in March 2035)	5,821.46	-
0.10% Compulsory Convertible Debentures(CCD), (Converted & Redeemed on 20th March 2021)	-	3,393.19
Commercial Papers - Rate of Interest 3.70% to 5.80% p.a.*	3,19,937.17	2,20,600.08
Total	**16,57,875.04**	**17,86,922.93**

Note:

* Commercial papers shown net of unamortised discounting charges ₹ 3,013.51 lakhs (31st March 2020 ₹ 4,634.93 lakhs).

Notes

Forming part of financial statements as on 31st March 2021

NOTE 22: BORROWINGS OTHER THAN DEBT SECURITIES

₹ in Lakh

Particulars	As at 31st March 2021				As at 31st March 2020			
	Amortised cost	At fair value through profit and loss account	Designated at fair value through profit and loss account	Total	Amortised cost	At fair value through profit and loss account	Designated at fair value through profit and loss account	Total
Term Loan from Banks (Secured)	17,57,030.47	-	-	17,57,030.47	18,62,067.58	-	-	18,62,067.58
Cash Credit from Banks (Secured)	-	-	-	-	35,571.61	-	-	35,571.61
External Commercial Borrowings from foreign banks (secured)	2,48,525.21	-	-	2,48,525.21	2,55,397.32	-	-	2,55,397.32
Book Overdraft	1,36,392.15	-	-	1,36,392.15	5,218.66	-	-	5,218.66
WCDL from Bank (Secured)	1,03,512.25	-	-	1,03,512.25	1,90,208.68	-	-	1,90,208.68
Total	**22,45,460.08**	**-**	**-**	**22,45,460.08**	**23,48,463.85**	**-**	**-**	**23,48,463.85**
Borrowings in India	19,96,934.87	-	-	19,96,934.87	20,93,066.54	-	-	20,93,066.54
Borrowings outside India	2,48,525.21	-	-	2,48,525.21	2,55,397.32	-	-	2,55,397.32
Total	**22,45,460.08**	**-**	**-**	**22,45,460.08**	**23,48,463.85**	**-**	**-**	**23,48,463.85**

Note:

1) The above figures are including interest accrued but not due on borrowings.

2) External Commcercial Borrowings from foreign banks includes Notional amount ₹ 1,46,367.54 Lakhs which is fully hedged.

Term loan from banks:

Indian rupee loan from banks (secured): The term loan from banks are secured by way of first pari-passu charge on the receivables of the Company.

₹ in Lakh

Particulars	As at 31st March 2021	As at 31st March 2020
Term Loan (Secured by way of first pari-passu charge on the receivables of the Company)		
Repayment Terms: Maturing within 1 year, Rate of Interest 5.00% to 7.70% p.a.	5,77,916.68	4,33,094.18
Repayment Terms: Maturing between 1 to 3 years, Rate of Interest 5.00% to 7.75% p.a.	9,76,918.07	10,56,249.21
Repayment Terms: Maturing after 3 years, Rate of Interest 5.50% to 7.65% p.a.	2,02,195.71	3,72,724.19
Total	**17,57,030.47**	**18,62,067.58**
External commercial borrowings (Secured by way of first pari-passu charge on the receivables of the Company)		
Repayment Terms: Maturing between 1 to 3 years, Rate of Interest 6.74% to 7.94% p.a.	1,47,116.73	1,53,512.17
Repayment Terms: Maturing after 3 years, Rate of Interest 5.15% p.a.	1,01,408.48	1,01,885.15
Total	**2,48,525.21**	**2,55,397.32**
Loans repayable on demand		
Cash Credit secured by way of first pari-passu charge on the receivables of the company	-	35,571.61
Book Overdraft	1,36,392.15	5,218.66
Working Capital Demand Loan secured by way of first pari-passu charge on receivables of the Company - Rate of Interest 4.50% to 7.30% p.a.	1,03,512.25	1,90,208.68
Total	**22,45,460.08**	**23,48,463.85**

Notes

Forming part of financial statements as on 31st March 2021

NOTE 23: SUBORDINATED LIABILITIES

₹ in Lakh

Particulars	As at 31st March 2021				As at 31st March 2020			
	Amortised cost	At fair value through profit and loss account	Designated at fair value through profit and loss account	Total	Amortised cost	At fair value through profit and loss account	Designated at fair value through profit and loss account	Total
Perpetual debt instruments to the extent they do not qualify as equity instruments								
(i) from banks	-	-	-	-	-	-	-	-
(ii) from other parties	21,116.57	-	-	21,116.57	21,108.90	-	-	21,108.90
Preference shares other than those qualify as equity	-	-	-	-	66.45	-	-	66.45
Subordinate debt (Unsecured)	1,97,066.69			1,97,066.69	1,88,966.74			1,88,966.74
Total	**2,18,183.26**	**-**	**-**	**2,18,183.26**	**2,10,142.09**	**-**	**-**	**2,10,142.09**
Subordinate liabilities in India	2,18,183.26	-	-	2,18,183.26	2,10,142.09	-	-	2,10,142.09
Subordinate liabilities outside India	-	-	-	-	-	-	-	-
Total	**2,18,183.26**	**-**	**-**	**2,18,183.26**	**2,10,142.09**	**-**	**-**	**2,10,142.09**

Note: The above figures are including interest accrued but not due on borrowings.

₹ in Lakh

Particulars	As at 31st March 2021	As at 31st March 2020
Perpetual Debts 8.70% p.a. (Maturing in July, 2027)	21,116.57	21,108.90
8% Cumulative Redeemable Preference Shares (Redeemed on 29th January 2020)	-	66.45
Subordinate Debts - Debentures:		
Repayment Terms: Maturing within 1 year, Rate of Interest is 10.60% p.a.	11,354.56	9,509.33
Repayment Terms: Maturing between 1 to 3 years, Rate of Interest 9.85% p.a. to 10.60% p.a.	13,513.07	5,500.00
Repayment Terms: Maturing after 3 years, Rate of Interest 7.43% p.a. to 9.76% p.a.	1,72,199.06	1,73,957.41
Total	**2,18,183.26**	**2,10,142.09**

NOTE 24: LEASE LIABILITY

₹ in Lakh

Particulars	As at 31st March 2021	As at 31st March 2020
Lease liability for right to use assets	10,224.64	8,909.91
Total	**10,224.64**	**8,909.91**

NOTE 25: OTHER FINANCIAL LIABILITIES

₹ in Lakh

Particulars	As at 31st March 2021	As at 31st March 2020
Margin Money from Customers	11,031.14	1,924.11
Payables for salaries, bonus and other employee benefits	6,105.28	3,693.24
Other Payable-Deposit and others	14,021.12	5,786.39
Total	**31,157.54**	**11,403.74**

NOTE 26: CURRENT TAX LIABILITIES (NET)

₹ in Lakh

Particulars	As at 31st March 2021	As at 31st March 2020
Provision for Income Tax (Net of advance tax ₹ 39,704.96 lakhs ; 31st March 2020 ₹. 38,345.94 lakhs)	1,466.63	2,825.65
Total	**1,466.63**	**2,825.65**

Notes

Forming part of financial statements as on 31st March 2021

NOTE 27: PROVISIONS

₹ in Lakh

Particulars	As at 31st March 2021	As at 31st March 2020
Employee benefit		
- Gratuity	3,085.29	2,657.24
- Provision for compensated absences	1,725.51	1,701.30
- Long term Incentive Plans (LTIP)	3,251.71	5,345.02
Total	**8,062.51**	**9,703.56**

NOTE 28: OTHER NON-FINANCIAL LIABILITIES

₹ in Lakh

Particulars	As at 31st March 2021	As at 31st March 2020
Revenue received in advance	2,388.10	1,826.65
Tax Deducted at Source Payable	880.06	403.02
Goods and Service Tax Payable	1,531.30	809.86
Other Statutory Dues Payable	263.77	258.65
Total	**5,063.23**	**3,298.18**

NOTE 29: ISSUED CAPITAL AND RESERVES

₹ in Lakh

Particulars	As at 31st March 2021	As at 31st March 2020
Authorised		
1,270,000,000 (31st March 2020: 1,270,000,000) equity shares of ₹ 10/- each	1,27,000.00	1,27,000.00
Total	**1,27,000.00**	**1,27,000.00**
Issued, Subscribed and fully paid up		
662,100,822 (31st March 2020: 662,100,822) equity shares of ₹ 10/- each	66,210.08	66,210.08
Total	**66,210.08**	**66,210.08**

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the period is as under:

	No. in Lakh	₹ in Lakh
As at 1st April 2019	6,621.01	66,210.08
Issued during the year	58.56	585.56
Shares pending issuance	(58.56)	(585.56)
As at 31st March 2020	**6,621.01**	**66,210.08**
Issued during the period	-	-
As at 31st March 2021	**6,621.01**	**66,210.08**

Terms/ rights attached to equity shares

The Company has only one class of equity shares having a face value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. In the event of liquidation of the Company, the holders of equity shares will be receiving remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes

Forming part of financial statements as on 31st March 2021

NOTE 29: ISSUED CAPITAL AND RESERVES (CONTINUED)

Aggregate number of equity shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

₹ in Lakh

Particulars	As at 31st March 2021	As at 31st March 2020	As at 31st March 2019	As at 31st March 2018	As at 31st March 2017
(i) Equity shares of ₹ 10 each, fully paid up, allotted pursuant to the merger scheme for demerger of wealth undertaking of Aditya Birla Money Mart Limited	-	-	-	-	1,02,77,778.00
(ii) Equity shares of ₹ 10 each, fully paid up, allotted on conversion of 175,000,000 0.01% compulsory convertible cumulative preference shares of ₹ 10 each, fully paid up	-	-	-	-	1,15,13,158.00
(iii) Equity shares of ₹ 10 each, fully paid up, allotted pursuant to the amalgamation scheme with Madura Garments Lifestyle Retail Company Limited (MGLRCL).	-	-	-	-	-
(iv) Equity shares of ₹ 10 each, fully paid up, allotted pursuant to the Demerger of transaction business of Aditya Birla Capital Technology Services Limited, ABCTSL (formerly known as Aditya Birla My Universe Limited, ABMUL)	-	58,55,625.00	-	-	-

Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates:

₹ in Lakh

	As at 31st March 2021		As at 31st March 2020	
	Number	₹ In lakhs	Number	₹ In lakhs
Name of Share holder				
Aditya Birla Capital Limited, holding company	66,21,00,762	66,210.08	66,21,00,762	66,210.08
	66,21,00,762	**66,210.08**	**66,21,00,762**	**66,210.08**

Details of shareholders holding more than 5% shares in the Company:

₹ in Lakh

Particulars	As at 31st March 2021		As at 31st March 2020	
	Number	% of total paid-up equity capital	Number	% of total paid-up equity capital
Aditya Birla Capital Limited, holding company	66,21,00,762	100%	66,21,00,762	100%

NBFC's objectives, policies and processes for managing capital:

For above disclosures Refer Note 49.

Notes

Forming part of financial statements as on 31st March 2021

NOTE 30: OTHER EQUITY

₹ in Lakh

Particulars	Amount
Securities Premium Account	
As at 1st April 2019	3,63,738.29
Add: Additions during the year	-
As at 31st March 2020	**3,63,738.29**
Add: Additions during the period	-
As at 31st March 2021	**3,63,738.29**
Special Reserve pursuant to Section 45-IC of the RBI Act, 1934	
As at 1st April 2019	66,187.79
Add: Transfer from surplus balance in the Statement of Profit and Loss	16,420.21
As at 31st March 2020	**82,608.00**
Add: Transfer from surplus balance in the Statement of Profit and Loss	15,376.48
As at 31st March 2021	**97,984.48**
Capital Reserve	
As at 1st April 2019	(10,452.11)
Add: Other Additions/ Deductions during the year	-
As at 31st March 2020	**(10,452.11)**
Add: Other Additions/ Deductions during the period	-
As at 31st March 2021	**(10,452.11)**
Capital Redemption Reserve	
As at 1st April 2019	-
Add: Transfer from surplus balance in the Statement of Profit and Loss	1,000.00
As at 31st March 2020	**1,000.00**
Add: Transfer from surplus balance in the Statement of Profit and Loss	-
As at 31st March 2021	**1,000.00**
General Reserve	
As at 1st April 2019	13,660.95
Add: Amount transferred from surplus in the statement of profit and loss	-
As at 31st March 2020	**13,660.95**
Add: Amount transferred from surplus in the statement of profit and loss	-
As at 31st March 2021	**13,660.95**
Surplus in Statement of Profit and Loss	
As at 1st April 2019	2,29,237.04
Add: Profit for the year	80,494.60
Less: Appropriations	
IND AS 116 Impact - Transition reserve	(629.04)
Re-measurement reserves on defined benefit plans	(319.09)
Transfer to Capital Redemption Reserve	(1,000.00)
ABMUL Reserves (Refer note 44)	792.81
Transfer to Special Reserve	(16,420.21)
Total appropriations	**(17,575.53)**
As at 31st March 2020	**2,92,156.11**
Add: Profit for the period	76,883.21
Less: Appropriations	
Re-measurement reserves on defined benefit plans	328.95
Transfer to Special Reserve	(15,376.48)
Total appropriations	**(15,047.53)**
As at 31st March 2021	**3,53,991.79**
Other Comprehensive Income	
As at 1st April 2019	138.33
Add: Additions / (Deletions) during the period	(10.39)
Add: Fair Value change on derivatives designated as cash flow hedge	(1,234.22)
As at 31st March 2020	**(1,106.28)**
Add: Additions / (Deletions) during the period	26.46
Add: Fair Value change on derivatives designated as cash flow hedge	(1,265.72)
As at 31st March 2021	**(2,345.54)**
Total other equity	
As at 1st April 2019	6,62,510.29
As at 31st March 2020	**7,41,604.96**
As at 31st March 2021	**8,17,577.86**

Notes

Forming part of financial statements as on 31st March 2021

NOTE 31: NATURE AND PURPOSE OF RESERVE

Securities Premium Reserve:

Security premium reserve is used to record the premium on the issue of shares. The reserve is utilised in accordance with provisions of the Companies Act, 2013.

Special Reserve:

Special reserve represents the reserve created pursuant to the Reserve Bank of India Act, 1934 (the RBI Act). Appropriation from this Reserve Fund is permitted only for the purposes specified by RBI.

Capital Reserve:

Capital reserve refers to difference on account of net assets taken over and purchase consideration paid for merger of wealth management undertaking of Aditya Birla Money Mart Limited with the Company and the difference on account of net assets taken over and purchase consideration paid for merger of transaction business of Aditya Birla Capital Technology Services Limited, ABCTSL (formerly known as Aditya Birla My Universe Limited, ABMUL) undertaking with the Company.

General Reserve:

This reserve is created on account of merger. As per court order, this reserve can be utilised for distribution of dividends.

FVTOCI Investments:

The Company has elected to recognise changes in the fair value of certain instruments in equity securities and debt instruments in other comprehensive income. These changes are accumulated with the FVTOCI reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are de-recognised.

Retained Earnings:

Retained earnings refer to the percentage of net earnings not paid out as dividends, but retained by the Company to be reinvested in its core business, or to pay debts.

Cash flow hedge reserve:

The Company uses hedging instruments as part of its management of foreign currency risk and interest rate risk associated on borrowings. For hedging foreign currency and interest rate risk, the Company uses foreign currency forward contracts and cross currency interest rate swaps. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to the statement of profit or loss when the hedged item affects profit or loss (e.g. interest payments).

Capital Redemption reserve:

Preference shares of ₹ 10 Crore were redeemed at the Board meeting held on 30th January 2020. As per the provisions of Companies Act, 2013, the preference shares were redeemed out of the profits of the company and therefore a sum equivalent to the nominal amount of shares redeemed were transferred to capital redemption reserve.

NOTE 32: INTEREST INCOME

₹ in Lakh

Particulars	For the year ended 31st March 2021				For the year ended 31st March 2020			
	On Financial Assets measured at FVTOCI	On Financial Assets measured at Amortised cost	On Financial Assets classified at FVTPL	Total	On Financial Assets measured at FVTOCI	On Financial Assets measured at Amortised cost	On Financial Assets classified at FVTPL	Total
Interest on Loans	-	5,22,908.44	-	5,22,908.44	-	5,65,995.81	-	5,65,995.81
Interest income from investments	-	-	5,430.12	5,430.12	-	-	6,710.84	6,710.84
Total	**-**	**5,22,908.44**	**5,430.12**	**5,28,338.56**	**-**	**5,65,995.81**	**6,710.84**	**5,72,706.65**

Notes

Forming part of financial statements as on 31st March 2021

NOTE 33: DIVIDEND INCOME

₹ in Lakh

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Dividend from Long Term Investment (FVTPL)	284.75	1,924.97
Total	**284.75**	**1,924.97**

NOTE 34: FEES AND COMMISSION INCOME

₹ in Lakh

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Syndication and Other Fee Income	10,233.53	11,646.66
Brokerage and Commission Income	5,018.11	4,714.72
Total	**15,251.64**	**16,361.38**

NOTE 35: NET GAIN ON FAIR VALUE CHANGES

₹ in Lakh

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Net gain/ (loss) on financial instruments at fair value through profit or loss		
On Trading portfolio		
- Investments	2,106.25	3,577.55
- Bonds/Mutual Funds	5,170.78	13,071.91
Total	**7,277.03**	**16,649.46**

₹ in Lakh

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Fair Value changes:		
- Realised	7,284.37	18,158.79
- Unrealised	(7.34)	(1,509.33)
Total	**7,277.03**	**16,649.46**

NOTE 36: OTHER INCOME

₹ in Lakh

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Sundry Balance Written Back	-	376.50
Miscellaneous Income (Income tax refund and other income)	1,561.01	721.22
Other Interest Income-Security Deposit on Amortised Cost	83.27	196.58
Profit on sale of fixed assets (net)	-	1.77
Total	**1,644.28**	**1,296.07**

Notes

Forming part of financial statements as on 31st March 2021

NOTE 37: FINANCE COSTS

₹ in Lakh

Particulars	For the year ended 31st March 2021			For the year ended 31st March 2020		
	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	Total	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	Total
Debt Securities	-	1,24,222.64	1,24,222.64	-	1,77,003.64	1,77,003.64
Borrowings Other than Debt Securities	-	1,57,423.46	1,57,423.46	-	1,65,646.02	1,65,646.02
Subordinated Liabilities	-	18,330.36	18,330.36	-	17,143.30	17,143.30
Finance cost on lease liability	-	897.27	897.27	-	724.94	724.94
Others	-	1,116.80	1,116.80	-	294.50	294.50
Total	**-**	**3,01,990.53**	**3,01,990.53**	**-**	**3,60,812.40**	**3,60,812.40**

NOTE 38: IMPAIRMENT ON FINANCIAL INSTRUMENTS

The below table show impairment loss on financial instruments charge to statement of profit and loss based on category of financial instrument:

₹ in Lakh

Particulars	For the year ended 31st March 2021			For the year ended 31st March 2020		
	On Financial instruments measured at Fair Value through OCI	On Financial instruments measured at Amortised cost	Total	On Financial instruments measured at Fair Value through OCI	On Financial instruments measured at Amortised cost	Total
Bad debts/Advances Written off (net of recoveries)	-	54,249.13	54,249.13	-	33,577.95	33,577.95
Loans	-	13,965.51	13,965.51	-	37,043.21	37,043.21
Trade Receivable	-	(37.13)	(37.13)	-	85.84	85.84
Total	**-**	**68,177.51**	**68,177.51**	**-**	**70,707.00**	**70,707.00**

NOTE 39: EMPLOYEE BENEFIT EXPENSES

₹ in Lakh

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Salaries and Wages	42,073.39	37,005.57
Contribution to Provident Funds	1,483.37	1,348.04
Contribution to Gratuity Funds	725.42	449.83
Share based payments to Employees	183.71	715.86
Staff welfare expenses	426.40	961.22
Total	**44,892.29**	**40,480.52**

NOTE 40: DEPRECIATION, AMORTIZATION AND IMPAIRMENT

₹ in Lakh

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Depreciation of tangible assets	892.55	959.84
Amortization of intangible assets	2,332.16	2,065.01
Depreciation and amortisation on lease assets	2,625.34	1,951.79
Total	**5,850.05**	**4,976.64**

Notes

Forming part of financial statements as on 31st March 2021

NOTE 41: OTHER EXPENSES

₹ in Lakh

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Rent	1,219.05	1,977.12
Repairs and maintenance		
- Plant and machinery	16.58	14.78
- Others	3,124.62	2,445.56
Communication costs	698.89	653.93
Printing and stationery	206.78	438.39
Advertisement and publicity	265.69	179.87
Directors' fees, allowances and expenses	29.21	28.13
Auditor's fees and expenses	126.49	239.16
Legal and professional charges	7,534.14	6,296.90
Insurance	2,239.88	615.38
Business Support Expenses	3,103.01	3,358.38
Travelling and conveyance	1,057.42	1,878.12
Water and Electricity expenses	351.56	364.71
Rates and taxes	147.96	276.21
Contract Service Charges	863.51	646.02
Information Technology Expenses	1,650.74	1,369.82
Business/ Sales Promotion Expenses	474.47	213.35
Postage Expenses	125.93	138.16
Bank charges	164.94	873.03
Brokerage and Commission	141.73	161.23
Corporate Social Responsibility (CSR) Expenses	2,195.00	2,153.80
Sub-Brokerage and Fees	337.90	365.96
Recruitment Expenses	112.38	298.40
Loss on sale of fixed assets (net)	95.94	-
Miscellaneous expenses	2,460.83	1,684.83
Total	**28,744.65**	**26,671.24**

₹ in Lakh

Auditor's Fees and Expenses	For the year ended 31st March 2021	For the year ended 31st March 2020
As auditor:		
For Statutory Audit (including Limited Review, Internal Control Financial Reporting (ICFR))	107.36	78.47
Tax audit	6.54	6.66
In any other capacity		
For Other Services (including Certification, Agreed upon procedures and other services)*	12.59	142.73
For Reimbursement of Expenses	-	11.30
Total	**126.49**	**239.16**

*Includes fees paid to predecessor auditor.

₹ in Lakh

Details of CSR Expenditure	For the year ended 31st March 2021	For the year ended 31st March 2020
a) Gross amount required to be spent by the Company during the year	2,195.00	2,149.80
b) Amount spent during the year-		
i) Construction/acquisition of any asset	-	-
ii) On purpose other than (i) above	2,195.00	2,153.80
Total	**2,195.00**	**2,153.80**

Notes

Forming part of financial statements as on 31st March 2021

NOTE 42: INCOME TAX

The components of income tax expense are as under:

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Current tax	28,600.00	29,136.44
Adjustment in respect of current income tax of prior years	(693.82)	(547.30)
Deferred tax relating to origination and reversal of temporary differences	(1,648.16)	(3,793.01)
Total tax charge	**26,258.02**	**24,796.13**
Current tax	27,906.18	28,589.14
Deferred tax	(1,648.16)	(3,793.01)

OCI section - Deferred tax related to items recognised in OCI are as under:

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Net loss/(gain) on remeasurements	(306.16)	(525.44)
Income tax expense charged to OCI	**(306.16)**	**(525.44)**

Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended 31st March 2021 and 31st March 2020 are as follows:

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Accounting profit before tax	1,03,141.23	1,05,290.73
At India's statutory income tax rate of 25.168% (As at 31st March 2020 - 25.168%)	25,958.58	26,499.58
Adjustment in respect of current income tax & deferred tax of prior years	(134.81)	(547.30)
Differences other than temporary in nature on account of tax benefits and others	434.25	(866.09)
Income not subject to tax i.e. exempt income	-	(290.06)
Income tax expense reported in the statement of profit and loss	**26,258.02**	**24,796.13**
Effective income tax rate for the year	25.46%	23.55%

Deferred Tax

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

Particulars	Deferred Tax Assets	Deferred Tax Liabilities	Income Statement	OCI	Transition Reserve
	31st March 2021	31st March 2021	31st March 2021	31st March 2021	31st March 2021
Expected Credit Loss Allowances	21,357.29	-	(10,310.33)	-	-
Employee benefit provisions and other provisions	3,819.65	-	9,004.81	(306.16)	-
Depreciation	836.37	-	(342.64)	-	-
Total	**26,013.31**	**-**	**(1,648.16)**	**(306.16)**	**-**
Net	**26,013.31**				

Particulars	Deferred Tax Assets	Deferred Tax Liabilities	Income Statement	OCI	Transition Reserve
	31st March 2020	31st March 2020	31st March 2020	31st March 2020	31st March 2020
Expected Credit Loss Allowances	11,046.96	-	(472.99)	-	
Employee benefit provisions and other provisions	12,518.30	-	(2,947.27)	(525.44)	(211.56)
Depreciation	493.73	-	(372.75)	-	
Total	**24,058.99**	**-**	**(3,793.01)**	**(525.44)**	**(211.56)**
Net	**24,058.99**				

Notes

Forming part of financial statements as on 31st March 2021

NOTE 43: EARNINGS PER SHARE

Basic earnings per share (EPS) is calculated by dividing the net 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 is calculated by dividing the net profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares and interest on the convertible bond, in each case, net of tax) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Net Profit after Tax	76,883.21	80,494.60
Less: Interest on Financial Liabilities (including taxes)	-	-
Net Profit after Tax available for equity shareholders	76,883.21	80,494.60
Weighted average number of ordinary shares for basic and diluted earnings per share	66,21,00,822	66,21,00,822
Earnings per share		
Basic earnings per share (₹)	11.61	12.16
Diluted earnings per share (₹)	11.61	12.16

NOTE 44: RETIREMENT BENEFIT PLAN

Defined Contribution Plan

The Company makes Provident Fund, Pension Fund, Superannuation Fund, Employee State Insurance Scheme, Maharashtra Labour Welfare Fund, and National Pension Scheme contributions which are defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes.

Particulars	31st March 2021	31st March 2020
(i) Contribution to Government Employees Provident Fund	1,074.92	1,196.28
(ii) Contribution to Government Employees Pension Fund	316.54	58.00
(iii) Contribution to Superannuation Fund	-	-
(iv) Contribution to Employees State Insurance Corporation	2.32	5.24
(v) Contribution to Maharashtra Labour Welfare Fund	0.84	0.53
(vi) Contribution to National Pension Scheme	88.75	87.99

Defined Benefit Plan

The Company has a defined benefit gratuity plan (funded). The Company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and last drawn salary. The fund is managed by Aditya Birla Sun Life Insurance Company Limited.

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

Notes

Forming part of financial statements as on 31st March 2021

Changes in the defined benefit obligation and fair value of plan assets as at 31st March 2021 are as under:

Particulars	Gratuity cost charged to profit or loss					Remeasurement gains/(losses) in other comprehensive income							
	1st April 2020	Service cost	Net interest expense	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience variance	Sub-total included in OCI	Contributions by employer	Transfer in/out	31st March 2021
Defined benefit obligation	(2,657.24)	(586.04)	(171.27)	(757.31)	170.18	-	-	(16.91)	175.99	159.08	-	-	(3,085.29)
Fair value of plan assets	1,789.54	-	115.34	115.34	(170.18)	197.06	-	-	-	197.06	-	-	1,931.76
Benefit / (Liability)	**(867.70)**	**(586.04)**	**(55.93)**	**(641.97)**	**-**	**197.06**	**-**	**(16.91)**	**175.99**	**356.14**	**-**	**-**	**(1,153.53)**

Changes in the defined benefit obligation and fair value of plan assets as at 31st March 2020 are as under:

Particulars	Gratuity cost charged to profit or loss					Remeasurement gains/(losses) in other comprehensive income							
	1st April 2019	Service cost	Net interest expense	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience variance	Sub-total included in OCI	Contributions by employer	Transfer in/out	31st March 2020
Defined benefit obligation	(1,847.12)	(480.67)	(138.87)	(619.54)	72.08	-	1.15	(297.53)	(3.25)	(299.63)	36.97	-	(2,657.24)
Fair value of plan assets	1,316.58	-	99.61	99.61	(65.12)	(56.22)	-	-	-	(56.22)	494.69	-	1,789.54
Benefit / (Liability)	**(530.54)**	**(480.67)**	**(39.26)**	**(519.93)**	**6.96**	**(56.22)**	**1.15**	**(297.53)**	**(3.25)**	**(355.85)**	**531.66**	**-**	**(867.70)**

Notes

Forming part of financial statements as on 31st March 2021

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

	31st March 2021	31st March 2020
Expected return on Plan assets	6.30%	6.45%
Discount Rate	6.30%	6.45%
Salary Escalation Rate	7.00%	7.00%
Retirement age	60 years	60 years
Mortality rate	Indian Assured Lives mortality (2012-14)	Indian Assured Lives mortality (2012-14)
Attrition / Withdrawal rates, based on age: (per annum)		
Up to 30 years	14.00%	14.00%
31 - 40 years	12.60%	12.60%
41 - 50 years	5.60%	5.60%
Above 50 years	2.80%	2.80%

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

Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields as at Balance Sheet date.

Disaggregation of plan assets:

	31st March 2021	31st March 2020
Unquoted investments:		
Insurer managed funds (Investments with Aditya Birla Sun Life Insurance Company Limited)	1,931.76	1,789.54
Total	**1,931.76**	**1,789.54**

A quantitative sensitivity analysis for significant assumption is as shown below:

Assumptions	Discount rate		Salary	
Sensitivity level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation - (31st March 2021)	2,922.18	3,262.10	3,260.22	2,922.33
Impact on defined benefit obligation - (31st March 2020)	2,515.71	2,810.77	2,809.43	2,515.57

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the year.

The following payments are expected contributions to the defined benefit plan in future years:

Expected payment for future years	31st March 2021	31st March 2020
Within the next 12 months (next annual reporting period)	168.22	170.19
Between 2 and 5 years	757.61	551.19
Between 6 and 9 years	937.20	861.64
10 years and above	5,114.43	4,614.01
Total expected payments	**6,977.46**	**6,197.03**

The Company expects to contribute ₹ 1,815.77 lakhs (31st March 2020: ₹ 1,474.80 lakhs) to the fund in the next financial year.

The weighted average duration of the defined benefit obligation as at 31st March 2021 is 11 years (31st March 2020: 11 years).

Other Long Term Incentive Benefits

Liability for the scheme is determined based on actuarial valuations.

Notes

Forming part of financial statements as on 31st March 2021

Employee Stock Option Plan (ESOP) by Aditya Birla Capital Limited

Pursuant to ESOP Plan being established by the holding company (i.e. Aditya Birla Capital Limited), stock options were granted to the employees of the Company. Total cost incurred by the holding company till date is being recovered from the Company over the period of vesting. Accordingly, a sum of ₹ 183.71 lakhs (31st March, 2020 ₹ 715.86 lakhs) has been recovered from the Company during the year, which has been charged to the Statement of Profit and Loss. The balance sum of ₹ 234.42 lakhs will be recovered in future periods.

NOTE 45: MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR. Issued debt reflect the contractual coupon amortisations.

Particulars	31st March 2021			31st March 2020		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	1,51,098.56	-	1,51,098.56	1,82,042.53	-	1,82,042.53
Bank balance other than cash and cash equivalents	1,913.09	-	1,913.09	-	-	-
Derivative financial instruments	-	-	-	-	5,408.39	5,408.39
Trade and Other Receivables	998.86	-	998.86	1,195.36	-	1,195.36
Loans*	13,84,447.07	33,75,296.30	47,59,743.37	13,17,974.53	32,80,560.92	45,98,535.45
Investments	72,313.21	6,977.69	79,290.90	3,24,818.41	9,421.76	3,34,240.17
Other financial assets	3,053.68	2,064.27	5,117.95	3,357.71	983.46	4,341.17
Non-financial Assets						
Current tax asset (net)	-	23,971.65	23,971.65	-	23,364.88	23,364.88
Deferred tax assets (net)	-	26,013.31	26,013.31	-	24,058.99	24,058.99
Property, plant and equipments	-	1,465.80	1,465.80	-	1,953.20	1,953.20
Intangible assets under development	-	1,197.92	1,197.92	-	4,898.29	4,898.29
Other intangible assets	-	7,149.74	7,149.74	-	2,481.14	2,481.14
Right of use Lease Assets	-	9,405.31	9,405.31	-	8,069.45	8,069.45
Other non financial assets	5,631.90	2,518.64	8,150.54	8,242.97	1,120.30	9,363.27
Total assets	**16,19,456.37**	**34,56,060.63**	**50,75,517.00**	**18,37,631.51**	**33,62,320.78**	**51,99,952.29**
Liabilities						
Financial Liabilities						
Derivative financial instruments	-	3,063.81	3,063.81	-	0.40	0.40
Trade payables	11,172.31	-	11,172.31	10,466.94	-	10,466.94
Debt Securities	7,35,990.46	9,21,884.58	16,57,875.04	8,18,326.72	9,68,596.21	17,86,922.93
Borrowings (other than debt security)	8,19,854.00	14,25,606.08	22,45,460.08	6,66,730.01	16,81,733.84	23,48,463.85
Subordinated Liabilities	12,549.97	2,05,633.29	2,18,183.26	10,776.03	1,99,366.06	2,10,142.09
Lease liabilities	2,485.83	7,738.81	10,224.64	2,389.40	6,520.51	8,909.91
Other Financial liabilities	31,157.54	-	31,157.54	11,403.74	-	11,403.74
Non-financial Liabilities						
Current tax liabilities (net)	1,466.63	-	1,466.63	2,825.65	-	2,825.65
Provisions **	8,062.51	-	8,062.51	9,294.83	408.73	9,703.56
Other non-financial liabilities	5,063.23	-	5,063.23	3,298.18	-	3,298.18
Total Liabilities	**16,27,802.48**	**25,63,926.57**	**41,91,729.05**	**15,35,511.50**	**28,56,625.75**	**43,92,137.25**

* Stage 3 loans have been considered in after 12 months bucket.

** The amount of provision in the after 12 months bucket is based on the estimate of actual payment.

Note: Classification of assets and liabilities under the different maturity buckets is based on the certain estimates and assumptions as used by the company which has been relied upon by the auditors.

Notes

Forming part of financial statements as on 31st March 2021

NOTE 46: CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Particulars	As at 31st March 2020	Cash Flows (Net)	Other(Non-Cash)	As at 31st March 2021
Debt Securities	17,86,922.93	(1,03,199.13)	(25,848.76)	16,57,875.04
Borrowings other than debt securities	23,48,463.85	(92,908.08)	(10,095.69)	22,45,460.08
Subordinate Liabilities	2,10,142.09	8,000.00	41.17	2,18,183.26
Total liabilities from financing activities	**43,45,528.87**	**(1,88,107.21)**	**(35,903.28)**	**41,21,518.38**

Particulars	As at 31st March 2019	Cash Flows (Net)	Other(Non-Cash)	As at 31st March 2020
Debt Securities	22,64,856.32	(5,11,549.24)	33,615.85	17,86,922.93
Borrowings other than debt securities	19,83,278.15	3,56,726.42	8,459.28	23,48,463.85
Subordinate Liabilities	2,04,455.47	4,007.35	1,679.27	2,10,142.09
Total liabilities from financing activities	**44,52,589.94**	**(1,50,815.47)**	**43,754.40**	**43,45,528.87**

Note: The above amounts are including interest accrued but not due.

NOTE 47: CONTINGENT LIABILITIES, COMMITMENTS AND LEASING ARRANGEMENTS

(A) Contingent Liabilities

Particulars	As at 31st March 2021	As at 31st March 2020
Disputed Income Tax Liability*	4,860.34	5,012.08
Disputed Service Tax Liability**	131.49	131.49
Claims against the Company not acknowledged as debts***	638.00	512.00
Corporate guarantees, Overdraft, Letter of credit & Letter of comfort given by the Company on behalf of the clients****	3,148.60	4,091.02
Total	**8,778.43**	**9,746.59**

* Disputed Income Tax Liability

Particulars	As at 31st March 2021	As at 31st March 2020
Disallowances of Depreciation on Intangibles, Disallowance of Expenses, Disallowance under Section 14A, Disallowance of Dividend under Section 10(33), Disallowance of PF ESIC Cenvat Credit	607.65	232.48
Disallowances of exceptional losses of Wealth Business	3,234.12	3,234.12
Interest on Non Performing Assets (NPA)	1,018.57	1,545.48
Total	**4,860.34**	**5,012.08**

**(ii) Show Cause cum demand Notice No. ST/Audit-III/P-3/Gr-7/Aditya Birla/SCN/2016 dated 9th May 2017 was issued to the Company demanding Service Tax of ₹ 69.84 lakhs on penal/ default interest.

**(iii) Show Cause cum demand Notice No. 20/GST/ME/Aditya Birla/ADC/2018-19 dated 26th July 2018 was issued to the Company demanding Service Tax of ₹ 61.65 lakhs on penal interest.

*** The claims against the Company comprise of the following:

(i) Two of the Company customer have filed the Claim Petition as per High Court Order dated 27th October 2009 for an amount of ₹ 512 lakhs (31st March 2020: ₹ 512.00 lakhs) along with damages with interest. The matter is pending before Arbitrator.

(ii) In one of the cases, the Company has challenged before the Bombay High Court, the order of NCLT Mumbai which directed company to pay liquidation cost of ₹ 91 lakhs. Accordingly, the Company has deposited ₹ 91 lakhs as per the Bombay High Court's direction till the outcome of the final hearing is decided. The matter is still pending.

(iii) In view of the pending case mentioned in point (ii) above, the Company has decided to not pay liquidation cost of ₹ 35 lakhs in another case where the Company has successfully sold the secured assets of the customer which is undergoing liquidation.

**** Represents the limit utilized by client of the Guarantee / Overdraft / Letter of Credit and Letter of Comfort given by the Company.

Notes

Forming part of financial statements as on 31st March 2021

(B) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) on account of property, plant and equipment ₹ 46.82 Lakh (31st March 2020: ₹ 112.69 Lakh) and on account of intangible assets ₹ 662.89 Lakh (31st March 2020: ₹ 921.20 Lakh).

Undisbursed commitments where the Company does not have an unconditional rights to cancel the undrawn/un-availed/unused portion of the loan at any time during the subsistence of the loan ₹ Nil.

(C) Lease Disclosures

(i) Following are the changes in the carrying value of right of use assets for the year ended 31st March 2021:

Particulars	Amount
Gross Carrying Value	
Balance as at 1st April, 2019	8,562.96
Additions	1,432.23
Deferred Rent Lease Expense	26.05
Deletion	-
Balance as at 31st March, 2020	**10,021.24**
Additions	5,861.15
Deletion	1,969.94
Balance as at 31st March, 2021	**13,912.45**
Accumulated Amortisation	
As at 1st April, 2019	-
Additions	1,951.79
Deletion	-
Balance as at 31st March, 2020	**1,951.79**
Additions	2,625.34
Deletion	69.99
Balance as at 31st March, 2021	**4,507.14**
Net Carrying Value as at 31st March, 2020	**8,069.45**
Net Carrying Value as at 31st March, 2021	**9,405.31**

(ii) Amounts recognised in profit and loss for the year ended 31st March 2021

Particulars	Year Ended 31st March, 2021	Year Ended 31st March, 2020
Depreciation expense on right-of-use assets	2,625.34	1,951.79
Interest expense on lease liabilities	897.27	724.94
Expense relating to short-term leases	-	561.07
Expense relating to leases of low value assets	1,219.05	1,576.32
Income from subleasing right-of-use assets	297.61	284.33
Gains or losses arising from Rent concessions due to Covid-19 Pandemic	252.02	-

(iii) The Maturity analysis of lease liabilities as at 31st March 2021:

Particulars	As at 31st March 2021	As at 31st March 2020
Within 12 months	2,485.83	2,389.40
After 12 months	7,738.81	6,520.51
Total	**10,224.64**	**8,909.91**

Notes

Forming part of financial statements as on 31st March 2021

(iv) The following is the movement in lease liabilities during the year ended 31st March 2021:

Particulars	As at 31st March 2021	As at 31st March 2020
Opening balance	8,909.91	9,423.53
Additions	5,696.92	1,086.51
Surrender of premises	(2,493.58)	-
Finance Cost accrued during the year	897.27	724.94
Payment of Lease Liabilities	(2,785.88)	(2,325.07)
Closing balance	**10,224.64**	**8,909.91**

(v) The table below provides details regarding the contractual maturities of lease liabilities as at 31st March 2021 on an undiscounted basis:

Particulars	As at 31st March 2021	As at 31st March 2020
Less than one year	2,577.35	2,335.88
One to Five years	8,107.10	6,188.80
More than Five years	1,818.00	2,275.81
Total	**12,502.45**	**10,800.49**

When measuring lease liabilities, the Company discounted lease payments using its incremental borrowing rate at 1st April 2020. The weighted average rate applied ranges between 6.72% p.a. - 7.15 % p.a.

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

NOTE 48: RELATED PARTY DISCLOSURES

I) List of Related Parties as per IND AS -24 with whom transactions have taken place during the year:

(A) Ultimate Holding Company:

Grasim Industries Limited (Ultimate Holding Company)

(B) Holding Company:

Aditya Birla Capital Limited (Holding Company)

(C) Subsidiaries / Fellow Subsidiaries:

Fellow Subsidiaries

Aditya Birla Capital Technology Services Limited, ABCTSL (Formerly Known as Aditya Birla MyUniverse Limited, ABMUL)

Aditya Birla Financial Shared Services Limited (ABFSSL)

Aditya Birla Money Limited (ABML)

Aditya Birla Insurance Brokers Limited (ABIBL)

Aditya Birla Money Mart Limited (ABMML)

Aditya Birla Money Insurance Advisory Services Limited (ABMIASL)

Aditya Birla Sun Life Insurance Company Limited (ABSLICL)

Aditya Birla Sun Life Asset Management Company Limited (ABSAMCL)

Aditya Birla Housing Finance Limited (ABHFL)

Aditya Birla ARC Limited (ABARCL)

Aditya Birla PE Advisors Private Limited (ABPEAPL)

Aditya Birla Health Insurance Company Limited (ABHICL)

Ultratech Cement Limited (UCL)

Notes

Forming part of financial statements as on 31st March 2021

Aditya Birla Commodities Broking Limited (ABCBL)

ABCSL Employee Trust

Aditya Birla Special Situations Fund - I

Aditya Birla Sun Life Pension Management Limited

Aditya Birla Trustee Company Private Limited

Aditya Birla Sun Life Trustee Private Limited

ABCAP Trustee Company Private Limited

Aditya Birla Wellness Private Limited

Aditya Birla Stressed Asset AMC Private Limited

Aditya Birla Capital Investment Private Limited (Struck off w.e.f 25th February 2021)

(D) Other related parties in which Directors of Ultimate Holding Company are interested

Aditya Birla Management Corporation Private Limited

(E) Joint Venture/Associates

Aditya Birla Idea Payments Bank Limited

(F) Key managerial personnel

Mr. Rakesh Singh (CEO upto 22nd July 2019 and Managing Director & CEO w.e.f. 23th July 2019)

Mr. Sekhar Mosur (Manager upto 22nd July 2019)

Mr. D J Kakalia

Mr. Jitender Balakrishnan

Mr. Ashwani Puri

Ms. Alka Bharucha

Mr. Baldev Raj Gupta

Mr. S C Bhargava

II) Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year:

Particulars	31st March 2021	31st March 2020
Holding Company		
Reimbursement of Administrative expenses		
Aditya Birla Capital Limited	520.65	620.10
Interest expenses		
Aditya Birla Capital Limited	-	66.45
Reimbursement of Rent expenses		
Aditya Birla Capital Limited	-	47.36
Reimbursement of Legal and Professional expenses		
Aditya Birla Capital Limited	140.33	148.16
Reimbursement of Employee cost		
Aditya Birla Capital Limited- ESOP	183.71	715.29
Aditya Birla Capital Limited- OCI	(36.01)	57.87
Aditya Birla Capital Limited	2,359.38	2,443.01
Rent Recovered		
Aditya Birla Capital Limited	14.94	-
Issue of Equity Share Capital		

Notes

Forming part of financial statements as on 31st March 2021

Particulars	31st March 2021	31st March 2020
Aditya Birla Capital Limited	-	585.56
Issue of Inter-corporate Deposits (ICD)		
Aditya Birla Capital Limited	-	1,568.72
Interest on Debentures		
Aditya Birla Capital Limited	303.80	880.44
Redemption of Preference Share Capital		
Aditya Birla Capital Limited	-	1,000.00
Preference Share Capital Outstanding		
Aditya Birla Capital Limited	-	66.45
Paid up Equity Share Capital Outstanding (excluding shares pending issuance)		
Aditya Birla Capital Limited	66,210.08	66,210.08
Equity Share Premium Outstanding		
Aditya Birla Capital Limited	3,21,096.08	3,21,096.08
Repayment of ICD		
Aditya Birla Capital Limited	-	8,754.00
Payable		
Aditya Birla Capital Limited (Debenture) (Long term borrowings)	-	3,393.19
Aditya Birla Capital Limited (Trade Payables)	266.63	503.85
Statutory Dues (GST)		
Aditya Birla Capital Limited	53.11	236.94
Receivable		
Aditya Birla Capital Limited	3.52	3.52
Remuneration of Key Management Personnel		
Mr. Rakesh Singh (CEO upto 22nd July 2019 and Managing Director & CEO w.e.f. 23th July 2019)	1,192.10	1,520.80
Mr. Sekhar Mosur (Manager upto 22nd July 2019)	-	91.66
Fellow Subsidiaries		
Brokerage		
Aditya Birla Money Limited	29.89	142.42
Aditya Birla Money Insurance Advisory Services Limited	8.50	-
Reimbursement of Administrative expenses		
Aditya Birla Wellness Private Limited	1.70	-
Aditya Birla Money Limited	8.03	0.53
Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited)	3.82	10.31
Aditya Birla Sun Life Insurance Company Limited	-	0.43
Aditya Birla Insurance Brokers Limited	0.15	-
Aditya Birla Financial Shared Services Limited	1,069.72	1,318.32
Aditya Birla Housing Finance Limited	178.71	252.74
Aditya Birla Health Insurance Company Limited	2.49	16.81
Payment of Other Services		
Aditya Birla Management Corporation Private Limited	2,851.08	3,085.34
IT Support Expenses		
Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited)	171.78	-
Custodian Charges Expenses		
Aditya Birla Money Limited	5.81	11.47
Interest expenses		
Aditya Birla Sun Life Insurance Company Limited	2,671.49	2,683.30
Reimbursement of Rent expenses		
Aditya Birla Money Limited	0.61	3.79
Aditya Birla Insurance Brokers Limited	6.38	-

Notes

Forming part of financial statements as on 31st March 2021

Particulars	31st March 2021	31st March 2020
Aditya Birla Sunlife Asset Management Co Ltd	3.45	-
Aditya Birla ARC Limited	1.00	14.03
Aditya Birla Sun Life Insurance Company Limited	25.50	282.33
Aditya Birla Sun Life Insurance Company Limited Notional Interest expense	-	13.24
Aditya Birla Sun Life Insurance Company Limited Operating Lease Expenses	-	12.73
Aditya Birla Financial Shared Services Limited	-	18.30
Aditya Birla Housing Finance Limited	104.54	118.49
Reimbursement of Legal and Professional expenses		
Aditya Birla Sunlife Asset Management Company Limited	-	5.60
Aditya Birla Housing Finance Limited	26.40	-
Aditya Birla Financial Shared Services Limited	306.11	434.01
Reimbursement of Employee cost		
Aditya Birla Money Limited	213.53	241.16
Aditya Birla Money Mart Ltd	28.70	-
Aditya Birla Health Insurance Co Ltd	0.39	-
Aditya Birla Money Insurance Advisory Services Limited	0.04	18.83
Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited)	10.06	1.45
Aditya Birla ARC Limited	19.67	9.36
Aditya Birla Stressed Asset AMC Pvt Ltd	-	13.96
Aditya Birla Financial Shared Services Limited	422.33	611.20
Aditya Birla Financial Shared Services Limited - Other Comprehensive Income (OCI)	(47.44)	12.21
Aditya Birla Housing Finance Limited	72.52	32.09
Aditya Birla Sunlife Insurance Company Limited	6.43	0.46
Aditya Birla Sunlife Asset Management Company Limited	2.03	9.73
Insurance Premium Paid		
Aditya Birla Health Insurance Company Limited	30.05	36.00
ESOP Expenses		
Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited)	-	0.57
Director Sitting fees		
Mr. D J Kakalia	6.40	5.80
Mr. Jitender Balakrishnan	4.60	4.30
Mr. Ashwani Puri	5.60	4.85
Ms. Alka Bharucha	3.00	1.00
Mr. S C Bhargava	3.70	2.50
Mr. Baldev Raj Gupta	3.50	2.50
Employee cost recovered		
Aditya Birla Money Limited	28.63	-
Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited)	-	6.93
Aditya Birla ARC Limited	-	114.48
Aditya Birla Sun Life Insurance Company Limited	10.70	32.09
Aditya Birla Sunlife Asset Management Company Limited	4.89	3.03
Aditya Birla Management Corporation Private Limited	5.50	1.53
Aditya Birla Housing Finance Limited	802.21	964.78
Aditya Birla Insurance Brokers Limited	-	1.59
Aditya Birla Health Insurance Company Limited	1.26	-
Aditya Birla Financial Shared Services Limited	-	21.34
Referral Fees Income		
Aditya Birla Money Limited	17.50	45.45

Notes

Forming part of financial statements as on 31st March 2021

Particulars	31st March 2021	31st March 2020
Legal and Professional expenses recovered		
Aditya Birla Financial Shared Services Limited	-	63.02
Aditya Birla Housing Finance Limited	-	4.50
Brokerage Income		
Aditya Birla Money Limited	383.66	220.34
Aditya Birla Housing Finance Limited	-	6.26
Aditya Birla Sunlife Asset Management Company Limited	75.10	40.97
Rent recovered		
Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited)	1.94	-
Aditya Birla Money Insurance Advisory Services Limited	6.07	19.85
Aditya Birla Insurance Brokers Limited	42.27	8.24
Aditya Birla Sunlife Asset Management Company Limited.	3.59	72.94
Aditya Birla Money Mart Limited	-	-
Aditya Birla Housing Finance Limited	245.65	174.73
Advertisement Income		
Aditya Birla Sunlife Insurance Company Limited.	-	50.00
Administrative Expenses Recovered		
Aditya Birla Money Insurance Advisory Services Limited	6.98	13.14
Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited)	0.59	5.65
Aditya Birla Financial Shared Services Limited	228.71	1.27
Aditya Birla Housing Finance Limited	214.93	224.16
Sale of assets		
Aditya Birla ARC Limited	3.33	4.91
Aditya Birla Money Mart Ltd	5.42	-
Aditya Birla Stressed Asset AMC Pvt Ltd	0.56	-
Aditya Birla Housing Finance Limited	-	7.17
Purchase of assets		
Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited)	26.57	-
Aditya Birla Management Corporation Private Limited	0.62	0.25
Aditya Birla Housing Finance Limited	1.91	4.02
Aditya Birla Sun Life Insurance Company Limited	0.64	4.78
Redemption of NCDs		
Aditya Birla Sun Life Insurance Company Limited	-	1,500.00
Investment in fund made		
Aditya Birla Special Situations Fund - I	11.64	21.74
Redemption from Investment		
Aditya Birla Special Situations Fund - I	2.05	15.49
Prepaid Expenses		
Aditya Birla Health Insurance Company Limited	-	115.97
Aditya Birla Capital Technology Services Limited	2.46	-
Aditya Birla Financial Shared Services Limited	34.24	46.40
Redeemable NCDs		
Aditya Birla Sun Life Insurance Company Limited	29,482.85	29,479.96
Interest accrued on NCDs		
Aditya Birla Sun Life Insurance Company Limited	1,327.20	1,332.45
Investment in fund outstanding		
Aditya Birla Special Situations Fund - I	15.84	6.25

Notes
Forming part of financial statements as on 31st March 2021

Particulars	31st March 2021	31st March 2020
Payable		
Aditya Birla Wellness Pvt Ltd	1.88	-
Aditya Birla ARC Limited	19.92	0.63
Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited)	46.68	-
Aditya Birla Sun Life Insurance Company Limited	18.35	45.44
Aditya Birla Financial Shared Services Limited	176.84	483.49
Aditya Birla Management Corporation Private Limited	564.98	390.16
Aditya Birla Sunlife Asset Management Company Limited	-	15.77
Aditya Birla Health Insurance Company Limited	1.35	9.91
Receivable		
Aditya Birla Money Limited	265.12	44.19
Aditya Birla Insurance Brokers Limited	19.69	2.59
Aditya Birla Money Insurance Advisory Services Limited	75.98	34.55
Aditya Birla Housing Finance Limited	299.60	236.21
Aditya Birla Sun Life Assets Management Company Limited	0.16	-
Aditya Birla Money Mart Limited	-	3.47
Aditya Birla Capital Technology Services Ltd (Formerly Known as Aditya Birla MyUniverse Limited)	-	75.03
Security Deposit Receivable		
Aditya Birla Management Corporation Private Limited	615.12	1,015.76
Aditya Birla Sun Life Insurance Company Limited	88.30	88.30
Deposit Placed (Transaction during the year)		
Aditya Birla Management Corporation Private Limited	204.00	888.00
Deposit Received back (Transaction during the year)		
Aditya Birla Management Corporation Private Limited	604.64	-

Notes:-

a) The related party relationships have been as identified by the management on the basis of the requirements of the Indian Accounting Standard IND AS–24 'Related Party Disclosures' and the same have been relied upon by the Auditors.

b) The relationships disclosed above are for the entities where control exists / existed and with whom transactions have taken place during the year and the previous year.

NOTE 49: CAPITAL

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a capital adequacy ratio, which is weighted assets divided by total capital derived as per the RBI requirements. As per the RBI guidelines, Company being a Non Banking Finance Company has to maintain 15% of capital adequacy ratio.

The actual Capital Adequacy Ratio is as under:

Particulars	31st March 2021	31st March 2020
Capital Adequacy Ratio	22.70%	19.08%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

Notes

Forming part of financial statements as on 31st March 2021

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2021 and 31st March 2020.

NOTE 50: FAIR VALUE MEASUREMENT

The fair value of a financial instrument on initial recognition is normally the transaction price (fair value of the consideration given or received). Subsequent to initial recognition, the Company determines the fair value of financial instruments that are quoted in active markets using the quoted bid prices (financial assets held) or quoted ask prices (financial liabilities held) and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method, market comparable method, recent transactions happened in the company and other valuation models.

Fair value 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 a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, units of mutual funds (open ended) and traded bonds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Fair Value Hierarchy of assets and liabilities-

Fair Value measurement-

I. **The carrying amount and fair value measurement hierarchy for assets and liabilities as at 31st March 2021 is as follows:**

Assets valued at fair value on a recurring basis

Particulars	Fair Value through profit and loss					
	Carrying Value	Fair Value	Level-1	Level-2	Level-3	Total
Quoted investments						
MOIL Limited	36.82	36.82	36.82	-	-	36.82
Other Investments						
Investment in Govt Securities	15,420.71	15,420.71	-	15,420.71	-	15,420.71
Investment in Alternate Funds	6,729.83	6,729.83	-	6,729.83	-	6,729.83
Investment in Debt Securities	56,892.50	56,892.50	56,892.50	-	-	56,892.50
Derivative financial instruments (net)	(3,063.81)	(3,063.81)	-	(3,063.81)	-	(3,063.81)

Particulars	Fair Value through other comprehensive income					
	Carrying Value	Fair Value	Level-1	Level-2	Level-3	Total
Equity Share						
Birla Management Centre Services Limited	211.04	211.04	-	-	211.04	211.04

Notes

Forming part of financial statements as on 31st March 2021

II. The carrying amount and fair value measurement hierarchy for assets and liabilities as at 31st March 2020 is as follows:

Assets valued at fair value on a recurring basis

Particulars	Fair Value through profit and loss					
	Carrying Value	Fair Value	Level-1	Level-2	Level-3	Total
Quoted investments						
MOIL Limited	24.89	24.89	24.89	-	-	24.89
Preference Share						
TATA Motors Finance Limited (formerly known as Sheba Properties Limited) (8.20 % Compulsory Convertible Cumulative Preference Shares)	22,551.00	22,551.00	-	-	22,551.00	22,551.00
Other Investments						
Investment in Alternate Funds	9,221.18	9,221.18	-	9,221.18	-	9,221.18
Investment in Debt Securities	42,029.37	42,029.37	42,029.37	-	-	42,029.37
Bonds	9,365.31	9,365.31	9,365.31	-	-	9,365.31
Mutual Fund	2,50,872.74	2,50,872.74	2,50,872.74	-	-	2,50,872.74
Derivative financial instruments (net)	5,407.99	5,407.99	-	5,407.99	-	5,407.99

Particulars	Fair Value through Other Comprehensive Income					
	Carrying Value	Fair Value	Level-1	Level-2	Level-3	Total
Equity Share						
Birla Management Centre Services Limited	175.68	175.68	-	-	175.68	175.68

Valuation techniques

Equity instruments and units of mutual fund: The majority of equity instrument are actively traded on stock exchanges with readily available active prices on a regular basis. Such instruments are classified as Level 1. Units held in funds are measured based on their published net asset value(NAV), taking into account redemption and/or other restrictions. Such instruments are also classified as Level 1. Unlisted equity securities are classified at Level 3.

Investment in Preference Shares: As per latest guideline issued by FBIL, the Preference shares which are not rated by a rating agency, the YTM method has been adopted. The preference shares are fair valued on the basis of YTM method, hence they are classified as Level 3. For the year ended March, 2020, the preference shares were fair valued on the basis of a similar compulsorily convertible preference shares issued by Tata Motors Finance Limited, hence they were classified as Level 3 for the year ended March, 2020.

Investment in Govt Securities: The fair values of investments made in Government Securities is based on valuation report from ICRA as at the reporting period and the same are classified under Level 2.

Investment in Alternate funds: Units held in funds of AIF are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions. Such instruments are generally Level 2. NAV represents the price at which the issuer will issue further units of AIF and the price at which issuers will redeem such units from the investors.

Investment in Debt Securities and Bonds: Fair value of these instrument is derived based on the indicative quote of price and yields prevailing in the market as at reporting date. Company has used quoted price of national stock exchange wherever bonds are traded actively. In cases where debt securities are not actively traded company has used CRISIL corporate bond valuer model for measuring fair value i.e. fair value has been computed using the Fixed Income Money Market and Derivatives Association of India ('FIMMDA') data on corporate bond spreads.

Derivative Financial Instruments: A generally accepted framework for the valuation of the swap explains the position in each leg of the swap as a 'bond'. Therefore, a receive fixed - pay floating swap can be viewed as a portfolio consisting a long position in fixed bond and short position a floating rate bond. The value of the swap is the net proceeds from such bond positions i.e. Receipt – Payment. The swaps were valued on and with inputs from Bloomberg database using the terms of the swap contract.

Notes

Forming part of financial statements as on 31st March 2021

Equity shares measured at Fair Value through Other Comprehensive Income: Unquoted equity shares are measured at fair value through other comprehensive income on the basis of the net worth of the investee company and are classified as Level 3.

Movements in Level 3 financial instruments measured at fair value

The following tables show a reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities which are recorded at fair value:

For the year ended 31st March 2021

Particulars	As at 1st April 2020	Purchase / (Sales)	Transfers into / (from) Level 3	Net interest income, net trading income and other income	Other comprehensive income	At at 31st March 2021
Equity Shares						
Birla Management Centre Services Limited	175.68	-	-	-	35.36	211.04
Preference Shares						
TATA Motors Finance Limited	22,551.00	(22,551.00)	-	-	-	-
Total financial investments classified in Level 3	**22,726.68**	**(22,551.00)**	**-**	**-**	**35.36**	**211.04**
Total financial assets measured at fair value on a recurring basis	**22,726.68**	**-**	**-**	**-**	**-**	**211.04**

The following tables show the reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities measured at fair value:

For the year ended 31st March 2020

Particulars	As at 1st April 2019	Purchase / (Sales)	Transfers into / (from) Level 3	Net interest income, net trading income and other income	Other comprehensive income	At at 31st March 2020
Equity Shares						
Birla Management Centre Services Limited	189.57	-	-	-	(13.89)	175.68
Preference Shares						
TATA Motors Finance Limited	-	-	22,551.00	-	-	22,551.00
Total financial investments classified in Level 3	**189.57**	**-**	**22,551.00**	**-**	**(13.89)**	**22,726.68**
Total financial assets measured at fair value on a recurring basis	**189.57**	**-**	**-**	**-**	**-**	**22,726.68**

Impact on fair value of level 3 financial instruments measured at fair value of changes to key assumptions

The table summarises the valuation techniques together with the significant unobservable inputs used to calculate the fair value of the Group's Level 3 assets and liabilities.

Relationships between unobservable inputs have not been incorporated in this summary.

Particulars	Fair value		Valuation technique	Significant unobservable inputs
	Level 3 assets	Level 3 liabilities		
	31st March 2021	31st March 2021		
Equity Shares - Birla Management Centre Services Limited	211.04	-	Net worth of investee company	Instrument Price
Preference Share - TATA Motors Finance Limited	-	-	YTM Method	Discount Rate

Notes

Forming part of financial statements as on 31st March 2021

Particulars	Fair value		Valuation technique	Significant unobservable inputs
	Level 3 assets	Level 3 liabilities		
	31st March 2020	31st March 2020		
Equity Shares - Birla Management Centre Services Limited	175.68	-	Net worth of investee company	Instrument Price
Preference Share - TATA Motors Finance Limited	22,551.00	-	YTM Method	Discount Rate

Quantitative analysis of significant unobservable inputs

Instrument Price

When specific market prices are not available, the Company uses net worth of the investee company. Given the nature of this approach, the actual range of prices used as inputs are usually quite wide. Therefore, the range is not indicative of the uncertainty associated with the fair value of the individual financial instrument.

Sensitivity of fair value measurements to changes in unobservable market data

The table below describes the effect of changing the significant unobservable inputs to reasonable possible alternatives.

Sensitivity data are calculated using a number of techniques, including adjusting model inputs to reasonable changes within the fair value methodology.

Particulars	31st March 2021		31st March 2020	
	Favourable changes(+5%)	Unfavourable changes(-5%)	Favourable changes(+5%)	Unfavourable changes(-5%)
Equity Shares - Birla Management Centre Services Limited	10.55	(10.55)	8.78	(8.78)
Preference Share - TATA Motors Finance Limited	N.A.	N.A.	43.00	(43.00)

Fair value of financial instruments not measured at fair value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements.

This table does not include the fair values of non–financial assets and non-financial liabilities.

As at 31st March 2021

Particulars	Carrying amount	Fair Value			
		Level-1	Level-2	Level-3	Total
Financial assets:					
Cash and cash equivalents	1,51,098.56	1,51,098.56	-	-	1,51,098.56
Trade and Other Receivables	998.86	-	-	998.86	998.86
Loans	47,59,743.36	-	12,98,479.34	34,11,970.02	47,10,449.36
Other financial assets	5,117.95	-	-	5,117.95	5,117.95
Total financial assets	**49,16,958.73**	**1,51,098.56**	**12,98,479.34**	**34,18,086.83**	**48,67,664.73**
Financial liabilities:					
Trade payables	11,172.31	-	-	11,172.31	11,172.31
Debt securities	16,57,875.04	-	14,22,224.19	3,19,937.17	17,42,161.36
Borrowings (other than debt securities)	22,45,460.08	-	-	22,45,460.08	22,45,460.08
Subordinated liabilities	2,18,183.26	-	2,29,747.15	-	2,29,747.15
Lease Liabilities	10,224.64	-	-	10,224.64	10,224.64
Other financial liabilities	31,157.54	-	-	31,157.54	31,157.54
Total financial liabilities	**41,74,072.87**	**-**	**16,51,971.34**	**26,17,951.74**	**42,69,923.08**

Notes

Forming part of financial statements as on 31st March 2021

As at 31st March 2020

Particulars	Carrying amount	Fair Value			
		Level-1	Level-2	Level-3	Total
Financial assets:					
Cash and cash equivalents	1,82,042.53	1,82,042.53	-	-	1,82,042.53
Trade and Other Receivables	1,195.36	-	-	1,195.36	1,195.36
Loans	45,98,535.45	-	8,36,519.97	37,25,131.48	45,61,651.45
Other financial assets	4,341.17	-	-	4,341.17	4,341.17
Total financial assets	**47,86,114.51**	**1,82,042.53**	**8,36,519.97**	**37,30,668.01**	**47,49,230.51**
Trade payables	10,466.94	-	-	10,466.94	10,466.94
Debt securities	17,86,922.93	-	16,15,769.15	2,23,993.27	18,39,762.43
Borrowings (other than debt securities)	23,48,463.85	-	-	23,48,463.85	23,48,463.85
Subordinated liabilities	2,10,142.09	-	2,05,022.35	66.45	2,05,088.80
Lease Liabilities	8,909.91	-	-	8,909.91	8,909.91
Other financial liabilities	11,403.74	-	-	11,403.74	11,403.74
Total financial liabilities	**43,76,309.46**	**-**	**18,20,791.50**	**26,03,304.16**	**44,24,095.67**

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only.

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such amounts have been classified as Level 2 on the basis that no adjustments have been made to the balances in the balance sheet.

Loans

Loans can be categorized into two main categories based on the rate of interest charged on such loans:

- A) Floating rate Loans: Floating rate loans are loans in which the interest rates are reset at a periodic interval based on a pre-decided reference rate.
- B) Fixed Rate Loans: Fixed rate loans are loans in which the interest rates are decided at the time of sanction of the loan and are not reset automatically.

Floating Rate Loans:

The floating rate loans are valued on the basis of MCLR + Spread specific to the Company. This MCLR rate is being reset on periodic intervals based on the pre-decided reference rate. Hence, they are classified as Level 3.

Fixed Rate Loans:

1. A fixed rate loan given can be viewed as a plain vanilla bond purchased that pays a fixed rate of interest and has fixed redemption date with no options or variable terms attached to it. Value of a Bond is equal to the present value of coupon payments and the redemption price discounted at the yield to maturity ('YTM') as on the Valuation Date of a similar loan. Accordingly, the Company has used the present value technique for valuation of the Fixed Rate Loans given by the Company.
2. In case of loans, they are considered as financial assets and the contractual cash flows are defined over the tenure of the loan. Since the loans are not traded in active markets and company does not have any active markets for identical assets, the Company has not used any level 1 inputs as per INDAS 113. The Company has used the prevailing risk free rate as the valuation date and the credit default spread based on FIMMDA-PDAI Gilt curve for Valuation of Corporate Bonds-Corporates Valuation Matrix, being a level 2 input, as on the valuation date; to determine the discount factor for arriving at the fair value of these loans using the present value technique."

Notes

Forming part of financial statements as on 31st March 2021

Borrowings

Floating Rate Borrowings:
The floating rate borrowings are valued on the basis of MCLR + Spread.

Fixed Rate Borrowings:
The methodology to arrive at yield and bond price is similar and is used in valuation for mutual fund industry. Trades reported may be analysed based on polls received and internal spread models of IMaCS to arrive at final yield for the security using the process mentioned below.

1. Last traded Yield/price that has been reported on NSE, BSE, MCX, FTRAC and NDS-OM is used for valuation as per existing rules for trade size and outliers used for Scrip level valuation. However polls are carried out for outliers trades.
2. In case above conditions are not met, yield is calculated considering trades in same issuer of similar maturity in line with overall market movement and market data collected. Polls may be carried out for outliers and for final valuation yield.
3. In case the above two conditions are not met, matrix movement(benchmark movement of relevant maturity bucket as analysed based on overall trades available/bid-ask and or poll on the similar securities shall be applied on previous day's yield to arrive at Yield/Price for the day.
4. If yield/price is not determinable based on above steps due to non-availability of data, outliers and/or such exceptional events, valuation shall be provided based on previous days Yield/Price.

Derivative Liabilities (Hedging Instruments measured at fair value)

1. The fair value of interest rate swaps is calculated as the present value of estimated future cash flows based on observable yield curves and an appropriate discount factor.
2. The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of respective currencies.
3. The fair value of currency swap is calculated as the present value determined using forward exchange rates, currency basis spreads between the respective currencies, interest rate curves and an appropriate discount factor.

NOTE 51: RISK MANAGEMENT

(a) Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings and trade and other payables. The main purpose of these financial liabilities is to finance and support the company's operations. The Company's principal financial assets include loans, investments, cash and cash equivalents and other receivables that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a Risk Management Committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The Risk Committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors review and agree policies for managing each of these risks, which are summarised below.

The Company has identified and implemented comprehensive policies and procedures to assess, monitor and manage risk throughout the Company. The risk management process is continuously reviewed, improved and adapted in the changing risk scenario and the agility of the risk management process is monitored and reviewed for its appropriateness in the changing risk landscape. The process of continuous evaluation of risks includes taking stock of the risk landscape on an event-driven basis.

The Company has an elaborate process for risk management. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

Notes

Forming part of financial statements as on 31st March 2021

Operational & Business Risk

Loss of Risk that is related to activities carried out within an entity, arising from incomplete structure, failure of systems, untrained people, inefficient products or processes. To make the structure more robust a Board approved Operational Risk Management Framework has been put in place which is implemented by a dedicated team within the Risk Management function. A bottom up risk control self-assessment process identifies high risk areas, potential gaps and serves as an early warning system so that remedial measures can be initiated in a timely manner.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. In the case of the Company, market risk primarily comprises of interest rate risk. Financial instruments affected by market risk include loans and borrowings.

The analyses exclude the impact of movements in market variables on the carrying values of gratuity, other post-retirement obligations and provisions.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31st March 2021 and 31st March 2020.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Interest rate sensitivity

Since the Company manages its interest rate risk on domestic borrowings by ensuring, at maximum, its long term borrowings from domestic banks at floating rate of interest and in case of reduction in interest rate, it initiates negotiations with bankers for realigning the interest rate and/or repaying the high interest rate exposures, the interest rate change in market as such doesn't affect Company's profitability materially.

Market indices	Change in Interest rate	31st March 2021		31st March 2020	
		Impact on profit before tax	Impact on equity	Impact on profit before tax	Impact on equity
Interest rate	25 Basis Point down	5,613.65	4,184.51	5,859.61	4,479.66
	50 Basis Point down	11,227.30	8,369.02	11,719.22	8,959.33
	25 Basis Point Up	(5,613.65)	(4,184.51)	(5,859.61)	(4,479.66)
	50 Basis Point Up	(11,227.30)	(8,369.02)	(11,719.22)	(8,959.33)

Foreign Exchange Risk

Foreign exchange risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates primarily relates to its External Commercial Borrowings. The Company uses derivative instruments like forwards to hedge exposure to foreign currency risk.

The Company has taken foreign currency floating rate borrowings, which are linked to LIBOR. For managing the foreign currency risk and interest rate risk, arising from changes in LIBOR on such borrowings, the Company has entered into Cross Currency Interest Rate Swap (CCIRS) and forward contracts for the entire loan liability and tenure of the facility. Under the terms of the CCIRS, the Company pays interest at the fixed rate to the swap counterparty in INR and receives the floating interest payments based on LIBOR in foreign currency.

Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

The Company has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. Counterparty limits are established by the use of a credit risk classification system, which assigns each counterparty a risk rating. Risk ratings are subject to regular revision. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective action.

Notes

Forming part of financial statements as on 31st March 2021

Impairment assessment

The ECL model Credit loss provisioning approach has now moved from incurred model. This forces entity to understand the significance of credit risk and its movement since its initial recognition. This model ensures (a) timely recognition of ECLs (b) assessment of significant increase in credit risk which will provide better disclosure (c) ascertainment of better business ratios.

The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the Summary of significant accounting policies in Note 5.

- An explanation of the Company's internal grading system (Note 'Definition of default and cure' below)
- How the Company defines, calculates and monitors the probability of default, exposure at default and loss given default) (Note 'The Company's internal rating and PD estimation process', 'Probability of Default', 'Exposure at Default' below)
- When the Company considers there has been a significant increase in credit risk of an exposure (Note 'Significant increase in credit risk' below)
- The Company's policy of segmenting financial assets where ECL is assessed on a collective basis (Note 'Grouping financial assets measured on a collective basis' below)
- The details of the ECL calculations for Stage 1, Stage 2 and Stage 3 assets (Notes 'Probability of default', 'Exposure at default' and 'loss given default' below)

Definition of default

The Company considers a financial instrument defaulted and therefore Stage 3 (credit impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikeness to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events include:

a) Significant financial difficulty of the borrower or issuer;

b) A breach of contract such as a default or past due event;

c) The restructuring of a loan or advance by the company on terms that the company would not consider otherwise;

d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or

e) The disappearance of an active market for a security because of financial difficulties and the customer has delay in his repayments over a month.

The Company's internal rating and PD estimation process

a. Internal Rating: A robust internal credit rating framework is vital for effective credit risk management. It is specified by RBI on credit risk management that lenders should have an internal rating framework and the lenders must have independent Credit Risk Control Units (CRCU) or equivalents that are responsible for the design or selection, implementation and performance of their internal rating systems. Accordingly the Company also have an internal rating framework developed along with CRISIL, with ratings being assigned to all the customer/ portfolio pool – (eligible customers for Ratings) and used extensively in internal decision-making.

b. It is further specified in the policy that Internal rating/grading/scoring of the borrower/client is at least Investment grade rating as per the Company's internal credit rating model or valid/live external rating.

Probability of Default(PD)

PD is calculated basis likelihood that the borrower will default within one year horizon(Basis for Stage 1), For Stage 2 – it is defined as significant increase in credit risk and probability is defined as borrower's probability to default in lifetime.

Exposure at Default

Gross exposure/potential gross exposure under a facility (i.e. the amount that is legally owed to the lender) at the time of default by a borrower. Exposure at Default gives an estimate of the amount outstanding.

Notes

Forming part of financial statements as on 31st March 2021

Loss Given Default(LGD)

LGD is usually shown as the percentage of Exposure at Default that the lender might lose in case the borrower defaults. It depends, among others, on the type of collateral, it's value and the expected proceeds from the sale (e.g. sales proceeds from sales of collaterals/securities) of the assets, NPV net of recovery costs.

Significant increase in credit risk

a. There is significant increase in credit risk, when there is deterioration in account performance and expected resolution is not available.

b. Further, for large borrowers after assessing the following Risks in totality and deterioration in each factor, it is then assessed whether there is a significant increase in credit risk

   i. Industry Risk

   ii. Business Risk

   iii. Management Risk

   iv. Financial Risk

   v. Banking Conduct & Facility level Conduct.

c. Significant increase in credit risk is also gauged through Credit rating. Credit rating is an opinion of capacity of borrower to meet its financial obligations to the depositor or bondholder (i.e. lender of money) on a particular issue or type of instrument (i.e. a domestic or foreign currency: short-term or medium or long-term, etc.) in a timely manner. The rating measures the relative risk of an issuers ability and willingness to repay both interest and principal over the period of the rated instrument. i.e. rating signifies the risk of default of the borrower that is rated."

Collateral Security:

The Company's net exposure to credit risk, after taking into account credit risk mitigation, have been tabulated below:

Particulars	As at 31st March 2021			As at 31st March 2020		
	Outstanding	Cash collateral	Nature of Non-cash collateral	Outstanding	Cash collateral	Nature of Non-cash collateral
Financial assets						
Cash and cash equivalents	1,51,098.56	-		1,82,042.53	-	
Bank balance other than cash and cash equivalents	1,913.09	-		-	-	
Derivative financial instruments	-			5,408.39		
Trade Receivables	998.86	-		1,195.36	-	
Loans	47,59,743.36	-	Refer footnote below	45,98,535.45	-	Refer footnote below
Investments	79,290.90	-		3,34,240.17	-	
Other financial assets	5,117.95	-		4,341.17	-	
Total	**49,98,162.72**	**-**		**51,25,763.07**	**-**	

The Company by way of loan sanction letter and other loan securing documents agrees with its customers on collateral security to be provided by the customers in secured loan exposures that are subject to credit risk. Collateral security enables us to recover all or part of the outstanding exposure by liquidating the collateral asset provided, in cases where the borrower is unable or unwilling to fulfil its primary obligations.

Collateral security accepted by the Company could be in the form of:

a) Financial collateral in the form of pledge of equity shares, units of mutual funds, assignment of life insurance policies;

b) Current assets in the form of inventories meant for sale or receivables arising out of the sale of finished goods

c) Fixed asset (in the form of immovable properties – real estate, Plant and Machinery, Equipment's)

d) Third-party obligation (in the form of Irrevocable Unconditional Guarantee issued by Bank, Third party);

Notes

Forming part of financial statements as on 31st March 2021

e) Risk participation from Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE)

f) Assignment of borrower's rights and interests under agreements with third parties.

In addition, the Company also stipulates escrow of cash flows and a Debt Service Reserve Account (DSRA) for project loans.

Collateral serves to mitigate the inherent risk of credit loss in an exposure, by either improving recoveries in the event of a default or substituting the borrower.

As part of the assessment of a credit transaction the availability, adequacy and suitability of collateral for the transaction is evaluated and decided upon. The Company's processes includes verification of the title to the collateral offered and valuation by technical experts where warranted. The Company accept as collateral only securities of good quality and have in place legally effective and enforceable documentation.

For guarantee's taken, the guarantor's creditworthiness is assessed during the credit assessment process of the transaction. We have collateral type specific haircuts in place which are reviewed at intervals as appropriate to the type of collateral.

The Company recognises that collateral can be a credit mitigant (alternative source of repayment), but does not replace or dilute the underwriting standards the company adopts to underwrite credit exposures.

(b) Forward looking Information:

The Company is required to provide for impairment allowance basis expected credit loss (ECL), which is calculated using empirical portfolio performance and adjusted for forward looking macroeconomic factors, as prescribed by Ind AS. The overall provisioning made through this approach, continues to be in excess of the floor provisions as prescribed by RBI for NBFCs.

The assessment of credit risk and estimation of ECL is statistically validated. It considers all relevant information about past events, current conditions and some elements of predicted performance of the portfolio.

ECL has been calculated using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD).

In the process of determining the PD, the macro economic impact is intrinsically built in in our current approach. The overall performance through the life cycle of the loan, considers the impact of macro-economic parameters like GDP, Unemployment factor or once in events like de-monetisation etc. Most of the portfolios have seen one to two complete economic cycles and hence the default probabilities experienced by the Company takes into account the upturn, downturn and central (balanced) economic scenario.

In the internally rated portfolio, the Industry rating module (sourced from CRISIL under agreement) recognizes factors like demand prediction, supply side glut / constraints, impact of imports and exports and the government policies which are more forward looking and making the through-the-cycle default probabilities to point-in-time default probability.

Forward looking macro-economic factors as appropriate to the sub portfolios of the Company, that can demonstrate some degree of correlation to the forward looking default probability are being evaluated and will be adopted as the company concludes the revalidation exercise for the models to be used from FY 2021.

For FY 2020, COVID – 19 impact has been considered and suitably modelled to forecast and provide for the future impact and a separate note on the same has been provided.

Grouping financial assets measured on a collective basis

The Company calculates ECLs either on a collective or an individual basis.

Asset classes where the Company calculates ECL on an individual basis include:

1. Corporate Portfolio

Asset classes where the Company calculates ECL on a collective basis include:

1. Retail Portfolio

The ECL methodology allows for individual assessment for corporates and therefore these loans are generally measured individually as each of these exposures have unique characteristics and structuring. For retail exposures and exposures

Notes

Forming part of financial statements as on 31st March 2021

which can be clubbed in homogenous pools, ECL is measured on a collective basis. This has been arrived at based on common characteristics like nature of product, customer profile etc.

(c) Analysis of risk concentration

Concentration analysis are presented for Portfolio pool, Location, Top borrower exposures, Group exposures etc. These are regularly analysed and presented for further review/action. Based on the exposures of the company towards various sectors, analysis is as follows:

Top 20 Industry Sectors	As at 31st March 2021 (%)	As at 31st March 2020 (%)
Real Estate Activities - Builders and Contractors	14.67%	14.85%
Lease Rental Discounting	6.76%	6.73%
Energy Renewable	5.85%	6.85%
Construction/Maintenance of Roads	5.76%	6.33%
Hotels, Motels and Resorts	3.73%	3.38%
Education	3.28%	2.79%
Textiles, Readymade Garments, Apparels - Spinning, Mfg and Trading	3.28%	4.13%
NBFCs	3.10%	3.16%
Transportation, logistics & allied services	3.09%	2.59%
Other Trade (Wholesale/ Retail)	2.92%	2.86%
Domestic Commercial Banks	2.39%	2.50%
Automobiles & Ancillaries	2.30%	1.54%
Hospital & medical business	1.87%	1.85%
Food & Beverages	1.68%	1.43%
Brokers / Traders - Shares, securities	1.66%	1.37%
Energy Trans & Distr	1.58%	1.92%
Pharmaceuticals & intermediates	1.55%	1.32%
Chemical & related products*	1.36%	-
Electricals & Electronics equipments*	1.22%	-
Mining and Quarrying	1.05%	1.17%
Finance - Investment / Others**	-	1.21%
Business & Self-Employed**	-	1.19%
Top 20 Industry Exposures	**69.10%**	**69.17%**

*Industry sector does not covered in Top 20 Industry sector for the year ended 31st March 2020.

**Industry sector does not covered in Top 20 Industry sector for the year ended 31st March 2021.

Note: Industry Sectors tagging on loans is done by the Company's management which have been relied upon by the auditors.

(d) Liquidity risk and funding management

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances.

The Company manages its liquidity requirement by analysing the maturity pattern of Company's cash flows of financial assets and financial liabilities. The Asset Liability Management of the Company is periodically reviewed by its Asset Liability Management Committee.

The Company maintains a portfolio of highly marketable and diverse assets that are assumed to be easily liquidated in the event of an unforeseen interruption in cash flow. The Company also has lines of credit that it can access to meet liquidity needs. In accordance with the Company's policy, the liquidity position is assessed under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Company. Net liquid assets consist of cash. The ratios during the year were, as follows:

Notes

Forming part of financial statements as on 31st March 2021

Advances to borrowings ratios

	2021	2020
Year-end	115.49%	105.94%
Maximum	119.34%	112.25%
Minimum	110.41%	105.94%
Average	114.83%	109.79%

Borrowings from banks and financial institutions and issue of debentures are considered as important sources of funds to finance lending to customers. They are monitored using the advances to borrowings ratio, which compares loans and advances to customers as a percentage of secured and unsecured borrowings.

Analysis of financial liabilities by remaining contractual maturities

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial liabilities as at 31 March:

As at 31st March 2021

Particulars	Within 12 months	After 12 months	Total
Financial liabilities			
Derivative Financial Liability	-	3,063.81	3,063.81
Trade Payables (refer note 2 below)			
- Micro and small enterprises	214.66	-	214.66
- Other than micro and small enterprises	10,957.65	-	10,957.65
Debt securities (refer note 3 below)	7,88,481.19	11,87,415.93	19,75,897.12
Borrowings (other than debt securities)	9,48,998.38	15,69,514.84	25,18,513.22
Subordinated liabilities	20,712.85	3,11,152.87	3,31,865.72
Lease liabilities	2,577.35	9,925.10	12,502.45
Other financial liabilities	31,157.54	-	31,157.54

As at 31st March 2020

Particulars	Within 12 months	After 12 months	Total
Financial liabilities			
Derivative Financial Liability	-	0.40	0.40
Trade Payables (refer note 2 below)			
- Micro and small enterprises	282.07	-	282.07
- Other than micro and small enterprises	10,184.87	-	10,184.87
Debt securities (refer note 3 below)	8,18,447.67	9,68,344.49	17,86,792.16
Borrowings (other than debt securities)	6,61,508.46	16,82,596.30	23,44,104.76
Subordinated liabilities	10,550.78	2,00,268.65	2,10,819.43
Lease liabilities	2,335.88	8,464.61	10,800.49
Other financial liabilities	11,403.74	-	11,403.74

Notes:

1. Previous year figures does not include other future contracted cash flows (such as interest which are not accrued as at Balance sheet date).
2. Trade payables is based on the estimate of actual payment.
3. Commercial papers shown net of unamortised discounting charges ₹ 3.013.51 lakhs (31st March 2020 ₹ 4,634.93 lakhs).

Notes

Forming part of financial statements as on 31st March 2021

The table below shows the contractual expiry by maturity of the Corporate guarantees and Letter of comfort given by the Company on behalf of clients.

	Within 12 months	After 12 months	Total
As at 31st March 2021			
Corporate guarantees and Letter of comfort given by the Company on behalf of clients	3,126.00	22.60	3,148.60
Total	**3,126.00**	**22.60**	**3,148.60**
As at 31st March 2020			
Corporate guarantees and Letter of comfort given by the Company on behalf of clients	4,091.02	-	4,091.02
Total	**4,091.02**	**-**	**4,091.02**

(e) Methodology for estimation of additional expected credit loss provision for COVID-19

The COVID -19 pandemic continues to spread across the globe and India, which has contributed to a significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The financial results, includes the potential impact of the COVID-19 pandemic on the Company's financial results which are dependent on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the second wave of COVID-19 pandemic and any action to contain its spread or mitigate its impact whether Government mandated or elected by the Company and its subsequent impact on the recoverability's on the Company's assets. The Company has, based on current available information and based on the policy approved by the Board, determined the provision for impairment of financial assets including the additional overlay for uncertainty over the potential macro-economic impact of the pandemic.

Based on the current indicators of future economic conditions, the Company considers this provision to be adequate and expects to recover the carrying amount of these financial assets. Given the uncertainty over the potential macro-economic condition, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

(f) Impact of Restructuring

The economic fallout on account of the Covid-19 pandemic has led to significant financial stress for borrowers across the board. The resultant stress potentially impacted the long-term viability of many firms, otherwise having a good track record under the existing promoters, due to their debt burden becoming disproportionate relative to their cash flow generation abilities. Such wide spread impact could impair the entire recovery process, posing significant financial stability risks.

Considering the above, with the intent to facilitate revival of real sector activities and mitigate the impact on the ultimate borrowers, RBI has decided to provide a window under the Prudential Framework to enable the lenders to implement a resolution plan in respect of eligible MSME, corporate exposures, Small borrowers and Personal Loans while classifying such exposures as Standard, subject to specified conditions.

Under this framework, ABFL identified the customers that required handholding and were significantly impacted under the COVID related stress but who would bounce back if given the option to pay a lower instalment or payment holiday for 6 to 12 months. The Company has restructured only 2.46 % of the overall book and has taken adequate provisions against these loans.

Notes

Forming part of financial statements as on 31st March 2021

52A.DISCLOSURE IN TERMS OF DIRECTION 19 OF NON-BANKING FINANCIAL COMPANY - SYSTEMICALLY IMPORTANT NON-DEPOSIT TAKING COMPANY AND DEPOSIT TAKING COMPANY (RESERVE BANK OF INDIA) DIRECTIONS, 2016

Sr No.	Particulars	31st March 2021		31st March 2020	
		Amount out-standing	Amount overdue	Amount out-standing	Amount overdue
	Liabilities side:				
1)	**Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:**				
	(a) Debentures: Secured (including interest accrued but not due of ₹ 85,859.83 lakhs; 31st March 2020: ₹ 1,12,948.45 lakhs)	13,32,116.41	-	15,62,929.66	-
	: Unsecured (including interest accrued but not due of ₹ 9,758.12 lakhs ; 31st March 2020: ₹ 9,350.53 lakhs) (other than falling within the meaning of public deposits*)	2,02,888.15	-	1,92,359.93	-
	(b) Perpetual Debts (including interest accrued but not due of ₹ 1,195.41 lakhs; 31st March 2020: ₹ 1,200.25 lakhs)**	21,116.57	-	21,108.90	-
	(c) Deferred Credits	-	-	-	-
	(d) Term Loans, External commercial borrowings and Working Capital Demand loans (including interest accrued but not due of ₹ 5,698.64 lakhs ; 31st March 2020: ₹ 9,430.73 lakhs)	21,09,067.93	-	23,07,673.58	-
	(e) Commercial Paper (net of unamortised discount of ₹ 3,013.51 lakhs; 31st March 2020: ₹ 4,634.93 lakhs)	3,19,937.17	-	2,20,600.08	-
	(f) Other Loans (Cash Credit, Preference Shares, Book overdraft)	1,36,392.15	-	40,856.72	-
		41,21,518.38	**-**	**43,45,528.87**	**-**

* Please see Note 1 below and ** Please see Note 5 below.

Sr No.	Assets side:	31st March 2021 Amount out-standing	31st March 2020 Amount out-standing
2)	**Break-up of Loans and Advances including bills receivables (other than those included in (4) below):**		
	(a) Secured:	39,63,984.03	38,83,920.22
	(b) Unsecured:	8,97,877.98	8,02,768.37
	(includes those in nature of loans and excludes Advances Recoverable in cash or kind or for value to be received, Advance Payment of Taxes and Other Deposits)		
		48,61,862.01	46,86,688.59
3)	**Break up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities:**		
	(i) Lease assets including lease rentals under sundry debtors:		
	(a) Financial lease	-	-
	(b) Operating lease	-	-
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire	-	-
	(b) Repossessed Assets	-	-
	(iii) Other loans counting towards AFC activities		
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above	-	-
		-	-

Notes

Forming part of financial statements as on 31st March 2021

Sr No.	Assets side:	31st March 2021 Amount out-standing	31st March 2020 Amount out-standing
4)	**Break-up of Investments:**		
	Short Term investments:		
	1. Quoted:		
	(i) Shares: (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (Please specify)	-	-
	2. Unquoted:		
	(i) Shares: (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	56,892.50	51,394.68
	(iii) Units of mutual funds	-	2,50,872.74
	(iv) Government Securities	15,420.71	-
	(v) Others (Please specify)	-	-
	Long Term investments:		
	1. Quoted:		
	(i) Shares: (a) Equity	36.82	24.89
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (Please specify)	-	-
	2. Unquoted:		
	(i) Shares: (a) Equity	211.04	175.68
	(b) Preference	-	22,551.00
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (PMS and Alternate Fund)	6,729.83	9,221.18

5) Borrower group-wise classification of assets financed as in (2) and (3) above:

Particulars	31st March 2021			31st March 2020		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1) Related Parties						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	-	-	-	-	-	-
2) Other than related parties						
(a) Companies in the same group	-	30,500.00	30,500.00	-	95,777.12	95,777.12
(b) Other	39,63,984.03	8,67,377.98	48,31,362.01	38,83,920.22	7,06,991.25	45,90,911.47
	39,63,984.03	**8,97,877.98**	**48,61,862.01**	**38,83,920.22**	**8,02,768.37**	**46,86,688.59**

Notes

Forming part of financial statements as on 31st March 2021

6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	31st March 2021		31st March 2020	
	Market Value / Break up or fair value or NAV	Book Value	Market Value / Break up or fair value or NAV	Book Value
1) Related Parties				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2) Other than related parties				
(a) Companies in the same group	391.36	323.22	920.34	843.56
(b) Other	78,899.54	77,603.52	3,33,319.83	3,28,542.95
	79,290.90	**77,926.74**	**3,34,240.17**	**3,29,386.51**

Note: Break up value derived from the latest available Balance Sheet of the Company.

7) Other information:

	31st March 2021	31st March 2020
(i) Gross Non-Performing Assets (Stage 3):		
(a) Related parties	-	-
(b) Other than related parties	1,42,247.24	1,82,708.23
(ii) Net Non-Performing Assets (Stage 3):		
(a) Related parties	-	-
(b) Other than related parties	58,995.56	1,26,147.81
(iii) Assets acquired in satisfaction of debt:	-	-

The above amounts are including Interest Accrued.

Notes:

1 As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank of India) Directions, 1998.

2 Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank of India) Directions, 2016.

3 There are no prior period and material change in accounting policies which require disclosure in the notes to accounts.

4 All Indian Accounting Standards issued by MCA and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/NAV in respect of unquoted investments has been disclosed irrespective of whether they are classified as long term or current in (4) above.

5 During the year ended 31st March 2021 the Company has raised ₹ Nil (31st March 2020 ₹ Nil) through perpetual debt instrument. Closing balance as on 31st March 2021 is ₹ 21,116.57 lakhs (31st March 2020 ₹ 21,108.90 lakhs), the same is 2.43% (31st March 2020 2.88%) of tier I Capital as on 31st March 2021.

Notes

Forming part of financial statements as on 31st March 2021

52B. DISCLOSURE IN TERMS OF DIRECTION 73 OF NON-BANKING FINANCIAL COMPANY - SYSTEMICALLY IMPORTANT NON-DEPOSIT TAKING COMPANY AND DEPOSIT TAKING COMPANY (RESERVE BANK OF INDIA) DIRECTIONS, 2016

a) Capital Risk Adequacy Ratio (CRAR)

₹ in Lakh

Sr. No.	Items	31st March 2021	31st March 2020
(i)	CRAR (%)	22.70	19.08
(ii)	CRAR - Tier I capital (%)	18.43	15.15
(iii)	CRAR - Tier II Capital (%)	4.27	3.94
(iv)	Amount of subordinated debt raised as Tier-II capital	1,97,066.69	1,88,966.74
(v)	Amount raised by issue of Perpetual Debt Instruments	21,116.57	21,108.90

Notes:

1 Amount of Subordinated debt and Perpetual Debt shown above are outstanding balances (including interest accrued thereon) as on 31st March 2021 and 31st March 2020.

b) Disclosures on Risk Exposure in Derivatives

Qualitative Disclosure - The company enters into derivative agreements to mitigate the foreign exchange risk and interest rate risk pertaining to its external commercial borrowings. Detailed description of the policies and risk mitigation strategies are disclosed as per Note 5.1(viii), Note 9 and Note 52 of the financial statements.

Quantitative Disclosures -

₹ in Lakh

Sr. No.	Particulars	31st March 2021		31st March 2020	
		Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount) for Hedging	35.55	1,46,367.54	36.11	1,46,367.54
(ii)	Marked to Market Positions				
	(a) Asset (Positive)	-	-	-	5,408.39
	(b) Liability (Negative)	(1.26)	(3,062.55)	(0.40)	-
(iii)	Credit Exposure	-	-	-	-
(iv)	Unhedged Exposures	-	-	-	-

c) Unsecured Advances

₹ in Lakh

Sr. No.	Items	31st March 2021	31st March 2020
(i)	Unsecured Advances (Inclusive of doubtful advances)	8,97,877.98	8,02,768.37

Out of the above amount, advances for which intangible securities such as charge over the rights, licences, authority, etc. are taken as collateral: NIL

Notes

Forming part of financial statements as on 31st March 2021

d) Exposures

d.i) Exposure to Real Estate Sector

₹ in Lakh

Category		31st March 2021	31st March 2020
Direct exposure			
i)	**Residential Mortgages**	10,12,337.72	8,03,439.41
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented		
ii)	**Commercial Real Estate**	13,76,744.74	13,04,792.05
	Lending secured by mortgages on commercial real estates		
	(office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.)		
	Exposure would also include non-fund based limits		
iii)	**Investments in Mortgage Backed Securities (MBS) and other securitised exposures**		
	a. Residential	Nil	Nil
	b. Commercial Real Estate	Nil	Nil
Total Exposure to Real Estate Sector		**23,89,082.46**	**21,08,231.46**

Note: Exposure to Real Estate sector does not includes interest receivable.

d.ii) Exposure to Capital Market

₹ in Lakh

Particulars		31st March 2021	31st March 2020
i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	36.82	24.89
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	63,952.99	59,667.97
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	2,05,959.63	2,05,160.99
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	817.76	925.12
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources.	-	-
(vii)	Bridge loans to companies against expected equity flows / issues;	-	-
(viii)	All exposures to Venture Capital Funds (both registered and unregistered)	-	-
Total Exposure to Capital Market		**2,70,767.20**	**2,65,778.97**

Note: Capital market exposure does not includes interest receivable.

Notes

Forming part of financial statements as on 31st March 2021

d.iii) Asset Liability Management

Maturity pattern of certain items of Assets and Liabilities

As at 31st March 2021

₹ in Lakh

Particulars	1 to 7 days	8 to 14 days	15 day to 30 days	Over 1 month and upto 2 months	Over 2 months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
Deposits	-	-	-	135.32	66.62	9.23	211.40	353.88	966.64	743.74	2,486.83
Advances**	83,784.56	12,876.43	47,057.64	1,16,252.21	1,37,157.41	2,01,516.45	7,85,802.36	11,32,784.79	7,38,434.62	15,04,076.89	47,59,743.36
Investments	-	-	-	15,420.71	56,892.50	-	-	4,427.17	2,122.34	428.18	79,290.90
Borrowings*	3,417.26	2,750.87	2,79,762.80	2,30,324.96	1,69,342.02	2,72,393.39	6,10,670.70	16,42,295.00	4,51,215.49	4,59,345.89	41,21,518.38
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities (also included in borrowings above)	-	-	-	84.34	-	57.89	-	1,46,974.50	-	-	1,47,116.73

As at 31st March 2020

₹ in Lakh

Particulars	1 to 7 days	8 to 14 days	15 day to 30 days	Over 1 month and upto 2 months	Over 2 months and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
Deposits	-	-	527.83	3.09	22.16	288.87	1,057.55	398.54	404.29	251.76	2,954.09
Advances**	43,146.86	20,073.54	30,516.73	30,906.77	2,17,803.96	2,87,742.64	6,87,784.03	11,62,617.04	6,63,321.01	14,54,622.87	45,98,535.45
Investments	-	-	-	1,30,000.00	72,267.41	-	1,22,551.00	4,423.64	-	4,998.12	3,34,240.17
Borrowings*	6,693.79	13,885.34	1,09,126.74	2,03,515.24	3,24,787.92	1,75,775.08	6,62,011.10	17,52,653.55	5,08,245.52	5,88,834.59	43,45,528.87
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities (also included in borrowings above)	-	-	-	-	-	-	-	1,53,512.17	-	-	1,53,512.17

'Note: Classification of assets and liabilities under the different maturity buckets is based on the certain estimates and assumptions as used by the company which has been relied upon by the auditors.

* Commercial papers shown net of unamortised discounting charges ₹ 3,013.51 (31st March 2020 ₹ 4,634.93 lakhs).

** a) Overdue Receivable on account of Corporate Finance Activities have been slotted in respective time bucket category as per instructions contained in Appendix 1 of Guidelines for Assets Liabilities Management (ALM) system in NBFC.

b) Advances includes Loan and Advances in the nature of Loans (net of ECL provisions) and excludes Deposits.

d.iv) The Company has no specific program for financing its parent company products. However, in its general lending business, the Company may have funded some entities which may have been customer(s) of its ultimate parent company: Grasim Industries Limited. Single Borrower Limit (SGL) or Group Borrower Limit (GBL) did not exceed the limits prescribed under the prudential norms.

Notes

Forming part of financial statements as on 31st March 2021

52C. A) Disclosure on liquidity risk under RBI circular no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated 4th November 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies as on 31st March 2021.

i) Funding Concentration based on significant counterparty (both deposits and borrowings)

As at 31st March 2021

Sr. No	No of Significant Counterparties	Amount	% of total Deposits	% of Total Liabilities*
1	20	28,24,533.05	NA	67.38%

As at 31st March 2020

Sr. No	No of Significant Counterparties	Amount	% of total Deposits	% of Total Liabilities*
1	22	28,96,749.23	NA	65.95%

Note:

1. A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFCNDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs

ii) Top 20 large deposits – Not Applicable for 31st March 2021 & 31st March 2020

iii) Top 10 Borrowings

As at 31st March 2021

Amount	% of Total Liabilities*
21,76,921.05	51.93%

As at 31st March 2020

Amount	% of Total Liabilities*
21,68,418.07	49.37%

iv) Funding Concentration based on significant instrument/product

Sr.	Name of the instrument	As at 31st March 2021		As at 31st March 2020	
		Amount	% of Total Liabilities*	Amount	% of Total Liabilities*
1	Term Loan	17,57,030.47	41.92%	18,62,067.58	42.40%
2	Non Convertible Debentures	13,32,116.41	31.78%	15,62,929.66	35.58%
3	Commercial Paper	3,19,937.17	7.63%	2,20,600.08	5.02%
4	Working capital / short term facilities	1,03,512.25	2.47%	2,25,780.29	5.14%
5	External Commercial Borrowings	2,48,525.21	5.93%	2,55,397.32	5.81%
6	Sub-ordinate Debt	1,97,066.69	4.70%	1,88,966.74	4.30%
	Total	**39,58,188.20**	**94.43%**	**43,15,741.67**	**98.25%**

Note:

1. A "Significant instrument/product" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFCNDSI's, NBFC-Ds total liabilities and 10% for other non-deposit taking NBFCs.
2. Above table does not includes Book overdraft.

Notes

Forming part of financial statements as on 31st March 2021

v) Stock Ratios

Sr No	Particulars	31st March 2021	31st March 2020
1	Commercial Papers to Total Liabilities*	7.63%	5.02%
2	Commercial Papers to Total Assets	6.30%	4.24%
3	NCDs (Original Maturity < 1 year) to Total Liabilities*	Nil	Nil
4	NCDs (Original Maturity < 1 year) to Total Assets	Nil	Nil
5	Other Short Term Liabilities** to Total Liabilities*	31.20%	29.94%
6	Other Short Term Liabilities** to Total Assets	25.77%	25.29%

* Total Liabilities does not include Net Worth.

** Other Short Term Liabilities excludes Commercial Paper as considered in 1 & 2.

vi) Institutional set-up for liquidity risk management:

The Company has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk management. The ALCO meetings are held at periodic intervals. At the apex level, the Risk Committee (RC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RC subsequently updates the Board of Directors on the same.

B) Liquidity Coverage Ratio: The daily average LCR of the company for the quarter ended 31st March 2021 was 72% vis-à-vis 93% for the month ended 31st December 2020. The calculation has been arrived based on average daily computation.

Sr. No.	Particulars	Three months ended 31st March 2021		One month ended 31st December 2020	
		Total Unweighted Value 3 (Average)	Total Weighted Value 4 (Average)	Total Unweighted Value 3 (Average)	Total Weighted Value 4 (Average)
	Total High Quality Liquid Assets (HQLA)				
1	Total High Quality Liquid Assets (HQLA)	1,41,756.48	1,41,756.48	1,01,774.47	1,01,774.47
	Cash Outflows				
2	Deposits (for deposit taking companies)	-	-	-	-
3	Unsecured wholesale funding	2,40,721.78	2,76,830.04	1,72,660.06	1,98,559.07
4	Secured wholesale funding	61,913.85	71,200.92	80,259.76	92,298.72
5	Additional requirements, of which	-	-	-	-
	(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-
	(ii) Outflows related to loss of funding on debt products	-	-	-	-
	(iii) Credit and liquidity facilities	-	-	-	-
6	Other contractual funding obligations	1,59,974.24	1,83,970.38	1,26,949.47	1,45,991.89
7	Other contingent funding obligations	291.41	335.12	667.21	767.29
8	**Total Cash Outflows**	**4,62,901.28**	**5,32,336.46**	**3,80,536.50**	**4,37,616.97**
	Cash Inflow				
9	Secured lending	-	-	-	-
10	Inflows from fully performing exposures	3,10,319.71	2,32,739.78	4,02,305.89	3,01,729.42
11	Other cash inflows	1,36,746.67	1,02,560.00	1,32,931.15	99,698.36
12	**Total Cash Inflows**	**4,47,066.38**	**3,35,299.78**	**5,35,237.04**	**4,01,427.78**
		Total Adjusted Value			
13	**Total HQLA**	**1,41,756.48**	**1,41,756.48**	**1,01,774.47**	**1,01,774.47**
14	**Total Net Cash Outflows**	**15,834.90**	**1,97,036.69**	**(1,54,700.53)**	**1,09,404.24**
15	**Liquidity Coverage Ratio (%)**		**72%**		**93%**

Notes:

1. Circular requirement for LCR disclosure is applicable from 1st December 2020 hence comparative information has not been provided.

Notes

Forming part of financial statements as on 31st March 2021

2. In computing the above information, certain estimates/ assumptions have been made by the Company's management which have been relied upon by the auditors.

3. Unweighted values must be calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).

4. Weighted values must be calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow.

C) Qualitative Disclosure

a) **The main drivers of their LCR results and the evolution of the contribution of inputs to the LCR's calculation over time:** RBI had introduced the liquidity coverage ratio (LCR) to ensure that NBFC has an adequate stock of unencumbered high-quality liquid assets (HQLA) to survive a significant liquidity stress lasting for a period of 30 days. LCR is defined as a ratio of HQLA to the total net cash outflows estimated for the next 30 calendar days. At 31st March 2021, the applicable minimum LCR required to be maintained by NBFC is 50%.

The Company has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk. The ALCO meets at periodic intervals. At the apex level, the Risk Committee (RC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RC subsequently updates the Board of Directors on the same.

b) **Intra-period changes as well as changes over time:** Company has started maintaining LCR w.e.f 1st December 2020. The details for the month ended 31st December 2020 and quarter ended 31st March 2021 are disclosed in 52C-B) Liquidity Coverage Ratio.

c) **The composition of HQLAs:** The Company, for the three month ended 31st March 2021, had average HQLA of ₹ 1,417.56 crore vis-à-vis 1,017.74 crore for the one month ended 31st December 2020.

High-Quality Liquid Assets (HQLA)	Three months ended 31st March 2021 (Average)	One month ended 31st December 2020 (Average)
Total	**1,41,756.48**	**1,01,774.47**
Cash & callable FDs	1,22,305.93	89,643.55
Treasury Bills	9,300.06	9,905.19
Government Securities	10,150.49	2,225.73

d) **Concentration of funding sources**

Name of the Source	% of Total Liabilities
Bank	62.10%
Mutual Fund	13.60%
Insurance	10.41%
PF & Others	8.79%
FII	2.57%
Corporates	2.53%
Total	**100.00%**

e) **Currency mismatch in the LCR:** The company has taken foreign currency borrowings. The Company has entered into Cross currency swap and forward contracts to hedge the foreign currency risk on such borrowing.

f) **Other inflows and outflows in the LCR calculation that are not captured in the LCR common template but which the institution considers to be relevant for its liquidity profile:** All inflows/ outflows considered relevant has been considered for LCR calculation.

Notes

Forming part of financial statements as on 31st March 2021

52D.DISCLOSURE IN TERMS OF RBI NOTIFICATION NO. DOR.NO.BP.BC.62/21.04.048/2020-21 DATED 17nd APRIL, 2020

As at 31st March 2021

No. of Borrowers	Outstanding as on 31st March 2021
2	9,643.77

As at 31st March 2020

No. of Borrowers	Outstanding as on 31st March 2020
3	67,371.00

The above borrowers represent cases where extension of resolution timelines under the Prudential Framework on Resolution of Stressed Assets dated 7th June 2019 have been considered in lieu of RBI Notification No.BP.BC.62/21.04.048/2020-21 dated 17nd April 2020.

52E.DISCLOSURE IN TERMS OF RBI NOTIFICATION NO. DOR.NO.BP.BC.63/21.04.048/2019-20 DATED 17nd APRIL 2020

Particulars	As at 31st March 2021 Amount	As at 31st March 2020 Amount
Amounts in SMA/overdue categories, where the moratorium/deferment was extended*	3,31,973.15	1,19,763.00
Amount where the classification benefit to stage 3 was extended	-	14,446.02
Provisions made during the Q4 FY 2020 & Q1 FY 2021	14,057.00	1,850.93
Provisions adjusted during the respective accounting periods against slippages and the residual provisions	7,844.65	N.A

*above numbers represents outstanding balance as of 31st March 2021 accounts.

52F.DISCLOSURE IN TERMS OF RBI CIRCULAR - RBI/2020-21/17 DOR.NO.BP.BC/4/21.04.048/2020-21 DATED 6th AUGUST 2020 (FOR RESTRUCTURING OF ACCOUNTS OF MICRO, SMALL AND MEDIUM ENTERPRISES (MSME) SECTOR–RESTRUCTURING OF ADVANCES' HAVING EXPOSURE LESS THAN OR EQUAL TO ₹ 25 CRORES).

Type of Borrower	No. of accounts restructured	Amount
MSMEs	1,945	51,329.73

52G.DISCLOSURE IN TERMS OF RBI CIRCULAR - RBI/2018-19/127 DBR.NO.BP.BC.26/21.04.048/2018-19 DATED 1ST JANUARY 2019 AND RBI/2020-21/16 DOR.NO.BP.BC/3/21.04.048/2020-21 DATED 6th AUGUST 2020.

Type of borrower	(A) Number of accounts where resolution plan has been implemented under this window	(B) exposure to accounts mentioned at (A) before implementation of the plan	(C) Of (B), aggregate amount of debt that was converted into other securities	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation	(E) Increase in provisions on account of the implementation of the resolution plan
Personal Loans	16,097	31,371.59	-	-	3,231.00
Corporate persons*	8	23,999.58	-	3,395.34	1,256.52
MSMEs**	1,945	47,816.24	-	1,204.21	2,623.87
Others	7	2,495.68	-	-	243.72
Total	**18,057**	**1,05,683.09**	**-**	**4,599.55**	**7,355.11**

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016.

Notes

Forming part of financial statements as on 31st March 2021

** This includes non fund based facility also.

Note: Incremental Provisions mentioned in the above table are as per IRAC.

53 DISCLOSURE IN TERMS OF DIRECTION 73 OF NON-BANKING FINANCIAL COMPANY - SYSTEMICALLY IMPORTANT NON-DEPOSIT TAKING COMPANY AND DEPOSIT TAKING COMPANY (RESERVE BANK OF INDIA) DIRECTIONS, 2016

53.1 Registration/ license/ authorization obtained from financial sector regulators:

The Company has received certificate of registration as a non-deposit taking systematically important Non-Banking Financial Company from Reserve Bank of India dated 9th August 2011 having COR number N-01.00500 in lieu of earlier COR number B-13.01163 dated 12nd February 1999. The Company is registered with AMFI for distribution of Mutual fund products having certificate number ARN-91896 and ARN-118681 valid from 23rd October 2019 to 22nd October 2022 and 4th February 2020 to 3th February 2023 respectively.

53.2 Penalties levied if any during the year:

Nil

53.3 Investments

Particulars		31st March 2021	31st March 2020
Value of Investments			
(i)	Book Value of Investments		
	(a) In India	77,926.74	3,29,386.51
	(b) Outside India,	-	-
(ii)	Unrealised fair value gain / (loss) recognised on investments		
	(a) In India	1,364.16	4,853.66
	(b) Outside India,	-	-
(iii)	Fair Value of Investments		
	(a) In India	79,290.90	3,34,240.17
	(b) Outside India	-	-

53.4 Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of P&L	31st March 2021	31st March 2020
Bad debts/Advances Written off	54,249.13	33,577.95
Expected Credit Loss Allowance on Loans and Advances and trade receivables	13,928.38	37,129.05
Provision made towards Income tax (Net of Deferred Tax)	26,258.02	24,796.13

53.5 Concentration of Advances

Particulars	31st March 2021	31st March 2020
Total Advances to twenty largest borrowers (including interest accrued)	4,87,979.48	5,32,945.80
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	10.04%	11.37%

53.6 Concentration of Exposures

Particulars	31st March 2021	31st March 2020
Total Exposure to twenty largest borrowers / customers* (including interest accrued)	4,89,077.55	6,38,045.94
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	9.90%	12.71%

*The above calculation is as per loans outstanding as at year end.

Notes

Forming part of financial statements as on 31st March 2021

53.7 Concentration of NPAs

Particulars	31st March 2021	31st March 2020
Total Exposure to top four NPA (Stage 3) accounts (including interest accrued)	34,403.82	78,457.35

53.8 Sector-wise NPAs (Stage 3)

Sr No.	Sector	31st March 2021 Percentage of NPAs (Stage 3 loans) to Total Advances in that sector	31st March 2020 Percentage of NPAs (Stage 3 loans) to Total Advances in that sector
1	Agriculture & allied activities	3.31%	2.53%
2	MSME	1.81%	1.49%
3	Corporate borrowers	4.11%	4.21%
4	Services	2.40%	4.74%
5	Unsecured working capital loans	3.37%	3.73%
6	Auto loans	0.00%	0.00%
7	Other personal loans	5.50%	2.67%

Note: Industry Sectors tagging on loans is done by the Company's management which have been relied upon by the auditors.

53.9 Movement of NPAs (Stage 3)

Particulars			31st March 2021	31st March 2020
(i)	**Net NPAs to Net Advances (%)**		1.73%	2.72%
(ii)	**Movement of NPAs (Gross Stage 3 assets)**			
	(a)	Opening balance	1,82,708.23	81,340.04
	(b)	Additions during the year	55,315.03	1,53,350.09
	(c)	Reductions during the year	(95,776.02)	(51,981.90)
	(d)	Closing balance	1,42,247.24	1,82,708.23
(iii)	**Movement of Net NPAs (Net Stage 3 assets)**			
	(a)	Opening balance	1,26,147.81	50,044.23
	(b)	Additions during the year	(4,124.63)	90,582.35
	(c)	Reductions during the year	(38,771.50)	(14,478.77)
	(d)	Closing balance	83,251.68	1,26,147.81
(iv)	**Movement of provisions for NPAs (Stage 3 Provision)**			
	(a)	Opening balance	56,560.42	31,295.81
	(b)	Provisions made during the year	59,439.66	62,767.74
	(c)	Write-off / write-back of excess provisions	(57,004.52)	(37,503.13)
	(d)	Closing balance	58,995.56	56,560.42

Note: The above amounts are including Interest Accrued.

Notes

Forming part of financial statements as on 31st March 2021

53.10 Credit Rating

Instrument	Credit Rating Agency	31st March 2021	31st March 2020
Commercial Paper	ICRA Limited	[ICRA] A1+	[ICRA] A1+
	India Ratings & Research Private Limited	IND A1+	IND A1+
Non Convertible Debentures (NCD)	ICRA Limited	[ICRA] AAA Stable	[ICRA] AAA Stable
	India Ratings & Research Private Limited	IND AAA Stable	IND AAA Stable
Sub Debt	CARE Limited	CARE AAA Stable	CARE AAA Stable
	ICRA Limited	[ICRA] AAA Stable	[ICRA] AAA Stable
	India Ratings & Research Private Limited	IND AAA Stable	IND AAA Stable
Unsecured NCD	ICRA Limited	[ICRA] AAA Stable	[ICRA] AAA Stable
Perpetual Debt	ICRA Limited	[ICRA] AA+ (hyb) Stable	[ICRA] AA+ (hyb) Stable
	India Ratings & Research Private Limited	IND AA+ Stable	IND AA+ Stable
Principal Protected Market Linked Debenture	India Ratings & Research Private Limited	IND PP-MLD AAA emr Stable	IND PP-MLD AAA emr Stable
Public Issue of NCDs	ICRA Limited	[ICRA] AAA Stable	[ICRA] AAA Stable
	India Ratings & Research Private Limited	IND AAA Stable	IND AAA Stable
Long Term Bank Loans	ICRA Limited	[ICRA] AAA Stable	[ICRA] AAA Stable
	India Ratings & Research Private Limited	IND AAA Stable	IND AAA Stable
Short Term Bank Loans	ICRA Limited	[ICRA] AAA Stable	[ICRA] A1+
	India Ratings & Research Private Limited	IND AAA Stable	IND AAA Stable

53.11 Customer Complaints

Sr. No.	Particulars	31st March 2021	31st March 2020
(a)	No. of complaints pending at the beginning of the year	16	6
(b)	No. of complaints received during the year	2,262	528
(c)	No. of complaints redressed during the year	2,205	518
(d)	No. of complaints pending at the end of the year	73	16

53.12 During FY 2021, there were no draw down from Reserves (Previous year: Nil)

53.13 Overseas assets (for those with joint ventures and subsidiaries abroad): Nil (Previous year: Nil) Off Balance Sheet SPVs sponsored: Nil (Previous year: Nil)

53.14 Frauds committed against the company:

Particulars	31st March 2021	31st March 2020
No. of cases of fraud which occurred during the year	9	3
Amount involved	36.72	1,616.68
Amount recovered	19.53	-
Amount provided/loss	17.19	1,616.68

53.15 Pursuant to RBI Notification No. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March, 2020 on Implementation of Indian Accounting Standards whereby it is clarified that all regulatory ratios, limits and disclosures shall be based on IND AS figures.

53.16 The disclosures given in the above notes pursuant to RBI Notification are only to the extent they are applicable to the Company.

Notes

Forming part of financial statements as on 31st March 2021

54 DISCLOSURE PURSUANT TO RBI NOTIFICATION NO. DOR (NBFC).CC.PD.NO.109/22.10.106/2019-20 DATED MARCH 13, 2020

As on 31st March 2021

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	43,51,949.59	23,000.22	43,28,949.37	21,185.36	1,814.86
	Stage 2	3,59,956.60	19,524.78	3,40,431.82	5,681.52	13,843.25
Subtotal		**47,11,906.19**	**42,525.00**	**46,69,381.19**	**26,866.88**	**15,658.11**
Non-Performing Assets (NPA)						
Standard	Stage 3	-	-	-	-	-
Substandard	Stage 1	2,164.49	11.01	2,153.48	215.00	(203.99)
	Stage 2	5,950.70	567.76	5,382.94	589.79	(22.03)
	Stage 3	56,807.15	27,458.47	29,348.68	11,782.12	15,676.35
Doubtful - up to 1 year	Stage 3	49,476.83	20,778.04	28,698.79	10,966.74	9,811.30
1 to 3 years	Stage 3	31,845.99	9,968.48	21,877.51	8,678.12	1,290.36
More than 3 years	Stage 3	4,117.27	790.57	3,326.70	1,292.36	(501.79)
Subtotal for doubtful		**85,440.09**	**31,537.09**	**53,903.00**	**20,937.22**	**10,599.87**
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		1,50,362.43	59,574.33	90,788.10	33,524.13	26,050.20
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	3,479.00	10.84	3,468.16	-	10.84
	Stage 2	200.00	8.48	191.52	-	8.48
	Stage 3	-	-	-	-	-
Subtotal		**3,679.00**	**19.32**	**3,659.68**	**-**	**19.32**
Total	**Stage 1**	**43,57,593.08**	**23,022.07**	**43,34,571.01**	**21,400.36**	**1,621.71**
	Stage 2	**3,66,107.30**	**20,101.02**	**3,46,006.28**	**6,271.31**	**13,829.71**
	Stage 3	**1,42,247.24**	**58,995.56**	**83,251.68**	**32,719.34**	**26,276.22**
	Total	**48,65,947.62**	**1,02,118.65**	**47,63,828.97**	**60,391.01**	**41,727.64**

As on 31st March 2020

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	43,86,660.17	21,080.81	43,65,579.36	17,499.57	3,581.24
	Stage 2	1,21,676.21	10,489.91	1,11,186.30	1,177.73	9,312.18
Subtotal		**45,08,336.38**	**31,570.72**	**44,76,765.66**	**18,677.30**	**12,893.42**
Non-Performing Assets (NPA)						
Standard	Stage 3	-	-	-	-	-
Substandard	Stage 3	1,47,599.19	38,146.01	1,09,453.18	19,872.40	18,273.61
Doubtful - up to 1 year	Stage 3	20,648.00	8,706.86	11,941.14	4,600.98	4,105.88
1 to 3 years	Stage 3	10,265.00	5,764.13	4,500.87	3,194.95	2,569.18
More than 3 years	Stage 3	4,196.04	3,943.42	252.62	2,290.78	1,652.64
Subtotal for doubtful		**35,109.04**	**18,414.41**	**16,694.63**	**10,086.71**	**8,327.70**

Notes

Forming part of financial statements as on 31st March 2021

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**1,82,708.23**	**56,560.42**	**1,26,147.81**	**29,959.11**	**26,601.31**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	5,001.00	14.00	4,987.00	-	14.00
	Stage 2	204.00	8.00	196.00	-	8.00
	Stage 3	-	-	-	-	-
Subtotal		**5,205.00**	**22.00**	**5,183.00**	**-**	**22.00**
Total	Stage 1	**43,91,661.17**	**21,094.81**	**43,70,566.36**	**17,499.57**	**3,595.24**
	Stage 2	**1,21,880.21**	**10,497.91**	**1,11,382.30**	**1,177.73**	**9,320.18**
	Stage 3	**1,82,708.23**	**56,560.42**	**1,26,147.81**	**29,959.11**	**26,601.31**
	Total	**46,96,249.61**	**88,153.14**	**46,08,096.47**	**48,636.41**	**39,516.73**

55. INFORMATION IN RESPECT OF RESTRUCTURED ASSETS IN ACCORDANCE WITH REVIEW OF GUIDELINES ON RESTRUCTURING OF ADVANCES BY NBFC (RBI/2013-14/459) DNBS. CO. PD. NO. 367/03.10.01/2013-14

The following tables set forth, for the year indicated, details of loan assets subjected to restructuring:-

Sr. no.	Type of Restructuring	Under CDR Mechanism					Under SME Debt Restructuring Mechanism				
	Asset Classification Details	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	**Restructured Accounts at 1st April 2020**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
2	**Movement in balance for account appearing in opening balance**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
3	**Fresh restructuring during the year ended 31st March 2021**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
4	**Upgradations to restructured standard category during the year ended 31st March 2021**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
5	**Restructured standard advances at 1st April 2020, which cease to attract higher provisioning and/or additional risk weight at 31st March 2021 and hence need not be shown as restructured standard advances at 1st April 2021**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-

Notes

Forming part of financial statements as on 31st March 2021

Sr. no.	Type of Restructuring / Asset Classification Details	Under CDR Mechanism					Under SME Debt Restructuring Mechanism				
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
6	**Downgradations of restructured accounts during the year ended 31st March 2021**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
7	**Write-offs of restructured accounts during the year ended 31st March 2021**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
8	**Restructured Accounts at 31st March 2021**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-

The following tables set forth, for the year indicated, details of loan assets subjected to restructuring:

Sr. no.	Type of Restructuring / Asset Classification Details	Others					Total				
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	**Restructured Accounts at 1st April 2020**										
	No. of borrowers	69	38	2	-	109	69	38	2	-	109
	Amount outstanding	7,454.38	737.10	40.19	-	8,231.67	7,454.38	737.10	40.19	-	8,231.67
	Provision thereon	381.08	213.58	14.83	-	609.49	381.08	213.58	14.83	-	609.49
2	**Movement in balance for account appearing in opening balance**										
	No. of borrowers	39	34	2	-	75	39	34	2	-	75
	Amount outstanding	5,920.92	589.00	40.19	-	6,550.11	5,920.92	589.00	40.19	-	6,550.11
	Provision thereon	319.66	176.43	14.83	-	510.92	319.66	176.43	14.83	-	510.92
3	**Fresh restructuring during the year ended 31st March 2021**										
	No. of borrowers	19,440	1,605	-	-	21,045	19,440	1,605	-	-	21,045
	Amount outstanding	1,06,964.30	10,822.52	-	-	1,17,786.82	1,06,964.30	10,822.52	-	-	1,17,786.82
	Provision thereon	4,531.19	2,004.98	-	-	6,536.17	4,531.19	2,004.98	-	-	6,536.17
4	**Upgradations to restructured standard category during the year ended 31st March 2021**										
	No. of borrowers	1	(1)	-	-	-	1	(1)	-	-	-
	Amount outstanding	11.74	(11.74)	-	-	-	11.74	(11.74)	-	-	-
	Provision thereon	2.93	(2.93)	-	-	-	2.93	(2.93)	-	-	-
5	**Restructured standard advances at 1st April 2020, which cease to attract higher provisioning and/or additional risk weight at 31st March 2021 and hence need not be shown as restructured standard advances at 1st April 2021**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-

Notes

Forming part of financial statements as on 31st March 2021

Sr. no.	Type of Restructuring / Asset Classification Details	Others					Total				
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
6	**Downgradations of restructured accounts during the year ended 31st March 2021**										
	No. of borrowers	(20)	19	1	-	-	(20)	19	1	-	-
	Amount outstanding	(1,133.92)	1,122.76	11.16	-	-	(1,133.92)	1,122.76	11.16	-	-
	Provision thereon	(58.58)	53.00	5.58	-	-	(58.58)	53.00	5.58	-	-
7	**Write-offs of restructured accounts during the year ended 31st March 2021**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
8	**Restructured Accounts at 31st March 2021**										
	No. of borrowers	19,451	1,627	1	-	21,079	19,451	1,627	1	-	21,079
	Amount outstanding	1,07,375.58	12,081.64	11.16	-	1,19,468.38	1,07,375.58	12,081.64	11.16	-	1,19,468.38
	Provision thereon	4,536.96	2,092.20	5.58	-	6,634.74	4,536.96	2,092.20	5.58	-	6,634.74

The following tables set forth, for the year indicated, details of loan assets subjected to restructuring:-

Sr. no.	Type of Restructuring / Asset Classification Details	Under CDR Mechanism					Under SME Debt Restructuring Mechanism				
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	**Restructured Accounts at 1st April 2019**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
2	**Movement in balance for account appearing in opening balance**										
	No. of borrowers	-	-	-	-		-	-	-	-	
	Amount outstanding	-	-	-	-		-	-	-	-	
	Provision thereon	-	-	-	-		-	-	-	-	
3	**Fresh restructuring during the year ended 31st March 2020**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
4	**Upgradations to restructured standard category during the year ended 31st March 2020**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
5	**Restructured standard advances at 1st April 2019, which cease to attract higher provisioning and/or additional risk weight at 31st March 2020 and hence need not be shown as restructured standard advances at 1st April 2020**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-

Notes

Forming part of financial statements as on 31st March 2021

Sr. no.	Type of Restructuring	Under CDR Mechanism					Under SME Debt Restructuring Mechanism				
	Asset Classification Details	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
6	**Downgradations of restructured accounts during the year ended 31st March 2020**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
7	**Write-offs of restructured accounts during the year ended 31st March 2020**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-
8	**Restructured Accounts at 31st March 2020**										
	No. of borrowers	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-

The following tables set forth, for the year indicated, details of loan assets subjected to restructuring:

Sr. no.	Type of Restructuring	Others					Total				
	Asset Classification Details	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	**Restructured Accounts at 1st April 2019**										
	No. of borrowers	1	38	1	-	40	1	38	1	-	40
	Amount outstanding	12,230.86	850.96	989.40	-	14,071.22	12,230.86	850.96	989.40	-	14,071.22
	Provision thereon	799.58	385.76	989.40	-	2,174.74	799.58	385.76	989.40	-	2,174.74
2	**Movement in balance for account appearing in opening balance**										
	No. of borrowers	-	23	-	-	23	-	23	-	-	23
	Amount outstanding	(0.85)	375.52	-	-	374.67	(0.85)	375.52	-	-	374.67
	Provision thereon	11.11	26.30	-	-	37.41	11.11	26.30	-	-	37.41
3	**Fresh restructuring during the year ended 31st March 2020**										
	No. of borrowers	68	35	-	-	103	68	35	-	-	103
	Amount outstanding	7,407.00	636.38	-	-	8,043.38	7,407.00	636.38	-	-	8,043.38
	Provision thereon	380.56	168.59	-	-	549.15	380.56	168.59	-	-	549.15
4	**Upgradations to restructured standard category during the year ended 31st March 2020**										
	No. of borrowers	1	(1)	-	-	-	1	(1)	-	-	-
	Amount outstanding	46.52	(46.52)	-	-	-	46.52	(46.52)	-	-	-
	Provision thereon	11.63	(11.63)	-	-	-	11.63	(11.63)	-	-	-

Notes

Forming part of financial statements as on 31st March 2021

Sr. no.	Type of Restructuring	Others					Total				
	Asset Classification Details	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
5	**Restructured standard advances at 1st April 2019, which cease to attract higher provisioning and/or additional risk weight at 31st March 2020 and hence need not be shown as restructured standard advances at 1st April 2020**										
	No. of borrowers	1	-	-	-	1	1	-	-	-	1
	Amount outstanding	12,230.86	-	-	-	12,230.86	12,230.86	-	-	-	12,230.86
	Provision thereon	799.58	-	-	-	799.58	799.58	-	-	-	799.58
6	**Downgradations of restructured accounts during the year ended 31st March 2020**										
	No. of borrowers	-	(2)	2	-	-	-	(2)	2	-	-
	Amount outstanding	-	(40.19)	40.19	-	-	-	(40.19)	40.19	-	-
	Provision thereon	-	(14.83)	14.83	-	-	-	(14.83)	14.83	-	-
7	**Write-offs of restructured accounts during the year ended 31st March 2020**										
	No. of borrowers	-	9	1	-	10	-	9	1	-	10
	Amount outstanding	-	288.01	989.40	-	1,277.41	-	288.01	989.40	-	1,277.41
	Provision thereon	-	288.01	989.40	-	1,277.41	-	288.01	989.40	-	1,277.41
8	**Restructured Accounts at 31st March 2020**										
	No. of borrowers	69	38	2	-	109	69	38	2	-	109
	Amount outstanding	7,454.38	737.10	40.19	-	8,231.67	7,454.38	737.10	40.19	-	8,231.67
	Provision thereon	381.08	213.58	14.83	-	609.49	381.08	213.58	14.83	-	609.49

Note: Amount outstanding includes interest receivable.

56 DUES TO MICRO ENTERPRISES AND SMALL ENTERPRISES:

Particulars	31st March 2021	31st March 2020
1. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	214.66	282.07
2. The amount of interest paid by the Company in terms of section 16 of MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during the year;	-	-
3. Amounts of the payment made to the suppliers beyond the appointed day during the 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;	-	-
4. The amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
5. 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 section 23 of the MSMED Act, 2006.	-	-

The disclosure regarding micro and small enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the statutory auditors.

Notes

Forming part of financial statements as on 31st March 2021

57 EXPENDITURE IN FOREIGN CURRENCY:

Particulars	31st March 2021	31st March 2020
Finance Cost	11,450.81	5,341.55
Bank Charges	-	5.27
Employee Benefit Expenses	(60.85)	59.54
Information Technology Expenses	-	17.30
Intangible Assets under Development	108.56	71.69
Repairs and Maintenance	8.53	8.71
Legal and Professional Charges	24.99	66.06
Travelling and Conveyance	2.18	-
Miscellaneous Expenses	1.01	6.26
Total	**11,535.23**	**5,576.39**

Unhedged foreign currency payable & receivable as at 31st March 2021 & 31st March 2020 are Nil.

58 At the meeting of the Board of Directors held on 10th September 2019, the Board had approved the Scheme of Arrangement under Section 230 – 232 and other applicable provisions of the Companies Act, 2013, for merger of Online Platform and marketing business ("transaction business") of Aditya Birla Capital Technologies Services Limited, ABCTSL (formerly known as Aditya Birla MyUniverse Limited, ABMUL) with the Company. The National Company Law Tribunal, bench at Ahmedabad (NCLT) passed an order on 13rd December 2019 approving the Scheme of Arrangement and the Transactions Business Merger Committee at its meeting held on 1st January 2020 made Scheme effective from 1st January, 2020. Both the companies are wholly owned subsidiaries of Aditya Birla Capital Limited. The merger qualifies as a 'common control transaction' and has been accounted for using the pooling of interest method as per Appendix C to Ind AS 103 'Business Combinations'. The appointed date for this business combination was 1st April 2018. Accordingly, the financial statements for the year ended 31st March 2020 have been restated as if the business combination had occurred with effect from the appointed date.

59 In accordance with the instructions in the RBI circular dated 7nd April 2021, all lending institutions shall refund / adjust 'interest on interest' to all borrowers, irrespective of whether moratorium had been fully or partially availed, or not availed. Pursuant to these instructions, the Indian Banks Association (IBA) in consultation with other industry participants / bodies published the methodology for calculation of the amount of such 'interest on interest'. Accordingly. the Company has estimated the ₹ 16.42 crores amount and made provision for refund/ adjustment.

60 During the year, interest income, fee and other costs measured on the basis of Effective Interest Rate are aggregated and disclosed as a part of Interest Income. The figures for the corresponding previous year/periods have accordingly been recasted.

61 Operating business segment results are reviewed regularly by the Company's Chief Operating Decision Maker to make decisions about resources to be allocated to the segments and assess their performance. Business segment is the primary segment comprising of 'Financing activity'. As the Company operates only in a single business segment, no segment information thereof is given as required under Ind AS 108. The Company has its operations within India and all revenue is generated within India.

For and on behalf of the Board of Directors of
Aditya Birla Finance Limited

Ajay Srinivasan
Director
(DIN - 00121181)

Rakesh Singh
Managing Director and Chief Executive Officer
(DIN - 07006067)

Sanjay Miranka
(Chief Financial Officer)

Ankur Shah
(Company Secretary)

Place: Mumbai
Date: 13th May 2021

Aditya Birla Housing Finance Limited

ADITYA BIRLA CAPITAL

Independent Auditor's Report

To The Members of Aditya Birla Housing Finance Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of **Aditya Birla Housing Finance Limited** (the "Company"), which comprise the Balance Sheet as at 31^{st} March 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (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 31^{st} March 2021, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act ("SA"s). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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.

Emphasis of Matter

We draw attention to Note 8 of the financial statements, in which the Company describes the continuing uncertainties arising from COVID-19 pandemic.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

<table>
<tr><th>Key Audit Matter</th><th>Auditor's Response</th></tr>
<tr><td>

Allowances for Expected Credit Losses:

(Refer Note 8 to the financial statements)

As at 31^{st} March 2021, the carrying value of loan assets measured at amortised cost, aggregated ₹11,80,262.71 lakh (net of allowance of expected credit loss ₹18,694.45 lakh) constituting approximately 95% of the Company's total assets. Significant judgement is used in classifying these loan assets and applying appropriate measurement principles. The allowance for expected credit losses ("ECL") on such loan assets measured at amortised cost is a critical estimate involving greater level of management judgement.

As part of our risk assessment, we determined that the allowance for ECL on loan assets (including undisbursed commitments) has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the financial statements.

The elements of estimating ECL which involved increased level of audit focus are the following:

- Qualitative and quantitative factors used in staging the loan assets measured at amortised cost.
- Basis used for estimating Probabilities of Default ("PD").

</td><td>

Principal audit procedures:

We have examined the policies approved by the Board of Directors of the Company that articulate the objectives of managing each portfolio and their business models. We have also verified the methodology adopted for computation of ECL ("ECL Model") that addresses policies approved by the Board of Directors, procedures and controls for assessing and measuring credit risk on all lending exposures measured at amortised cost.

Additionally, we have confirmed that adjustments to the output of the ECL Model is consistent with the documented rationale and basis for such adjustments and that the amount of adjustment has been approved by the Audit Committee of the Board of Directors.

Our audit procedures related to the allowance for ECL included the following, among others:

- Testing the design and effectiveness of internal controls over the following:
  - completeness and accuracy of the Exposure at Default ("EAD") and the classification thereof into stages consistent with the definitions applied in accordance with the policy approved by the Board of Directors including the appropriateness of the qualitative factors to be applied.

</td></tr>
</table>

Key Audit Matter	Auditor's Response
• Basis used for estimating Loss Given Default ("LGD"). • Judgements used in projecting economic scenarios and probability weights applied to reflect future economic conditions. • Adjustments to model driven ECL results to address emerging trends.	– completeness, accuracy and appropriateness of information used in the estimation of the PD and LGD for the different stages depending on the nature of the portfolio; and – computation of the ECL including methodology used to determine macro economic overlays and adjustments to the output of the ECL Model. • Also, for a sample of ECL allowance on loan assets tested: – we tested the input data such as ratings and period of default and other related information used in estimating the PD; – we evaluated reasonableness of LGD estimates by comparing actual recoveries post the loan asset becoming credit impaired with estimates of LGD. – we evaluated the incorporation of the applicable assumptions into the ECL Model and tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company. • We also tested the adequacy of the adjustment after stressing the inputs used in determining the output as per the ECL Model and ensured that the adjustment was in conformity with the amount approved by the Audit Committee. • We also assessed the disclosures made in relation to the ECL allowance to confirm compliance with the provisions of Ind AS 107.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained 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.

Management's Responsibility 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, cash flows and changes in equity 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Independent Auditor's Report (Conted.)

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 Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable that:
   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on 31st March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. 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 to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of 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;

   ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

   iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor’s Report) Order, 2016 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm’s Registration No. 117366W/W-100018)

Sanjiv V. Pilgaonkar
(Partner)
(Membership No. 039826)
(UDIN: 21039826AAAADX7234)

Place: Mumbai
Date: 11th May 2021

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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 Aditya Birla Housing Finance Limited (the "Company") as of 31st March 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "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 Companies Act, 2013.

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 Institute of Chartered Accountants of India 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.

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 31st March 2021, 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.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sanjiv V. Pilgaonkar
(Partner)
(Membership No. 039826)
(UDIN: 21039826AAAADX7234)

Place: Mumbai
Date: 11th May 2021

Annexure “B” to the Independent Auditor’s Report

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

1. In respect of its property, plant and equipment:
   a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the property, plant and equipment.
   b) The property, plant and equipment were physically verified during the previous year by the Management in accordance with a regular programme of verification, which in our opinion provides for physical verification of all the property, plant and equipment at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.
   c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
2. According to the information and explanations given to us, the Company is engaged primarily in lending activities and these activities do not require the Company to hold any inventories. Hence reporting under clause (ii) of the CARO 2016 is not applicable.
3. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
4. According to the information and explanations given to us, the Company has not granted any loans, made investments, provide guarantees and security under provisions of section 185 and 186 of the Companies Act, 2013 and hence reporting under clause (iv) of the CARO 2016 is not applicable.
5. According to the information and explanations given to us, the Company has not accepted any deposit during the year hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder is not applicable.
6. The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under Clause 3(vi) of the Order is not applicable to the Company.
7. According to the information and explanations given to us in respect of statutory dues:
   a) The Company has generally been regular in depositing undisputed dues, including Provident Fund, Income-tax, Goods and Service Tax, cess and other statutory dues applicable to it with the appropriate authorities. To the best of our knowledge and belief, the Company was not required to deposit or pay any dues in respect of Employee’s State Insurance, Duty of Customs, Duty of Excise and Cess during the year.
   b) There were no undisputed amounts payable in respect of Provident Fund, Income-tax, Goods and Service Tax, cess and other material statutory dues in arrears as at 31st March 2021 for a period of more than six months from the due date of payment / the date they became payable, as applicable.
   c) There were no dues in respect of Income-tax, Goods and Service Tax, Duty of Customs, Duty of Excise, and Value Added Tax or Cess which have not been deposited as on 31st March 2021 on account of disputes.
8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders.
9. According to the information and explanations given to us, money raised by way of term loans have been applied by the Company during the year for the purpose for which they were raised. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments).
10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
11. In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

12. According to the information and explanations given to us the Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 is not applicable.

13. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

14. According to the information and explanations given to us during the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the CARO 2016 is not applicable to the Company.

15. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Act are not applicable.

16. According to the information and explanations given to us the Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sanjiv V. Pilgaonkar
(Partner)
(Membership No. 039826)
(UDIN: 21039826AAAADX7234)

Place: Mumbai
Date: 11th May 2021

Standalone Balance Sheet

As at 31st March 2021

₹ in Lakh

	Note No.	As at 31 Mar 21	As at 31 Mar 20
ASSETS			
(1) FINANCIAL ASSETS			
(a) Cash and cash equivalents	5	37,737.34	40,020.60
(b) Derivative financial instruments	6	-	1,070.50
(c) Receivables			
(I) Trade receivables	7	250.45	213.77
(II) Other receivables	7	187.40	100.99
(d) Loans	8	11,80,262.71	12,11,209.09
(e) Investments	9	10,120.38	54,692.14
(f) Other financial assets	10	1,013.37	480.80
		12,29,571.65	**13,07,787.89**
(2) NON FINANCIAL ASSETS			
(a) Current tax assets (Net)		156.86	1,257.04
(b) Deferred tax assets (Net)	11	3,931.01	2,232.68
(c) Property, plant and equipment	12	658.84	903.29
(d) Right to use assets	14	1,493.32	2,288.82
(e) Intangible assets under development		119.55	28.02
(f) Other intangible assets	13	485.52	510.11
(g) Other non-financial assets	15	1,161.42	920.92
		8,006.52	**8,140.88**
TOTAL ASSETS		**12,37,578.17**	**13,15,928.77**
LIABILITIES AND EQUITY			
LIABILITIES			
(1) FINANCIAL LIABILITIES			
(a) Payables			
Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises	16	28.70	69.55
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	16	3,412.38	2,621.35
(b) Derivative financial instruments	6	306.73	-
(c) Debt securities	17	1,73,428.50	1,91,000.88
(d) Borrowings other than debt securities	18	8,61,134.24	9,49,081.79
(e) Subordinated liabilities	19	34,199.24	26,608.02
(f) Lease Liability	20	1,584.65	2,602.12
(g) Other financial liabilities	21	10,386.88	4,507.28
		10,84,481.32	**11,76,490.99**
(2) NON- FINANCIAL LIABILITIES			
(a) Current tax liabilities (Net)		68.94	-
(b) Provisions	22	823.43	779.79
(c) Other non-financial liabilities	23	289.19	371.74
		1,181.56	1,151.53
TOTAL LIABILITIES		**10,85,662.88**	**11,77,642.52**
(3) EQUITY			
(a) Equity share capital	24	50,119.77	50,119.77
(b) Other equity	25	1,01,795.52	88,166.48
TOTAL EQUITY		**1,51,915.29**	**1,38,286.25**
TOTAL LIABILITIES AND EQUITY		**12,37,578.17**	**13,15,928.77**

See accompanying notes forming part of the financial statements.

In terms of our report attached
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
ICAI Firm Registration No. 117366W/W-100018

Sanjiv V. Pilgaonkar
Partner
Membership No: 039826

Place: Mumbai
Date: 11th May 2021

For and on behalf of the Board of Directors of
Aditya Birla Housing Finance Limited

Ajay Srinivasan
Director
DIN: 00121181

Rakesh Singh
Director
DIN: 07006067

Netrapal Singh
Chief Executive Officer

Tushar Kotecha
Chief Financial Officer

Muthiah Ganapathy
Company Secretary

Place: Mumbai
Date: 4th May 2021

Statement of Profit and Loss Account

For the year ended 31st March 2021

₹ in Lakh

	Particulars	Note No.	Year ended 31 Mar 21	Year ended 31 Mar 20
	REVENUE FROM OPERATIONS			
	Interest income	26	1,23,451.45	1,24,343.78
	Fees and commission income		3,801.00	4,083.02
	Net gain on fair value changes in investments	27	803.29	1,412.67
	Net gain on derecognition of financial instruments classified under amortised cost category	28	-	121.95
I	**Total revenue from operations**		**1,28,055.74**	**1,29,961.42**
II	Other income	29	435.28	156.23
III	**Total income (I+II)**		**1,28,491.02**	**1,30,117.65**
	EXPENSES			
	Finance costs	30	84,922.79	92,698.53
	Net loss on derecognition of financial instruments classified under amortised cost category	28	10.83	-
	Impairment of financial instruments	31	8,740.25	7,127.68
	Employee benefit expenses	32	11,239.33	11,325.27
	Depreciation, amortisation and impairment	12, 13 & 14	1,117.79	1,165.53
	Other expenses	33	4,822.18	4,181.81
IV	**Total expenses**		**1,10,853.17**	**1,16,498.82**
V	**Profit before tax (III-IV)**		**17,637.85**	**13,618.83**
VI	**Tax expenses**			
	(1) Current tax	11	5,415.69	3,613.72
	(2) Deferred tax	11	(1,666.63)	(74.56)
	(3) Income tax for earlier years	11	165.47	(185.58)
	Total tax expenses		**3,914.53**	**3,353.58**
VII	**Profit for the year (V-VI)**		**13,723.32**	**10,265.25**
VIII	**Other comprehensive income**			
	(1) Items that will not be reclassified to profit or loss			
	Re-measurement gains/ (losses) on defined benefit plans		99.84	(91.03)
	Income tax relating to the items that will not be reclassified to profit or loss	11	(25.13)	22.91
			74.71	(68.12)
	(2) Items that will be reclassified to profit or loss			
	Re-measurement gains/ (losses) on hedge instruments		(225.83)	(978.81)
	Income tax relating to the items that will not be reclassified to profit or loss	11	56.84	246.35
			(168.99)	**(732.46)**
	Other comprehensive income		**(94.28)**	**(800.58)**
IX	**Total comprehensive income for the year (VII+VIII) (Comprising profit and other comprehensive income for the year)**		**13,629.04**	**9,464.67**
X	**Earnings per equity share of ₹10 each**			
	Basic & diluted earnings per equity share	37	2.74	2.16

See accompanying notes forming part of the financial statements.

In terms of our report attached

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
ICAI Firm Registration No. 117366W/W-100018

Sanjiv V. Pilgaonkar
Partner
Membership No: 039826

Place: Mumbai
Date: 11th May 2021

For and on behalf of the Board of Directors of
Aditya Birla Housing Finance Limited

Ajay Srinivasan
Director
DIN: 00121181

Rakesh Singh
Director
DIN: 07006067

Netrapal Singh
Chief Executive Officer

Tushar Kotecha
Chief Financial Officer

Muthiah Ganapathy
Company Secretary

Place: Mumbai
Date: 4th May 2021

Cash Flow Statement

For the year ended 31st March 2021

₹ in Lakh

	Particulars	For the year ended 31 Mar 21		For the year ended 31 Mar 20	
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
(a)	**Profit before tax**		17,637.85		13,618.83
	Adjustments for:				
	Depreciation and amortisation	1,117.79		1,165.53	
	Interest on lease liability	176.37		225.25	
	Profit on surrender of lease liability/ income from rent concession	(331.84)		-	
	Impairment on financial instruments including loss on derecognition of financial assets at amortised cost	8,751.08		7,005.73	
	Net gain on Fair value changes	(803.29)		(1,412.67)	
	Loss/ (profit) on derecognition of property, plant and equipment	(2.80)		0.23	
(b)	**Operating profit before working capital changes**		26,545.16		20,602.90
	Adjustments for:				
	Decrease/(increase) in trade receivables	(123.09)		(119.23)	
	Decrease/(increase) in loans	22,195.30		(73,720.85)	
	Decrease/(increase) in other financial assets	(532.57)		(75.80)	
	Decrease/(increase) in derivative financial instruments	1,151.40		(2,049.31)	
	Decrease/(increase) in other assets	(332.44)		(155.95)	
	(Decrease)/increase in trade payables	750.18		80.06	
	(Decrease)/increase in provisions	143.48		171.45	
	(Decrease)/increase in other financial liabilities	8,949.42		3,477.68	
	(Decrease)/increase in other liabilities	(82.55)		113.20	
(c)	**Cash used in operating activities**		58,664.29		(51,675.85)
	Direct taxes paid (net of refund)	(4,412.04)		(3,991.07)	
	Net cash used in operating activities (A)		**54,252.25**		**(55,666.92)**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of property, plant and equipment, acquisition of intangible assets	(538.04)		(527.63)	
	Proceeds from sale of property, plant and equipment	21.65		17.84	
	Profit on sale of current investments	874.55		1,220.53	
	(Purchase)/sale of current investments (net)	44,500.50		(54,500.00)	
	Net cash used in investing activities (B)		**44,858.66**		**(53,789.26)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Proceeds from share capital issue including securities premium (net of share issue expense)	-		9,990.00	
	Payment of lease liability	(525.56)		(672.43)	
	Proceeds from long term borrowings	2,60,261.00		3,13,945.00	
	Repayment of long term borrowings	(2,74,010.41)		(1,72,139.39)	
	Net proceeds/ repayment for short term borrowings	(87,119.20)		(1,654.57)	
	Net cash from financing activities (C)		**(1,01,394.17)**		**1,49,468.61**

Cash Flow Statement

For the year ended 31st March 2021

₹ in Lakh

	Particulars	For the year ended 31 Mar 21		For the year ended 31 Mar 20	
D.	**NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)**		**(2,283.26)**		**40,012.43**
E.	**CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR**		**40,020.60**		**8.17**
F.	**CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR***		**37,737.34**		**40,020.60**
	Additional Information:				
	Interest received	1,22,307.72		1,22,684.08	
	Interest paid	81,111.42		90,327.55	

**Includes fixed deposits of NIL (31st March 2020 ₹35,143.84 Lakh) & current account balance of ₹34,819.50 Lakh (31st March 2020: NIL) which are earmarked for disbursement of loan in affordable segment.*

See accompanying notes forming part of the financial statements.

In terms of our report attached
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
ICAI Firm Registration No. 117366W/W-100018

For and on behalf of the Board of Directors of
Aditya Birla Housing Finance Limited

Sanjiv V. Pilgaonkar
Partner
Membership No: 039826

Ajay Srinivasan
Director
DIN: 00121181

Rakesh Singh
Director
DIN: 07006067

Netrapal Singh
Chief Executive Officer

Tushar Kotecha
Chief Financial Officer

Muthiah Ganapathy
Company Secretary

Place: Mumbai
Date: 11th May 2021

Place: Mumbai
Date: 4th May 2021

Statement of Changes in Equity

For the year ended 31st March 2021

a. Equity share capital

₹ in Lakh

	As at 31 Mar 21		As at 31 Mar 20	
	No.'s	Amount	No.'s	Amount
Equity shares of ₹10 each issued, subscribed and fully paid				
As at beginning of the year	**50,11,97,682**	**50,119.77**	**47,55,56,656**	**47,555.67**
Shares issued during the year	-	-	2,56,41,026	2,564.10
As at end of the year	**50,11,97,682**	**50,119.77**	**50,11,97,682**	**50,119.77**

b. Other equity

₹ in Lakh

	Reserves & surplus				Items of other comprehensive income	Total other equity
	Securities premium	Retained earnings	Special reserve u/s 29C of The National Housing Bank Act, 1987	Reserve u/s 36(1)(viii) of the Income Tax Act, 1961	Cash flow hedge reserve	
Balance as at 1st April 2019	64,156.31	5,175.44	79.98	2,064.27	-	71,476.00
Profit for the year	-	10,265.25	-	-	-	10,265.25
Other comprehensive income	-	(68.12)	-	-	(732.46)	(800.58)
Total comprehensive income	**-**	**10,197.13**	**-**	**-**	**(732.46)**	**9,464.67**
Transfer to special reserve u/s 29C of The National Housing Bank Act, 1987	-	(248.87)	248.87	-	-	-
Transfer to reserve u/s 36(1)(viii) of the Income Tax Act, 1961	-	(1,804.19)	-	1,804.19	-	-
Less: Amount withdrawn from the special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of provision u/s 29C of the National Housing Bank Act, 1987	-	-	-	-	-	-
Addition on issue of shares during the year	7,435.90	-	-	-	-	7,435.90
Utilisation against share issue expense	(10.00)	-	-	-	-	(10.00)
Transition impact of Ind AS 116 (net of tax)		(200.09)				(200.09)
Balance as at 31st March 2020	**71,582.21**	**13,119.42**	**328.85**	**3,868.46**	**(732.46)**	**88,166.48**
Balance as at 1st April 2020	71,582.21	13,119.42	328.85	3,868.46	(732.46)	88,166.48
Profit for the year	-	13,723.32	-	-	-	13,723.32
Other comprehensive income/ (losses)	-	74.71	-	-	(168.99)	(94.28)
Total comprehensive income	**-**	**13,798.03**	**-**	**-**	**(168.99)**	**13,629.04**
Transfer to special reserve u/s 29C of National Housing Bank Act, 1987	-	-	-	-	-	-
Transfer to reserve u/s 36(1)(viii) of the Income Tax Act, 1961	-	(2,922.15)	-	2,922.15	-	-
Less: Amount withdrawn from the special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of provision u/s 29C of the National Housing Bank Act, 1987	-	-	-	-	-	-
Addition on issue of shares during the year	-	-	-	-	-	-
Balance as at 31st March 2021	**71,582.21**	**23,995.30**	**328.85**	**6,790.61**	**(901.45)**	**1,01,795.52**

See accompanying notes forming part of the financial statements.

In terms of our report attached
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
ICAI Firm Registration No. 117366W/W-100018

Sanjiv V. Pilgaonkar
Partner
Membership No: 039826

Place: Mumbai
Date: 11th May 2021

For and on behalf of the Board of Directors of
Aditya Birla Housing Finance Limited

Ajay Srinivasan
Director
DIN: 00121181

Rakesh Singh
Director
DIN: 07006067

Netrapal Singh
Chief Executive Officer
Place: Mumbai
Date: 4th May 2021

Tushar Kotecha
Chief Financial Officer

Muthiah Ganapathy
Company Secretary

Notes

to the financial statements for the year ended 31st March 2021

1 CORPORATE INFORMATION

Aditya Birla Housing Finance Limited (the 'Company' or 'ABHFL') is a public Company domiciled in India and incorporated on 27th July 2009. The Company has received a Certificate of Registration from the National Housing Bank ('NHB') on 9th July 2014 to commence / carry on the business of Housing Financial Institution ('HFC') without accepting public deposits.

2 BASIS OF PREPARATION AND PRESENTATION

2.1 The accompanying financial statements have been prepared and presented under the historical cost convention except for certain financial assets and liabilities measured at fair value; and defined benefit plans where plan assets are measured at fair value, in accordance with accounting principles generally accepted in India, the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') and (Companies (Indian Accounting Standards) Rules, 2015).

The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified accounting standards.

To provide more reliable and relevant information about the effect of certain items in the Balance Sheet and Statement of Profit and Loss, the Company has changed the classification of certain items. Previous period/year figures have been re-grouped or reclassified, to confirm to such current period grouping / classifications. There is no impact on Equity or Net Loss due to these regrouping / reclassifications.

Amounts in the financial statements are presented in Indian Rupees in lakh rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013. Per share data are presented in Indian Rupee to two decimal places.

2.2 Presentation of financial statements

The Company presents its balance sheet in order of liquidity in compliance with requirements of Schedule III of the Companies Act 2013 ("the Act") applicable for Non Banking Finance Companies ("NBFC"). An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current) is presented in note 48.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Recognition of interest income

3.1.1 The effective interest rate method

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Any fees collected or costs incurred in respect of financial instruments form an integral part of the EIR.

3.1.2 Interest income

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets

When a financial asset becomes credit-impaired (as set out in note 3.21) and is, therefore, regarded as 'Stage 3', the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

Interest income on all trading assets and other financial assets which are required to be measured at FVTPL is recognised using the contractual interest rate in net gain on fair value changes.

3.2 Recognition of income and expenses

3.2.1 Fee and commission income

Fee and commission income include fees other than those that are an integral part of EIR. The Company recognises the fee and commission income in accordance with the terms of the relevant contracts / agreement and when it is probable that the Company will collect the consideration.

3.2.2 Dividend income

Dividend income (including from FVOCI investments) is recognised when the Company's right to receive the payment is established.

3.3 Property, plant and equipment

All items of property, plant and equipment (PPE) are stated at historical cost, net of accumulated depreciation and impairment loss if any. The cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Notes

to the financial statements for the year ended 31st March 2021

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on straight line basis so as to write off the cost of the assets (other than freehold land) less their residual values, using the rates arrived at based on the useful lives estimated by the Management. The Company has used the following useful life to provide depreciation on its property, plant and equipment.

Asset	Useful life as prescribed by Schedule II of the Co's Act, 2013"	Estimated useful life
Office computers and electronic equipment	3 years	4 Years
Vehicles	8 years	5 Years
Furniture, fixtures and other office equipment	10 years	7 Years
Buildings	60 years	60 years
Leasehold improvements	Over the primary period of the lease	Over the primary period of the lease or 3 years; whichever is lower"

Useful life of assets different from as prescribed in Schedule II has been estimated by management and is supported by the technical assessment. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on assets acquired / sold during the year is recognised on a pro-rata basis to the statement of profit and loss from/ till the date of acquisition or sale.

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in-progress".

3.4 Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over a period of 3 years or it's useful life whichever is lower.

Amortisation on the intangible assets added/disposed off/discarded during the year is provided on pro-rata basis with reference to the month of addition/disposal/discarding.

The amortisation period and the amortisation method are reviewed at least at each financial year end. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Intangible assets under development

Expenditure on Research and/or development eligible for capitalisation are carried as intangible assets under development where such assets are not yet ready for their intended use.

3.5 Impairment of non financial assets

The Company assesses at each reporting date whether there is an indication that an non financial asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount and the resulting impairment loss is charged to the statement of profit and loss.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

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

Notes

to the financial statements for the year ended 31st March 2021

3.6 Taxes

3.6.1 Current tax

Current tax assets and liabilities 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 in the Indian Income Tax Act, 1961.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

3.6.2 Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

3.7 Retirement and other employee benefits

3.7.1 Short term employee benefits

Employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service. Liabilities recognised in respect of short term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

3.7.2 Defined contribution plan

Retirement benefit in the form of Government managed Employee Provident Fund and Government managed Employee Pension Fund are the defined contribution schemes. The Company has no obligation, other than the contribution payable to the respective schemes which are recognised as an expense, when an employee renders the related service.

3.7.3 Defined benefit plan

The Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund. The Company's liabilities under Payment of Gratuity Act and compensated absences are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method.

Notes

to the financial statements for the year ended 31st March 2021

Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the balance sheet date on government bonds where the currency and terms of the government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

Remeasurements, comprising of actuarial gains and losses on retirement benefits arising from experience adjustments and changes in actuarial assumptions are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation under employee benefit expenses in the statement of profit and loss.

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements,
- Net interest expense or income.

3.7.4 Long term incentive benefit

Other long term incentive benefits includes future encashment or availment, at the option of the employee subject to the rules framed by the Company which are expected to be availed or encashed beyond 12 months from the end of the year and long term incentive payable to employees on fulfilment of criteria prescribed by the Company.

3.7.5 Termination benefits

Termination benefits such as compensation under employee separation schemes are recognised as expense when the Company's offer of the termination benefit is accepted or when the Company recognises the related restructuring costs whichever is earlier.

3.8 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur at amortised cost using EIR.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

3.9 Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with banks with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

3.10 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

3.11 Provisions, contingent liabilities and contingent assets

Provisions are recognised when there is a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. 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. Provisions are determined based on best estimate required to settle the obligation at the balance sheet date.

Contingent liability is disclosed in case when a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation and a present obligation arising from past events, when no reliable estimate is possible.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

Contingent assets are not recognised in the financial statements. Contingent assets are disclosed where an inflow of economic benefits is probable.

Notes

to the financial statements for the year ended 31st March 2021

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

3.12 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

a) Estimated amount of contracts remaining to be executed on capital account and not provided for;

b) Uncalled liability on shares and other investments partly paid;

c) Funding related commitment to associate and joint venture companies; and

d) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

3.13 Leases

3.13.1 Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises right – of – use ("ROU") asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the under lying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value – in – use) is determined on an individual asset basis unless the asset generates cash flows that are largely dependent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment on exercise of an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

3.13.2 Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognised on a straight line basis over the term of the relevant lease.

3.14 Special reserve

The Company creates special reserve every year out of its profits in terms of Section 29C of the National Housing Bank Act, 1987. For this purpose any special reserve created by the Company under Section 36(1)(viii) of the Income- tax Act, 1961 is considered to be an eligible transfer.

Notes

to the financial statements for the year ended 31st March 2021

3.15 Securities premium

Securities premium is recognised for shares issued at premium. The issue expenses of securities which qualify as equity instruments are written off against securities.

3.16 Financial instruments – initial recognition

3.16.1 Date of recognition

Financial assets and liabilities, with the exception of loans, debt securities and borrowings are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Loans are recognised when funds are transferred to the customers' account. The Company recognises debt securities and borrowings when funds reach the Company.

3.16.2 Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from, this amount. Trade receivables are measured at the transaction price. When the fair value of financial instruments at initial recognition differs from the transaction price, the Company accounts for the Day 1 profit or loss, as described below.

3.16.3 Day 1 profit or loss

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Company recognises the difference between the transaction price and fair value in net gain on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is deferred and is only recognised in profit or loss when the inputs become observable, or when the instrument is derecognised."

3.16.4 Measurement categories of financial assets and liabilities

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either amortised cost, Fair Value through Other Comprehensive Income (FVOCI) and Fair Value through Profit or Loss (FVTPL).

3.17 Financial assets and liabilities

3.17.1 Bank balances, loans, trade receivables and financial investments at amortised cost

The Company measures Bank balances, Loans, Trade receivables and other financial investments at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

3.17.2 Debt securities and other borrowed funds

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR. A compound financial instrument which contains both a liability and an equity component is separated at the issue date.

3.17.3 Financial assets and financial liabilities at fair value through profit or loss

Financial assets and financial liabilities in this category are those that are not held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109. Management only designates an instrument at FVTPL upon initial recognition when one of the following criteria are met. Such designation is determined on an instrument-by-instrument basis:

1. The designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis.

2. The liabilities are part of a group of financial liabilities, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy.

3. The liabilities containing one or more embedded derivatives, unless they do not significantly modify the cash flows that would otherwise be required by the contract, or it is clear with little or no analysis when a

Notes

to the financial statements for the year ended 31st March 2021

similar instrument is first considered that separation of the embedded derivative(s) is prohibited.

Financial assets and financial liabilities at FVTPL are recorded in the balance sheet at fair value. Changes in fair value are recorded in profit and loss with the exception of movements in fair value of liabilities designated at FVTPL due to changes in the Company's own credit risk. Such changes in fair value are recorded in the Own credit reserve through OCI and do not get recycled to the profit or loss. Interest earned or incurred on instruments designated at FVTPL is accrued in interest income or finance cost, respectively, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using contractual interest rate.

3.17.4 Undrawn loan commitments

Undrawn loan commitments are commitments under which, over the duration of the commitment, the Company is required to provide a loan with pre-specified terms to the customer. Undrawn loan commitments are in the scope of the ECL requirements.

The nominal contractual value of undrawn loan commitments, where the loan agreed to be provided is on market terms, are not recorded in the balance sheet.

3.18 Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified. The Company did not reclassify any of its financial assets or liabilities in FY 2020-21 and FY 2019-20.

3.19 Modification and derecognition of financial asset

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. When a financial asset is modified the Company assesses whether this modification results in derecognition.

In the case where the financial asset is derecognised the loss allowances for ECL is remeasured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the new terms may lead to a gain or loss on derecognition. The new financial asset may have a loss allowance measured based on 12-month ECL except where the new loan is considered to be originated-credit impaired.

When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the Company determines if the financial asset's credit risk has increased significantly since initial recognition.

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised 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 it retains the rights to the cash flows, but 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.

3.20 Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

3.21 Repossession of collaterals

To mitigate the credit risk on financial assets, the Company seeks to use collateral, as per the powers conferred on the HFC under SARFAESI act. In its normal course of business, the Company does not physically repossess properties or other assets in its portfolio, but engages external agents to recover funds, generally at auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, the residential properties under legal repossession processes are not recorded on the balance sheet and not treated as non-current assets held for sale

Notes

to the financial statements for the year ended 31st March 2021

3.22 Derivatives and hedging activities

Derivatives are only used for economic hedging purposes and not as a speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at FVTPL.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Company designates certain derivatives as either: hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value changes) hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges), or hedges of a net investment in a foreign operation (net investment hedges).

At inception of the hedge relationship, the Company documents the economic relationship between hedging instruments and hedged items including whether the changes in the cash flows of the hedging instrument are expected to offset changes in cash flows of hedged items. The Company documents its risk management objective before undertaking hedge transactions.

3.22.1 Cash flow hedges that qualify for hedge accounting

The effective portion of change in the fair value of the designated hedging instrument is recognised in the other comprehensive income and accumulated under the heading cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within Other Income.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. The gain or loss relating to the effective portion of the interest rate swaps hedging variable rate borrowings is recognised in profit or loss within 'finance cost' at the same time as the interest expense on the hedged borrowings.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs, resulting in the recognition of a non-financial asset.

When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within other gains/(losses).

3.23 Impairment of financial assets

3.23.1 Overview of the ECL principles

The Company records allowance for expected credit losses (ECL) for all loans, other debt financial assets not held at FVTPL, together with loan commitments, in this section all referred to as 'financial instruments'.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL) as outlined in note 3.23.2.

The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECLs and 12mECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Company categorises its loans into Stage 1, Stage 2, Stage 3 and POCI, as described below:

Stage 1	When loans are first recognised, the Company recognises an allowance based on 12mECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.
Stage 2	When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.
Stage 3	Loans considered credit-impaired. The Company records an allowance for the LTECLs.
POCI	Purchased or originated credit impaired (POCI) assets are financial assets that are credit impaired on initial recognition. POCI assets are recorded at fair value at original recognition and interest income is subsequently recognised

Notes

to the financial statements for the year ended 31st March 2021

based on a credit-adjusted EIR. ECLs are only recognised or released to the extent that there is a subsequent change in the expected credit losses.

3.23.2 The calculation of ECLs

The Company calculates ECLs based on a probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

PD — The Probability of Default (PD) is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

EAD — The Exposure at Default (EAD) is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

LGD — The Loss Given Default (LGD) is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

When estimating the ECLs, the Company considers four scenarios (a base case, an upside, a mild downside ('downside 1') and a more extreme downside ('downside 2')). Each of these is associated with different PDs, EADs and LGDs. When relevant, the assessment of multiple scenarios also incorporates how defaulted loans are expected to be recovered, including the probability that the loans will cure and the value of collateral or the amount that might be received for selling the asset.

Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

The mechanics of the ECL method are summarised below:

Stage 1 — The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

Stage 2 — When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

Stage 3 — For loans considered credit-impaired, the Company recognises the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

POCI — POCI assets are financial assets that are credit impaired on initial recognition. The Company only recognises the cumulative changes in lifetime ECLs since initial recognition, based on a probability-weighting of the four scenarios, discounted by the credit-adjusted EIR.

Loan commitments — When estimating LTECLs for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down, based on a probability-weighting of the four scenarios. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan.

For a loan and an undrawn commitment, ECLs are calculated and presented together with the loan. For loan commitments, the ECL is recognised within provisions.

3.23.3 Significant increase in credit risk

The Company monitors all financial assets and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Company will measure the loss allowance based on lifetime rather than 12-month ECL.

Notes

to the financial statements for the year ended 31st March 2021

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Company's historical experience and expert credit assessment.

Given that a significant increase in credit risk since initial recognition is a relative measure, a given change, in absolute terms, in the Probability of Default will be more significant for a financial instrument with a lower initial PD than compared to a financial instrument with a higher PD. As a back-stop when loan asset becomes 30 days past due, the Company considers that a significant increase in credit risk has occurred and the asset is in stage 2 of the impairment model, i.e. the loss allowance is measured as the lifetime ECL.

3.23.4 Credit-impaired financial assets

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. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit impairment includes observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- restructuring of loans due to financial difficulty of the borrowers;
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event. Instead, the combined effect of several events may have caused financial assets to become credit-impaired. The Company assesses whether debt instruments that are financial assets measured at amortised cost or FVOCI are credit-impaired at each reporting date. To assess if corporate debt instruments are credit impaired, the Company considers factors such as bond yields, credit ratings and the ability of the borrower to raise funds.

A loan is considered credit-impaired when a concession is granted to the borrower due to deterioration in the borrower's financial condition. The definition of default includes unlikeliness to pay indicators and a back-stop if amounts are overdue for 90 days or more.

3.23.5 Trade receivables and other assets

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated for changes in the forward-looking estimates.

3.23.6 Forward looking information

In its ECL models, the Company relies on a broad range of forward looking information as economic inputs, such as: GDP growth, unemployment rates, Central Bank base rates, house price indices, etc

The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are occasionally made as temporary adjustments when such differences are significantly material.

3.23.7 Write-offs

Financial assets are written off either partially or in their entirety only when the Company had concluded that it had no reasonable expectations of recovering the asset and has stopped pursuing the 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 instrument on statement of profit and loss.

3.23.8 Presentation of allowance for ECL in the Balance Sheet

For financial assets measured at amortised cost, loss allowances for ECL are presented in the statement of financial position as a deduction from the gross carrying amount of the assets.

Notes

to the financial statements for the year ended 31st March 2021

3.24 Determination of fair value

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as below:

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

Level 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

3.25 Security deposits

At initial recognition the carrying value of the refundable deposits is taken at present value of all expected future principal repayments discounted using market rates prevailing at the time of inception. For Interest expenses, the difference between present market value and deposit made is recognised as prepayment and amortised in the Statement of Profit and loss over the benefit period on systematic basis. Interest income is recognised at the prevailing market rates.

3.26 Statement of cash flows

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

3.27 Foreign currencies

Functional currency of the Company and foreign operations has been determined based on the primary economic environment in which the Company and its foreign operations operate considering the currency in which funds are generated, spent and retained.

Transactions in currencies other than the Company's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each Balance Sheet date, foreign currency monetary items are reported at the rates prevailing at the year-end. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated.

Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in the Statement of Profit and Loss in the period in which they arise.

3.28 Share-based payment arrangements

The stock options granted to employees by the holding Company's (i.e. Aditya Birla Capital Limited) Stock Options Schemes, are measured at the fair value of the options at the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. The cost incurred by the holding Company, in respect of options granted to employees of the Company, is being recovered by holding Company and it is charged to the Statement of Profit and Loss of the Company over the period of vesting.

Notes

to the financial statements for the year ended 31st March 2021

4 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

4.1 Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Company's internal credit grading model, which assigns PDs to the individual grades
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs and LGDs
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

Notes

to the financial statements for the year ended 31st March 2021

5. CASH AND CASH EQUIVALENTS

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Balances with banks	37,737.34	4,876.76
Term deposits with banks with original maturity of three months or less	-	35,143.84
	37,737.34	**40,020.60**

Foot note: There are no earmarked balances with banks.

6 DERIVATIVE FINANCIAL INSTRUMENTS

₹ in Lakh

		As at 31 Mar 21	As at 31 Mar 20
6.1	**Financial Asset**		
	Cross currency interest rate derivatives	-	1,070.50
		-	**1,070.50**
6.2	**Financial Liability**		
	Cross currency interest rate derivatives	306.73	-
		306.73	**-**

7 RECEIVABLES

₹ in Lakh

		As at 31 Mar 21	As at 31 Mar 20
I	**Trade receivables**		
	Receivables considered good - unsecured	188.76	143.66
	Other receivables from customers	61.69	70.11
		250.45	**213.77**
II	**Other receivables**		
	Unsecured considered good		
	Receivable from related parties (refer note 35 (II) (b))	187.40	100.99
		187.40	**100.99**

Foot note:

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms including limited liability partnership (LLP's) or private companies respectively in which any director is a partner, a director or a member. Further, there are no receivables for which there has been a significant increase in credit risk or which have become credit impaired.

Notes

to the financial statements for the year ended 31st March 2021

8 LOANS (AT AMORTISED COST)

₹ in Lakh

		As at 31 Mar 21	As at 31 Mar 20
(A)	Loans relating to financing activity (refer note 8.1.1)	11,98,957.16	12,21,857.30
	Total (A) – Gross	**11,98,957.16**	**12,21,857.30**
	Less: Impairment loss allowance (refer note 8.1.2)	(18,694.45)	(10,648.21)
	Total (A) – Net	**11,80,262.71**	**12,11,209.09**
(B)	(a) Secured by tangible assets (property including land and building)	11,97,538.18	12,21,120.12
	(b) Unsecured, considered good	1,418.98	737.18
	Total (B) – Gross	**11,98,957.16**	**12,21,857.30**
	Less: Impairment loss allowance	(18,694.45)	(10,648.21)
	Total (B) – Net	**11,80,262.71**	**12,11,209.09**
(C)	(I) Loans in India		
	(a) Public sector	-	-
	(b) Others	11,98,957.16	12,21,857.30
		11,98,957.16	**12,21,857.30**
	(II) Loans outside India	-	-
	Total (C) – Gross	**11,98,957.16**	**12,21,857.30**
	Less: Impairment loss allowance	(18,694.45)	(10,648.21)
	Total (C) – Net	**11,80,262.71**	**12,11,209.09**

8.1 An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans relating to financing activity, as follows:

8.1.1 Reconciliation of gross carrying amount:

₹ in Lakh

	Stage 1	Stage 2	Stage 3	Total
31 Mar 21				
Gross carrying amount opening balance	11,82,529.83	23,696.62	15,630.85	12,21,857.30
New assets originated or purchased	2,97,099.62	4,442.81	406.12	3,01,948.55
Assets derecognised or repaid (excluding write offs)	(3,20,670.21)	(2,515.48)	(895.88)	(3,24,081.57)
Transfers to stage 1	6,659.85	(5,735.74)	(924.11)	-
Transfers to stage 2	(30,765.90)	30,873.91	(108.01)	-
Transfers to stage 3	(4,617.64)	(4,674.34)	9,291.98	-
Amounts written off	(81.64)	(335.88)	(349.60)	(767.12)
Gross carrying amount closing balance	**11,30,153.91**	**45,751.90**	**23,051.35**	**11,98,957.16**

₹ in Lakh

	Stage 1	Stage 2	Stage 3	Total
31 Mar 20				
Gross carrying amount opening balance	11,27,751.85	14,831.76	8,291.39	11,50,875.00
New assets originated or purchased	3,47,506.24	66.22	135.24	3,47,707.70
Assets derecognised or repaid (excluding write offs)	(2,72,334.71)	11.25	(1,663.38)	(2,73,986.84)
Transfers to stage 1	11,194.60	(10,871.56)	(323.04)	-
Transfers to stage 2	(22,752.47)	22,761.89	(9.42)	-
Transfers to stage 3	(8,830.94)	(3,102.94)	11,933.88	-
Amounts written off	(4.74)	-	(2,733.82)	(2,738.56)
Gross carrying amount closing balance	**11,82,529.83**	**23,696.62**	**15,630.85**	**12,21,857.30**

Notes

to the financial statements for the year ended 31st March 2021

8.1.2 Reconciliation of ECL balance is given below:

₹ in Lakh

	Stage 1	Stage 2	Stage 3	Total
31 Mar 21				
ECL allowance - opening balance	3,973.27	1,691.14	4,983.80	10,648.21
New assets originated or purchased	1,655.50	312.04	126.53	2,094.07
Assets derecognised or repaid (excluding write offs)	(1,106.28)	75.10	(193.31)	(1,224.49)
Transfers to Stage 1	585.76	(394.04)	(191.72)	-
Transfers to Stage 2	(128.43)	151.66	(23.23)	-
Transfers to Stage 3	(17.80)	(298.25)	316.05	-
Impact on year end ECL of exposures transferred between stages during the year	(168.85)	2,988.19	2,737.20	5,556.54
ECL recognised due to change in credit risk	1,326.55	99.12	914.30	2,339.97
Recoveries	(46.96)	(2.46)	23.58	(25.84)
Amounts written off	(1.26)	(280.34)	(412.41)	(694.01)
ECL allowance - closing balance	**6,071.50**	**4,342.16**	**8,280.79**	**18,694.45**

₹ in Lakh

	Stage 1	Stage 2	Stage 3	Total
31 Mar 20				
ECL allowance - opening balance	2,505.04	216.71	3,659.28	6,381.03
New assets originated or purchased	1,044.52	4.06	953.54	2,002.12
Assets derecognised or repaid (excluding write offs)	(634.98)	(0.58)	(257.12)	(892.68)
Transfers to Stage 1	173.37	(120.24)	(53.13)	-
Transfers to Stage 2	(74.19)	75.60	(1.41)	-
Transfers to Stage 3	(31.60)	(75.53)	107.13	-
Impact on year end ECL of exposures transferred between stages during the year	(69.67)	540.28	3,019.18	3,489.79
ECL recognised due to change in credit risk	1,061.96	1,051.69	458.79	2,572.44
Recoveries	(1.16)	(0.85)	(41.96)	(43.97)
Amounts written off	(0.02)	-	(2,860.50)	(2,860.52)
ECL allowance - closing balance	**3,973.27**	**1,691.14**	**4,983.80**	**10,648.21**

Foot notes:

A. *Moratorium in accordance with the Reserve Bank of India (ROI) guidelines -*

Moratorium was granted by the Company on the payment of instalments falling due between 1st March 2020 and 31st August 2020 to the eligible borrowers pursuant to the guidelines issued by Reserve Bank of India ("RBI") dated, 27th March 2020, 17th April 2020 and 23rd May 2020 relating to COVID-19 Regulatory Package. The Company has considered the repayment behaviour and delinquencies in respect of such borrowers in staging its loan assets and in estimating the corresponding allowance for expected credit loss.

B. *Estimation of uncertainty relating to COVID-19 global health pandemic -*

In estimating the expected credit loss (ECL) allowance the Company has taken into consideration internal and certain sources of external information upto the date of approval of these financial statements. The Company has also performed sensitivity analysis on the inputs and assumptions used in estimating the ECL allowance and has embedded in its ECL allowance an adjustment of ₹2,891.00 Lakh during the current year in addition to the management overlay of ₹1,810.00 Lakh embedded until 31st March 2020, for credit risks arising from macro economic factors. Based on the Company's expectations of future economic conditions, it expects to recover the carrying amount of its loan assets. The extent to which global health pandemic will impact the Company's provision on financial assets will depend on future developments, which are highly uncertain. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements.

C. *Resolution Framework for COVID-19 related Stress*

During the year ended 31st March 2021, the Company has invoked resolution plans to relieve COVID-19 pandemic related stress to eligible borrowers with a total outstanding of ₹38,173.98 Lakh as of 31st March 2021. The resolution plans are based on the parameters laid down in accordance with the guidelines issued by the RBI on 6th August 2020 and policy approved by the Board of Directors of the Company. As of 31st March 2021; all the resolution plans under this framework were duly implemented.

Notes

to the financial statements for the year ended 31st March 2021

9 INVESTMENTS

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Investments carried at fair value through Profit & Loss		
Mutual Fund unit (unquoted)	10,120.38	54,692.14
	10,120.38	**54,692.14**

Foot note:

All investments are made within India. Further, there are no mutual fund investment for which there has been a significant increase in credit risk or which have become credit impaired.

10 OTHER FINANCIAL ASSETS

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Security deposit	271.47	476.86
Other receivables	741.90	3.94
	1,013.37	**480.80**

11 INCOME TAX

The components of income tax expense for the years ended 31st March 2021 and 31st March 2020 are as under:

₹ in Lakh

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
Recognised in statement of profit and loss		
Current tax	5,415.69	3,613.72
Deferred tax relating to origination and reversal of temporary differences	(1,666.63)	(74.56)
Tax charges	**3,749.06**	**3,539.16**
Adjustment in respect of current income tax of earlier years	165.47	(185.58)
Total tax charges	**3,914.53**	**3,353.58**

11.1 Reconciliation of the total tax charge

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years ended 31st March 2021 and 31st March 2020 is, as follows:

₹ in Lakh

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
Accounting profit before tax	17,637.85	13,618.83
At India's statutory income tax rate of (31st March 2021: 25.168%; 31st March 2020: 25.168%)	4,439.09	3,427.59
Adjustment in respect of current income tax of earlier years	-	-
Rate adjustments	-	528.43
Differences other than temporary in nature on account of tax benefit u/s 36(1)(viii) of the Income Tax Act, 1961 and others	(690.61)	(416.86)
Deferred tax difference for earlier years recognised in current year for brought forward losses, impairment loss allowance and others	0.58	-
Income tax expense reported in the statement of profit and loss	**3,749.06**	**3,539.16**

The effective income tax rate for 31st March 2021 is 21.26% (31st March 2020: 25.99%).

Notes

to the financial statements for the year ended 31st March 2021

11.2 Deferred tax assets (Net)

₹ in Lakh

	Year ended 31 Mar 21	Year ended 31 Mar 20
Deferred tax asset		
Timing differences on account of		
Impairment allowance for financial assets	4,705.02	2,679.94
Provision for employee benefits	215.25	288.08
Differences in depreciation as per income tax & as charged in financials	76.10	59.84
Cash flow hedges	303.18	246.35
Recognition of ROU asset and lease liability under Ind AS 116	77.41	77.41
Deferred tax asset (A)	**5,376.96**	**3,351.62**
Deferred tax liability		
Timing differences on account of		
Tax deduction under Section 36(1)(viia) of Income Tax Act, 1961	538.35	214.60
Recognition of financial instruments under amortised cost under Ind AS 109	907.59	904.34
Deferred tax liability (B)	**1,445.94**	**1,118.94**
Deferred tax asset (net) (A-B)	**3,931.02**	**2,232.68**

Deferred tax credit (Net)

₹ in Lakh

	Year ended 31 Mar 21	Year ended 31 Mar 20
Recognised in statement of profit and loss		
Impairment allowance for financial assets	(1,701.33)	(235.57)
Provision for employee benefits	47.70	229.13
Differences in depreciation as per income tax & as charged in financials	(16.26)	(4.60)
Deferred tax liability on amortised cost under Ind AS 109	3.25	(93.59)
Rate difference in initial recognition of ROU asset and lease liability under Ind AS 116	-	30.07
	(1,666.64)	**(74.56)**
Recognised in OCI		
Deferred tax on re-measurement gains/ (losses) on defined benefit plans	(25.13)	22.91
Deferred tax on re-measurement gains/ (losses) on cash flow hedges	56.83	246.35
	31.70	**269.26**
Total deferred tax expense recognised (including OCI)	**(1,698.34)**	**(343.82)**

Notes

to the financial statements for the year ended 31st March 2021

12. PROPERTY, PLANT AND EQUIPMENT

₹ in Lakh

	Building	Plant & Equipment	Furniture & fixtures	Vehicle	Office equipment	Leasehold improvements	Total
Gross block							
As at 1st April 2019	**255.52**	**644.33**	**36.18**	**175.84**	**130.43**	**266.16**	**1,508.46**
Adjustment	-	-	0.25	-	5.10	20.53	25.88
Additions	-	289.36	6.74	31.48	32.23	4.83	364.64
Deletions	-	(8.78)	(4.89)	(18.72)	(6.74)	(12.34)	(51.47)
As at 31st March 2020	**255.52**	**924.91**	**38.28**	**188.60**	**161.02**	**279.18**	**1,847.51**
Adjustment	-	-	-	-	-	-	-
Additions		60.13	2.21	8.39	9.19	-	79.92
Deletions	-	(19.54)	(5.86)	(35.48)	(16.85)	(101.43)	(179.16)
As at 31st March 2021	**255.52**	**965.50**	**34.63**	**161.51**	**153.36**	**177.75**	**1,748.27**
Accumulated depreciation							
As at 1st April 2019	**8.77**	**308.58**	**17.68**	**55.96**	**55.95**	**188.23**	**635.17**
Adjustment	-	-	0.25	-	5.10	20.53	25.88
Charge for the year	4.38	195.26	9.47	36.13	35.02	36.31	316.57
Reduction	-	(8.76)	(2.54)	(5.70)	(4.06)	(12.34)	(33.40)
As at 31st March 2020	**13.15**	**495.08**	**24.86**	**86.39**	**92.01**	**232.73**	**944.22**
Adjustment	-	-	-	-	-	-	-
Charge for the year	4.38	200.57	5.87	37.50	29.46	27.75	305.53
Reduction	-	(19.15)	(4.82)	(25.38)	(14.37)	(96.60)	(160.32)
As at 31st March 2021	**17.53**	**676.50**	**25.91**	**98.51**	**107.10**	**163.88**	**1,089.43**
Net book value							
As at 31st March 2020	**242.37**	**429.83**	**13.42**	**102.21**	**69.01**	**46.45**	**903.29**
As at 31st March 2021	**237.99**	**289.00**	**8.72**	**63.00**	**46.26**	**13.87**	**658.84**

Foot note:

Assets pledged as security: Buildings with gross block ₹255.52 Lakh and accumulated depreciation ₹17.53 Lakh (31st March 2020: Gross block ₹255.52 Lakh and accumulated depreciation ₹13.15 Lakh) is subject to a first charge to secure debentures issued by the Company.

13 OTHER INTANGIBLES ASSET

₹ in Lakh

	Computer Software
Gross block	
As at 1st April 2019	**717.14**
Additions	439.32
Deletions/adjustment	-
As at 31st March 2020	**1,156.46**
Adjustment	-
Additions	297.58
Deletions/adjustment	-
As at 31st March 2021	**1,454.04**
Accumulated amortisation	
As at 1st April 2019	**358.56**
Charge for the year	287.79
Reduction	-
As at 31st March 2020	**646.35**
Adjustment	-
Charge for the year	322.17
Reduction	-
As at 31st March 2021	**968.52**
Net book value	
As at 31st March 2020	**510.11**
As at 31st March 2021	**485.52**

Foot note:

Company does not have any internally generated intangible assets.

Notes

to the financial statements for the year ended 31st March 2021

14 ROU ASSET

₹ in Lakh

	ROU Asset
Gross block	
As at 1st April 2019	-
Additions	2,849.99
Deletions/adjustment	-
As at 31st March 2020	**2,849.99**
Additions	1,061.29
Deletions/adjustment	(1,991.97)
As at 31st March 2021	1,919.31
Accumulated amortisation	
As at 1st April 2019	-
Charge for the year	**561.17**
Reduction	-
As at 31st March 2020	**561.17**
Charge for the year	490.09
Reduction	(625.27)
As at 31st March 2021	**425.99**
Net book value	
As at 31st March 2020	**2,288.82**
As at 31st March 2021	**1,493.32**

15 OTHER NON-FINANCIAL ASSETS

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Capital advances	-	60.90
Prepaid expense	514.60	443.43
Retirement benefits gratuity fund (refer note 47)	502.92	273.70
Balances with tax authorities	137.99	137.02
Deferred lease expense	5.91	5.87
	1,161.42	**920.92**

16 PAYABLES

₹ in Lakh

		As at 31 Mar 21	As at 31 Mar 20
(I)	**Trade payables**		
	(i) total outstanding dues of micro enterprises and small enterprises (refer note 38)	28.70	69.55
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	3,412.38	2,621.35
		3,441.08	**2,690.90**

17 DEBT SECURITIES

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
At amortised cost		
Secured		
Redeemable non convertible debentures (refer foot note (ii) below)	1,63,450.16	1,03,909.91
Unsecured		
Commercial papers (refer note (iii) below)	9,978.34	87,090.97
Total (A)	**1,73,428.50**	**1,91,000.88**
Debt securities in India	1,73,428.50	1,91,000.88
Debt securities outside India	-	-
Total (B)	**1,73,428.50**	**1,91,000.88**

Notes

to the financial statements for the year ended 31st March 2021

Foot notes:

(i) *The Company does not have any convertible debt securities.*

(ii) *The debt securities are secured by way of mortgage of the immovable property and have first pari- passu charge on receivables of the Company. The repayment terms and rate of interest of redeemable non convertible debentures are as under:*

₹ in Lakh

Maturing upto 3 years, Rate of interest (ROI) 5.99% to 9.40 % p.a.	As at 31 Mar 21	As at 31 Mar 20
ABHFL NCD L4 FY 2016-2017, ROI: 7.90% p.a (XIRR basis); Maturity date: 16th April 2020	-	7,546.67
ABHFL NCD L1 FY 2016-2017, ROI: 7.85% p.a; Maturity date: 9th June 2020	-	3,014.32
ABHFL NCD I2 - FY 2016-17, ROI: 7.80% p.a (XIRR basis); Maturity date: 13th August 2020	-	6,403.06
ABHFL NCD A2 - FY 2015-16, ROI: 8.95% p.a; Maturity date: 22nd March 2021	-	501.17
ABHFL NCD A1 - FY 2016-17, ROI: 8.75% p.a.; Maturity date: 20th April 2021	1,624.12	1,623.82
ABHFL NCD C1 - FY 2018-19, ROI: 8.85% p.a.(XIRR basis); Maturity date: 7th June 2021	5,695.23	5,231.17
ABHFL NCD E1 - FY 2017-18, ROI: 7.60% p.a.; Maturity date: 30th June 2021	8,924.31	8,922.99
ABHFL NCD D1 - FY 2018-19, ROI: 8.82% p.a.(XIRR basis); Maturity date: 26th July 2021	10,571.32	9,702.12
ABHFL NCD F1 - FY 2019-20, ROI: 8.18 % (XIRR basis); Maturity date: 24th September 2021	2,253.29	2,082.44
ABHFL NCD G1 - FY 2018-19, ROI: 9.40% p.a.(XIRR basis); Maturity date: 26th October 2021	2,983.67	2,726.47
ABHFL NCD D2 - FY 2018-19, ROI: 8.82% p.a.; Maturity date: 28th October 2021	2,115.51	2,115.23
ABHFL NCD L2 - FY 2016-17, ROI: 8.00% p.a.; Maturity date: 10th March 2022	5,023.24	5,023.24
ABHFL NCD L3 - FY 2016-17, ROI: 8.00% p.a.; Maturity date: 18th March 2022	5,012.66	5,012.65
ABHFL NCD A1 - FY 2017-18, ROI: 8.00% p.a.; Maturity date: 1st April 2022	4,857.94	4,857.94
ABHFL NCD I1 - FY 2018-19, ROI: 9.30% p.a.(XIRR basis); Maturity date: 13th April 2022	22,203.05	20,332.48
ABHFL NCD C1 - FY 2017-18, ROI: 8.00% p.a.; Maturity date: 7th June 2022	10,648.49	10,648.90
ABHFL NCD F1 - FY 2017-18, ROI: 7.60% p.a.; Maturity date: 8th September 2022	2,083.35	2,083.10
ABHFL NCD PPMLD FY 2019-20, ROI: 7.95% XIRR.; Maturity date: 30th September 2022	1,682.04	1,557.78
ABHFL NCD K1 - FY 2019-20, ROI: 6.22% p.a.; Maturity date: 17th February 2023 (2nd Coupon = 3.72% + 250bps i.e. 6.22%; 1st Coupon: 5.26% + 250 bps = 7.76% Benchmark 12 Month T-Bill + 250 bps spread Reset on yearly basis with fixed spread of 250 bps)	2,516.79	2,520.96
ABHFL NCD A1 - FY 2020-21, ROI: 8.00% p.a.; Maturity date: 17th May 2023	43,035.88	-
ABHFL NCD F1 - FY 2020-21, ROI: 6.05% p.a.; Maturity date: 8th September 2023	5,162.52	-

Notes

to the financial statements for the year ended 31st March 2021

₹ in Lakh

Maturing upto 3 years, Rate of interest (ROI) 5.99% to 9.40 % p.a.	As at 31 Mar 21	As at 31 Mar 20
ABHFL NCD L1 - FY 2020-21, ROI: 5.99% p.a (initial fixing rate).; Maturity date: 15th March 2024 The first interest payment is set as an average (Simple) rate of previous four quarters reset coupon rate e.g. Coupon rate to be paid on 18th March 2022 is the average of coupon rate on 18th March 2021 (initial coupon) and the rate computed on the reset date being 18th June 2021, 18th September 2021 and 18th December 2021 (1st Coupon: Avg T-Bill rate as stated above + 275 bps = Average of Benchmark 12 Month T-Bil for specified datesl + 275 bps spread Reset on quarterly basis and payable annually with fixed spread of 275 bps)	25,053.13	-
	1,61,446.54	**1,01,906.50**

₹ in Lakh

Maturing after 3 years, Rate of interest (ROI) 8.95 % p.a.	As at 31 Mar 21	As at 31 Mar 20
ABHFL NCD A1 - FY 2015-16, ROI: 8.95% p.a; Maturity date: 20th March 2026	2,003.62	2,003.41
	2,003.62	**2,003.41**
Total Debt securities	**1,63,450.16**	**1,03,909.91**

(iii) The repayment terms of commercial papers are as under-

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Maturing upto 3 months*	9,978.34	87,090.97
	9,978.34	**87,090.97**

** The above is net of unamortised discounting charges on commercial paper amounting to ₹21.66 Lakh (31st March 2020: ₹409.03 Lakh)*

18 BORROWINGS OTHER THAN DEBT SECURITIES

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Secured		
Term loan from banks (refer foot note (i) below)	7,83,697.71	8,52,567.31
NHB Refinance (refer foot note (ii) below)	22,592.87	30,305.00
External Commercial Borrowing (ECB) (refer foot note (iii) below)	36,604.07	37,963.32
Loan repayable on demand from banks		
Working capital demand loan (refer foot note (iv) below)	-	18,503.82
Cash Credit (refer foot note (v) below)	1,301.92	8,487.76
Overdraft (refer foot note (vi) below)	16,537.67	598.58
	8,60,734.24	**9,48,425.79**
Unsecured		
Loan from related party		
Inter corporate borrowings (refer foot note (vii) below)	400.00	656.00
	400.00	**656.00**
Total (A)	**8,61,134.24**	**9,49,081.79**
Borrowings in India	8,24,417.29	9,11,310.54
Borrowings outside India	36,716.95	37,771.25
Total (B)	**8,61,134.24**	**9,49,081.79**

Notes

to the financial statements for the year ended 31st March 2021

Foot notes:

(i) *The term loans from banks are secured by way of first pari-passu charge on the receivables of the Company. The repayment terms and rate of interest of term loans are as under-*

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Maturing upto 3 years, rate of interest 4.88 % p.a. - 8.75 % p.a.	5,17,522.04	-
Maturing after 3 years, rate of interest 5.50 % p.a. - 8.75 % p.a.	2,66,175.67	-
Maturing upto 3 years, rate of interest 6.68 % p.a. - 9.00 % p.a.	-	4,86,229.72
Maturing after 3 years, rate of interest 7.95 % p.a. - 8.90 % p.a.	-	3,66,337.59
	7,83,697.71	**8,52,567.31**

(ii) *The NHB Refinance is secured by way of first pari-passu charge on the receivables of the Company. The refinance facility of ₹22,592.87 Lakh (31st March 2020 - ₹30,305.00 Lakh) is further guaranteed by way of corporate guarantee issued by holding Company. The repayment terms and rate of interest are as under-*

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Maturing upto 3 years, rate of interest 8.20% p.a. and 8.30% p.a.	16,302.00	-
Maturing after 3 years, rate of interest 8.20% p.a. and 8.30% p.a.	6,290.87	
Maturing upto 3 years, rate of interest 8.95 % p.a. - 9.05 % p.a.	-	16,302.00
Maturing after 3 years, rate of interest 8.95 % p.a. - 9.05 % p.a.	-	14,003.00
	22,592.87	**30,305.00**

(iii) *The external commercial loan is secured by way of first pari-passu charge on the receivables of the Company. The repayment terms and rate of interest are as under-*

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Maturing upto 3 years, rate of interest 7.79 %p.a.	36,604.07	37,963.32
	36,604.07	**37,963.32**

(iv) *The working capital loans are secured by way of first pari-passu charge on receivables of the Company. The repayment terms and rate of interest of working capital loans are as under-*

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Repayable on demand, rate of interest 7.50% to 8.70 % p.a.	-	18,503.82

(v) *The cash credit facilities are secured by way of first pari-passu charge on the receivables of the Company. The repayment terms and rate of interest of cash credit are as under-*

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Repayable on demand, rate of interest 8.50% p.a.	1,301.92	-
Repayable on demand, rate of interest 8.00% p.a. to 8.65% p.a.	-	8,487.76

(vi) *The overdraft on account of cheques issued but not presented as on the balance sheet date are backed by cash credit facilities which are secured by way of first pari-passu charge on the receivables of the Company. The repayment terms and rate if interest is same as applicable to cash credit facilities.*

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Repayable on demand	16,537.67	598.58

Notes

to the financial statements for the year ended 31st March 2021

(vii) The intercorporate borrowings are unsecured borrowing taken from related parties. The repayment terms of loans from related party are as under-

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Repayable on demand, rate of interest 4.00% p.a.	400.00	-
Repayable on demand, rate of interest 7.50% p.a.	-	656.00

19 SUBORDINATED LIABILITIES

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Unsecured		
Sub ordinate debts - debentures (refer foot note below)	34,199.24	26,608.02
	34,199.24	**26,608.02**

The repayment terms and rate of interest (ROI) of subordinate debentures are as under-

₹ in Lakh

Maturing after 3 years, Rate of interest (ROI) 7.43% to 9.10 % p.a.	As at 31 Mar 21	As at 31 Mar 20
ABHFL Sub Debt Series 'SD1' FY 2016-17, ROI: 9.10 % p.a; maturity date - 3rd July 2026	1,595.45	1,594.65
ABHFL Sub Debt Series 'SD2' FY 2016-17, ROI: 9.10 % p.a; maturity date - 7th July 2026	1,062.07	1,061.51
ABHFL Sub Debt Series 'SD3' FY 2016-17, ROI: 9.10 % p.a; maturity date - 13th July 2026	1,590.80	1,589.95
ABHFL Sub Debt Series 'SD4' FY 2016-17, ROI: 8.99 % p.a; maturity date - 24th July 2026	2,643.33	2,639.82
ABHFL Sub Debt Series 'SDB1' FY 2017-18, ROI: 8.50 % p.a; maturity date - 14th May 2027	6,418.84	6,415.01
ABHFL Sub Debt Series 'SDC1' FY 2017-18, ROI: 8.50 % p.a; maturity date - 1st June 2027	7,990.76	7,985.13
ABHFL Sub Debt Series 'SDC1' FY 2019-20, ROI: 8.94 % p.a; maturity date - 8th June 2029	5,325.69	5,321.96
ABHFL Sub Debt Series 'SDJ1' FY 2020-21, ROI: 7.43 % p.a; maturity date - 15th January 2031	7,572.30	-
	34,199.24	**26,608.02**

20 LEASE LIABILITY

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Liability for lease payments	1,584.65	2,602.12
	1,584.65	**2,602.12**

21 OTHER FINANCIAL LIABILITIES

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Payable for salaries, bonus and other employee benefits	1,857.81	2,254.66
Payable for Capital expenditure	17.07	146.99
Other financial liabilities relating to customer accounts	8,512.00	2,105.63
	10,386.88	**4,507.28**

Notes

to the financial statements for the year ended 31st March 2021

22 PROVISIONS

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Provision for employee benefits		
Compensated absences	299.46	338.78
Gratuity (refer note 47)	523.97	441.01
	823.43	**779.79**

23 OTHER NON-FINANCIAL LIABILITIES

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Payable to government authorities	289.19	371.74
Other Payable	-	-
	289.19	**371.74**

24 EQUITY SHARE CAPITAL

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Authorised		
1000,000,000 (31st March 2020: 1000,000,000) equity shares of ₹10 each	1,00,000.00	1,00,000.00
	1,00,000.00	**1,00,000.00**
Issued, subscribed and fully paid up shares		
501,197,682 (31st March 2020: 501,197,682) equity shares of ₹10 each, fully paid up	50,119.77	50,119.77
	50,119.77	**50,119.77**

A) Reconciliation of the number of shares outstanding at the beginning and at the end of the year.

₹ in Lakh

	Numbers	Amount
As at 1st April 2019	47,55,56,656	47,555.67
Add: shares issued during the year	2,56,41,026	2,564.10
As at 31st March 2020	50,11,97,682	50,119.77
Add: shares issued during the year	-	-
As at 31st March 2021	**50,11,97,682.00**	**50,119.77**

B) Shares held by holding Company

	As at 31 Mar 21	As at 31 Mar 20
Aditya Birla Capital Limited, holding Company	50,11,97,682	50,11,97,682

C) Details of shareholders holding more than 5% shares in the Company

	As at 31 Mar 21	As at 31 Mar 20
Aditya Birla Capital Limited, holding Company % Holding	100%	100%

Notes

to the financial statements for the year ended 31st March 2021

D) Terms/rights attached to equity shares

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

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

E) During the past five years immediately preceding the current financial year, the Company has not issued any shares pursuant to any contract without payment being received in cash or by way of bonus shares and have also not engaged in any buyback of its own equity.

25 OTHER EQUITY

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Securities premium (refer foot note (i) below)	71,582.21	71,582.21
Special reserve u/s 29C of The National Housing Bank Act, 1987(refer foot note (ii) below)	328.85	328.85
Reserve u/s 36(1)(viii) of the Income Tax Act, 1961 (refer foot note (iii) below)	6,790.61	3,868.46
Retained earnings (refer foot note (iv) below)	23,995.30	13,119.42
Cash flow hedge reserve (refer foot note (v) below)	(901.45)	(732.46)
	1,01,795.52	**88,166.48**

Foot notes:

(i) Securities premium

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Balance at beginning of year	71,582.21	64,156.31
Addition: Received on issue of shares during the year	-	7,435.90
Deduction: Utilisation against share issue expense	-	(10.00)
Balance at end of year	**71,582.21**	**71,582.21**

Securities premium is credited when shares are issued at premium. It can be used to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc.

(ii) Special reserve u/s 29C of The National Housing Bank Act, 1987 (refer note 3.13)

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Balance at beginning of year	328.85	79.98
Addition: Amount transferred from surplus balance in the Statement of Profit and Loss	-	248.87
Balance at end of year	**328.85**	**328.85**

As per Section 29C of The National Housing Bank Act, 1987 (the "NHB Act"), the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared. For this purpose any Special Reserve created by the Company under Section 36(1)(viii) of the Income-tax Act, 1961, is considered to be an eligible transfer. The amount transferred to special reserve u/s 29C of the NHB Act includes ₹2,922.15 Lakh (31st March 2020: ₹1,804.19 Lakh) for Special Reserve in terms of Section 36(1)(viii) of the Income-tax Act, 1961.

Notes

to the financial statements for the year ended 31st March 2021

(iii) Reserve u/s 36(1)(viii) of the Income Tax Act, 1961

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Balance at beginning of year	3,868.46	2,064.27
Addition: Amount transferred from surplus balance in the Statement of Profit and Loss	2,922.15	1,804.19
Less: Amount withdrawn from the special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of provision u/s 29C of the National Housing Bank Act, 1987	-	-
Balance at end of year	**6,790.61**	**3,868.46**

(iv) Retained earnings

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Balance at beginning of year	13,119.42	5,175.44
Profit for the year	13,723.32	10,265.25
Remeasurement of defined employee benefit plans	74.71	(68.12)
Impact of IndAS 116	-	(200.09)
Transfer to special reserve u/s 29C of The National Housing Bank Act, 1987	-	(248.87)
Transfer to reserve u/s 36(1)(viii) of the Income Tax Act, 1961	(2,922.15)	(1,804.19)
Items of other comprehensive income recognised directly in retained earnings	-	-
Re-measurement gains/ (losses) on defined benefit plans	-	-
Balance at end of year	**23,995.30**	**13,119.42**

(v) Cash flow hedge reserve

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Balance at beginning of year	(732.46)	-
Net change during the year	(168.99)	(732.46)
Balance at end of year	**(901.45)**	**(732.46)**

26 INTEREST INCOME

₹ in Lakh

	For the year ended 31 Mar 21	For the year ended 31 Mar 20
- On financial assets measured at amortised cost		
Interest on loans and advances to customers	1,23,104.59	1,24,142.33
Other interest income	346.86	201.45
	1,23,451.45	**1,24,343.78**

Notes

to the financial statements for the year ended 31st March 2021

27 NET GAIN ON FAIR VALUE CHANGES IN INVESTMENTS

₹ in Lakh

	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Net gain on financial instruments at fair value through profit or loss	803.29	1,412.67
Total Net gain on fair value changes	**803.29**	**1,412.67**
Fair Value changes:		
Realised	682.41	1,220.53
Unrealised	120.88	192.14
	803.29	**1,412.67**

28 NET GAIN/(LOSS) ON DERECOGNITION OF FINANCIAL INSTRUMENTS UNDER AMORTISED COST CATEGORY

₹ in Lakh

	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Reversal of expected credit loss on derecognition of financial instruments	694.01	2,860.50
Bad debts written off (net off of recoveries for write off of previous years)	(704.84)	(2,738.55)
	(10.83)	**121.95**

29 OTHER INCOME

₹ in Lakh

	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Interest on income tax refund	41.38	118.92
Profit on sale of property, plant and equipment	2.80	-
Profit on surrender of right to use asset	294.26	-
Income from rent concession due to COVID-19	37.58	-
Rental Income	59.26	37.31
	435.28	**156.23**

30 FINANCE COST

₹ in Lakh

	For the year ended 31 Mar 21	For the year ended 31 Mar 20
- On financial liabilities measured at amortised cost		
Interest on borrowings	71,609.14	80,485.76
Interest on debt securities	13,042.92	11,373.80
Interest on lease liability	176.37	225.25
Other interest expense	94.36	613.72
	84,922.79	**92,698.53**

31 IMPAIRMENT ON FINANCIAL INSTRUMENTS (MEASURED AT AMORTISED COST)

₹ in Lakh

	For the year ended 31 Mar 21	For the year ended 31 Mar 20
- On Financial Assets measured at amortised cost		
Loans (refer note 8.1.2)	8,740.25	7,127.68
	8,740.25	**7,127.68**

Notes

to the financial statements for the year ended 31st March 2021

32 EMPLOYEE BENEFIT EXPENSES

₹ in Lakh

	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Salaries, bonus and allowances	10,591.94	10,577.54
Contribution to provident and other funds (refer note 47)	416.72	382.81
Retirement benefit expense - Gratuity	126.30	108.19
Employee stock option expenses (refer note 41)	20.44	51.33
Staff welfare expenses	83.93	205.40
	11,239.33	**11,325.27**

33 OTHER EXPENSES

₹ in Lakh

	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Rental charges payable under operating leases (refer note 36)	637.27	607.65
Travelling and conveyance	208.90	371.88
Water and electricity	109.54	131.69
Repairs and maintenance	1,112.76	876.92
Insurance	236.02	79.01
Credit rating expenses	126.06	114.58
Legal and professional charges	868.80	755.53
Rates and taxes	31.14	64.95
Printing and stationery	63.82	127.49
Contract service charges	256.62	296.56
Advertisement expenses	281.66	102.91
Postage expenses	57.31	87.24
Miscellaneous expenses	832.28	565.40
	4,822.18	**4,181.81**

34 CONTINGENT LIABILITIES AND COMMITMENTS

Contingent liabilities

Claims against the Company not acknowledged as debts on account of legal disputes ₹8.10 Lakh (31st March 2020: ₹4.96 Lakh). Unfavourable outcome of these legal cases if any do not have any material and adverse impact on the financial position of the Company as on the balance sheet date.

The Company is not exposed to any other contingent liabilities as on the balance sheet except as mentioned above for legal disputes.

Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) on account of property, plant and equipment ₹0.16 Lakh (31st March 2020: ₹1.57 Lakh) and on account of intangible assets ₹185.31 Lakh (31st March 2020: ₹166.01 Lakh).

Notes

to the financial statements for the year ended 31st March 2021

35 RELATED PARTY DISCLOSURES

I) List of related parties as per Ind AS -24 with whom transactions have taken place during the year.

(A) Where control exists

Aditya Birla Capital Limited (ABCL) (Holding Company)
Grasim Industries Limited (Ultimate Holding Company)

(B) Fellow subsidiaries

Aditya Birla Finance Limited (ABFL)
Aditya Birla Capital Technology Services Limited (ABCTSL)
Aditya Birla Sun Life Insurance Company Limited (ABSLICL)
Aditya Birla Sun Life AMC Limited (ABSLAMCL)
Aditya Birla Money Limited (ABML)
Aditya Birla Health Insurance Co. Ltd. (ABHI)
Aditya Birla Financial Shared Services Limited (ABFSSL)
Aditya Birla Insurance Brokers Limited (ABIBL)
Aditya Birla PE Advisors Private Limited (ABPEL)
Aditya Birla Wellness Private Limited (ABWPL)
Ultratech Cement Limited (UCL)
Aditya Birla Insulators (ABI)

(C) Key management personnel

Mr. Netrapal Singh	Chief Executive Officer (w.e.f. 30th July 2019)
	Chief Business Officer (upto 29th July 2019)
Mr. Tushar Kotecha	Chief Financial Officer (w.e.f 31st July 2019)
	Chief Financial Officer and Manager (upto 30th July 2019)

II) Transactions with related parties

(a) Purchase and sale of services

₹ in Lakh

	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Referred in (A) above		
Other operating expenses		
Aditya Birla Capital Limited	279.54	378.98
Employees Stock option plan expenses		
Aditya Birla Capital Limited	20.44	51.33
Interest expenses		
Aditya Birla Capital Limited	53.70	146.72
Other Comprehensive Income - Gratuity (gain)/loss		
Aditya Birla Capital Limited	(2.90)	5.31
Recovery of other operating expenses		
Aditya Birla Capital Ltd.	4.64	-
Referred in (B) above		
Other operating expenses		
Aditya Birla Finance Limited	1,507.82	1,547.26
Aditya Birla Money Limited	0.26	0.88
Aditya Birla Sun Life AMC Limited	1.27	0.60
Aditya Birla Capital Technology Services Limited	124.83	7.08
Aditya Birla Health Insurance Co. Ltd.	0.12	1.71
Aditya Birla Financial Shared Services Limited	861.77	818.97
Aditya Birla PE Advisors Private Limited	0.89	-

Notes

to the financial statements for the year ended 31st March 2021

₹ in Lakh

	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Aditya Birla Insurance Brokers Limited	0.18	-
Aditya Birla Wellness Private Limited	0.47	-
Ultratech Cement Limited	0.23	-
Interest expenses		
Aditya Birla Sun Life Insurance Company Limited	128.49	129.78
Other Comprehensive Income - Gratuity (gain)/loss		
Aditya Birla Financial Shared Services Limited	(41.79)	7.35
Recovery of other operating expenses		
Aditya Birla Finance Limited	365.21	465.43
Aditya Birla Insurance Brokers Limited	7.48	52.34
Aditya Birla Sun Life AMC Limited	3.80	3.80
Ultratech Cement Limited	51.90	-
Aditya Birla Financial Shared Services Limited	4.64	-
Income		
Aditya Birla Health Insurance Co. Ltd.	121.84	118.50
Aditya Birla Sun Life Insurance Company Limited	165.07	132.66
Referred in (C) above		
Remuneration	320.30	326.15
(Mr. Netrapal Singh - 1st April 2019 to 31st March 2021) (Mr. Tushar Kotecha - 1st April 2019 to 30th July 2019)		

b) Outstanding balances arising from purchase and sale of services

₹ in Lakh

	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Referred in (A) above		
Payable		
Aditya Birla Capital Limited	28.41	24.00
Referred in (B) above		
Receivable (refer note 7)		
Aditya Birla Money Limited	-	3.41
Aditya Birla Sun Life AMC Limited	-	0.27
Aditya Birla Insurance Brokers Limited	-	20.53
Aditya Birla Health Insurance Co. Ltd.	67.79	44.22
Aditya Birla Sun Life Insurance Company Limited	119.60	32.56
Payable		
Aditya Birla Finance Limited	299.60	236.21
Aditya Birla Health Insurance Co. Ltd.	-	0.43
Aditya Birla Financial Shared Services Limited	126.35	118.46
Aditya Birla Money Limited	0.25	-
Aditya Birla Capital Technology Services Limited	22.40	-
Aditya Birla Wellness Private Limited	0.44	-
Aditya Birla Sun life Asset Management Company Limited	0.59	-
Ultratech Cement Limited	0.12	-
Other balances (Receivables)		
Aditya Birla Financial Shared Services Limited	6.03	7.43
Aditya Birla Capital Technology Services Limited	0.49	-

Notes

to the financial statements for the year ended 31st March 2021

c) Loans from related parties

₹ in Lakh

	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Referred in (A) above		
Aditya Birla Capital Limited		
Loan balance at the beginning of the year	656.00	2,600.00
Loan obtained (including inter corporate borrowings)	500.00	16,242.00
Loans repaid (including inter corporate borrowings)	756.00	18,186.00
Loan balance at the end of the year	400.00	656.00
Interest accrued on above	-	-
Referred in (B) above		
Aditya Birla Sun Life Insurance Company Limited		
Loan balance at the beginning of the year	1,500.00	1,500.00
Loan obtained (issue of debentures)	-	-
Loans repaid	500.00	-
Loan balance at the end of the year	1,000.00	1,500.00
Interest accrued but not due on above	74.29	75.54

d) Other transactions

₹ in Lakh

	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Referred in (A) above		
Capital issued		
Aditya Birla Capital Limited		
Share capital issued during the year*	-	10,000.00
*Includes securities premium of ₹Nil (31st March 2020: ₹7,435.90 Lakh)		
Capital Outstanding		
Aditya Birla Capital Limited		
Equity share capital outstanding	50,119.77	50,119.77
Referred in (B) above		
Other transactions		
Aditya Birla Financial Shared Services Limited (Recovery of transfer employees)	0.50	0.75
Aditya Birla Financial Shared Services Limited (Sale of Fixed Assets)	2.55	-
Aditya Birla Sun Life Insurance Company Limited (Recovery of transfer employees)	12.65	5.13
Aditya Birla Money Limited (Recovery of transfer employees)	0.16	3.41
Aditya Birla Finance Limited (Reimbursement relating to CWIP)	-	32.16
Aditya Birla Finance Limited (Sale of Fixed Assets)	2.44	4.74
Aditya Birla Finance Limited (Purchase of Fixed Assets)	-	0.35
Aditya Birla Sun Life Insurance Company Limited (Purchase of Fixed Assets)	-	1.59
Aditya Birla PE Advisors Private Limited (Purchase of Fixed Assets)	-	0.00
Aditya Birla Capital Technology Services Limited (Purchase of Fixed Assets)	30.18	-
Aditya Birla Money Limited (Purchase of Fixed Assets)	8.39	-
Aditya Birla Financial Shared Services Limited (Transfer of Employees)	4.69	-
Aditya Birla Finance Limited (Recovery of transfer employees)	72.52	-
Aditya Birla Insulators (Recovery of transfer employees)	0.71	-

Foot notes:

a) *The related party relationships have been as identified by the management on the basis of the requirements of the Ind AS -24 'Related Party Disclosures' issued by the Ministry of Corporate Affairs.*

b) *The relationships as mentioned above except where control exists pertain to those related parties with whom transactions have taken place during the year.*

Notes

to the financial statements for the year ended 31st March 2021

36 LEASING ARRANGEMENTS

Disclosure pursuant to Indian Accounting Standard 116 - Leases is as under:

Transition for IND AS 116 - Leases

Effective 1st April 2019, the Company adopted IND AS 116 "Leases" and applied the standard to all lease contracts existing on 1st April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended 31st March 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of their Financial Statements for year ended 31st March 2019.

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of ₹2,738.27 Lakh, 'Net investment in sub-lease' of ROU asset of NIL and a lease liability of ₹3,045.83 Lakh. The cumulative effect of applying the standard, amounting to ₹200.09 Lakh was debited to retained earnings, net of taxes. The effect of this adoption is in significant on the operating profit, net profit for the period and earnings per share. Ind AS 116 will result in an increase in cash in flows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
2. Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly for all contracts as on 1st April 2019, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

   The weighted average incremental borrowing rate applied to lease liabilities as at 1st April 2019 is between the range of 8.00% to 8.50% for a period varying from 1 to 10 years.

Critical accounting judgements and key sources of estimation uncertainty

Critical judgements required in the application of Ind AS 116 may include, among others, the following:

- Identifying whether a contract (or part of a contract) includes a lease;
- Determining whether it is reasonably certain that an extension or termination option will be exercised;
- Classification of lease agreements (when the entity is a lessor);
- Determination of whether variable payments are in-substance fixed;
- Establishing whether there are multiple leases in an arrangement;
- Determining the stand-alone selling prices of lease and non-lease components.

Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:

- Estimation of the lease term;
- Determination of the appropriate rate to discount the lease payments;
- Assessment of whether a right-of-use asset is impaired.

Operating lease commitments – Company as lessee (refer note 33)

The Company has entered into lease agreements for premises at various locations for periods between 12 months to 60 months. The lease payments recognised in the statement of profit and loss are ₹637.27 Lakh (31st March 2020 ₹607.65 Lakh).

Notes

to the financial statements for the year ended 31st March 2021

Following are the changes in the carrying value of right of use assets: (refer note 14)

₹ in Lakh

Category of ROU Asset - Leasehold premises	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Opening Balance	2,288.82	2,738.27
Additions	1,030.25	3.47
Reclassified from deferred lease expense	31.04	108.25
Deletions	-1,366.70	-
Depreciation	-490.09	-561.17
Closing Balance	**1,493.32**	**2,288.82**

Amounts recognised in profit and loss

₹ in Lakh

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Depreciation expense on right-of-use assets	490.09	561.17
Interest expense on lease liabilities	176.37	225.25
Expense relating to short-term leases	354.01	400.52
Income from subleasing right-of-use assets	59.26	37.31

The break-up of current and non-current lease liabilities is as follows:

₹ in Lakh

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Current Lease Liabilities	357.69	585.61
Non-Current Lease Liabilities	1,226.96	2,016.51
Total	**1,584.65**	**2,602.12**

The movement in lease liabilities during the is as follows:

₹ in Lakh

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Opening balance	2,602.12	3,045.83
Additions	1,030.25	3.47
Additions through Business Combinations	-	-
Deletions	-1,698.53	-
Finance Cost accrued during the period	176.37	225.25
Payment of Lease Liabilities	-525.56	-672.43
Closing balance	**1,584.65**	**2,602.12**

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Less than one year	371.64	607.75
One to Five years	1,231.89	2,052.53
More than Five years	402.57	605.65
Total	**2,006.10**	**3,265.93**

Notes

to the financial statements for the year ended 31st March 2021

Future expected cash outflows to which the lessee is potentially exposed and are not reflected in the measurement of lease liabilities:

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Lessee utilises its extension option	-	-
Amount of residual value guarantees	-	-
Leases not yet commenced to which the lessee is committed	-	-
Total	**-**	**-**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The Company has applied the practical expedient as given in para 46B of Ind AS 116 in relation to Rent concessions being given due to Covid-19 pandemic by the lessor.

Operating lease commitments – Company as lessor

The Company is not involved in such activity during the current financial year as well as during previous financial year.

Impact of COVID-19

The Company does not foresee any large-scale contraction in demand which could result in significant down-sizing of its employee base rendering the physical infrastructure redundant. The leases that the Company has entered with lessors towards properties used as branches are long term in nature and no changes in terms of those leases are expected due to the COVID-19.

37 EARNINGS PER SHARE (EPS)

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Net profit for the year available for equity shareholders	13,723.32	10,265.25
Weighted average number of equity shares outstanding (numbers)	50,11,97,682	47,61,87,173
Basic and diluted earnings per share (₹)	2.74	2.16

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

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

38 MICRO, SMALL AND MEDIUM ENTERPRISES

₹ in Lakh

	Particulars	As at 31 Mar 21	As at 31 Mar 20
i.	the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	28.70	69.55
ii.	the amount of interest paid by the Company in terms of section 16 of MSMED Act, 2006, along with the amounts of the payment made to the suppliers beyond the appointed day during the year;	-	-
iii.	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;	-	-
iv.	the amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
v.	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 section 23 of the MSMED Act, 2006.	-	0.01

The management has identified micro and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) on the basis of information made available by the supplier or vendors of the Company.

Notes

to the financial statements for the year ended 31st March 2021

39 SEGMENT INFORMATION

Operating business segment results are reviewed regularly by the Company's Chief Operating Decision Maker (Board of Directors) to make decisions about resources to be allocated to the segments and assess their performance. Business segment is the primary segment comprising of 'Housing finance'. As the Company operates only in a single business segment, no segment information thereof is given as required under Ind AS 108.'

40 AUDITORS REMUNERATION (INCLUDED IN LEGAL AND PROFESSIONAL CHARGES - REFER NOTE 33)

₹ in Lakh

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Audit fees (including limited review fees)	27.61	25.00
Tax audit fees	2.00	2.00
Certification work	8.18	7.33
Out of pocket expenses	0.66	1.15
	38.45	**35.48**

41 EMPLOYEE STOCK OPTION PLAN (ESOP)

Pursuant to ESOP Plan being established by the holding Company i.e. Aditya Birla Capital Limited, stock options were granted to the employees of the Company during the financial year 2017-18. Total cost incurred by the holding Company till date is being recovered from the Company over the period of vesting. Accordingly, a sum of ₹20.44 Lakh (31st March 2020: ₹51.33 Lakh) has been charged to the Statement of Profit and Loss. The balance sum of ₹8.50 Lakh will be charged to the Statement of Profit and Loss in future periods.

42 NATURE AND TERM OF OUTSTANDING DERIVATIVE CONTRACT

a) Cross currency interest rate swaps (CCIRS)

₹ in Lakh

		As at 31 Mar 21	As at 31 Mar 20
i)	Total notional principal amount of CCIRS agreement undertaken during the year	35,445.00	35,445.00
ii)	Total notional principal amount of CCIRS agreement outstanding as on end of the year	35,445.00	35,445.00
iii)	Maturity date of CCIRS	30th October 2022	30th October 2022
iv)	Hedge ratio	1:1	1:1
v)	Currency pair	USD / INR	USD / INR

b) The fair value mark to market (MTM) gains or losses in respect of CCIRS Agreement outstanding as at the Balance Sheet date is stated below:

₹ in Lakh

Hedging Instrument	As at 31 Mar 21	As at 31 Mar 20
Cross currency interest rate swaps (CCIRS)	(306.73)	1,070.50

c) Movement in hedge reserve (excluding deferred tax)

₹ in Lakh

Cash Flow Hedge Reserve Account		As at 31 Mar 21		
		Realised	Unrealised	Total
i)	Balance at the beginning of the year	-	(978.81)	(978.81)
ii)	Add: Changes in the fair value during the Year	2,022.62	(1,377.22)	645.40
iii)	Less: Amounts reclassified to statement of profit & loss	2,022.62	(1,151.40)	871.22
iv)	Balance at the end of the year	-	(1,204.63)	(1,204.63)

Notes

to the financial statements for the year ended 31st March 2021

₹ in Lakh

Cash Flow Hedge Reserve Account		As at 31 Mar 20		
		Realised	Unrealised	Total
i)	Balance at the beginning of the year	-	-	-
ii)	Add: Changes in the fair value during the Year	(409.19)	1,070.50	661.30
iii)	Less: Amounts reclassified to statement of profit & loss	(409.19)	2,049.31	1,640.11
iv)	Balance at the end of the year	-	(978.81)	(978.81)

Particulars		As at 31 Mar 21	As at 31 Mar 20
i)	Name of the Counter Party	State bank of India	State bank of India
ii)	Hedge Designation	Effective	Effective
iii)	Exchange rate ($/₹)	70.89	70.89
iv)	Interest rate (p.a.)	7.79%	7.79%

43 DISCLOSURE AS PER INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA (INSURANCE BROKERS) REGULATIONS, 2018:-

A. Detail of income received from insurers:

₹ in Lakh

Name of insurer	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Aditya Birla Health Insurance Co. Ltd.	121.84	118.50
Liberty General Insurance Co. Ltd.	131.45	119.92
Reliance General Insurance Co. Ltd.	47.12	130.45
Aditya Birla Sun Life Insurance Co. Ltd.	108.07	132.66

B. Detail of payments received by the group companies from insurers:

₹ in Lakh

Name of insurer			For the year ended 31 Mar 21	For the year ended 31 Mar 20
Aditya Birla Insurance Brokers Limited.	Aditya Birla Sunlife Insurance Company Ltd.	Reinsurance Premium Payable, Employee transfer Dues Received, Brokerage	65.15	110.69
	Aditya Birla Health Insurance Co. Ltd.	Rent, Brokerage, Reinsurance Premium Payable	175.21	203.97
	Liberty General Insurance Co. Ltd.	Brokerage, Reinsurance Premium Payable	4,633.17	5,898.24
	Reliance General Insurance Company Ltd.	Brokerage, Reinsurance Premium Payable	5,410.50	6,518.66
	Go Digit General Insurance Limited	Brokerage, Reinsurance Premium Payable	1,679.35	-
Aditya Birla Money Insurance Advisory Services Limited.	Aditya Birla Sunlife Insurance Co. Ltd.	Insurance Commission	266.17	134.11
	Liberty General Insurance Co. Ltd.	Insurance Commission	209.41	129.00
	Reliance General Insurance Co. Ltd.	Insurance Commission	119.56	173.38
	Aditya Birla Health Insurance Co. Ltd.	Insurance Commission	57.00	31.00
	Tata-AIG General Insurance Co. Ltd.	Insurance Commission	1.85	-
Aditya Birla Sunlife Insurance Co. Ltd.	Aditya Birla Health Insurance Co. Ltd.	Recovery of expenses	-	0.32
	Aditya Birla Health Insurance Co. Ltd.	Reimbursement of Rent	-	88.63
	Aditya Birla Health Insurance Co. Ltd.	Reimbursement of Expenses, Employee Transfer, Transfer of Asset	287.68	12.44

Notes

to the financial statements for the year ended 31st March 2021

₹ in Lakh

Name of insurer			For the year ended 31 Mar 21	For the year ended 31 Mar 20
Grasim Industries Ltd.	The New India Assurance Company	Claim (Mega Policy)	-	93.40
		CD balance refund	-	4.29
		CD balance refund	-	0.30
		Claim (Office Protection Policy)	-	0.05
	Tata AIG General Insurance Co. Ltd.	Excess premium Refund	-	0.00
	HDFC Ergo General Insurance Co.	CD balance refund	-	0.96
Aditya Birla Money Limited	Aditya Birla Sunlife Insurance Co. Ltd.	Office premises usage charges	1.78	13.94
Aditya Birla Health Insurance Co. Ltd.	Aditya Birla Sunlife Insurance Co. Ltd.	Premium	437.31	391.29
Aditya Birla Capital Technology Services Ltd.	Aditya Birla Sunlife Insurance Co. Ltd.	Advertisement Income	-	58.00
		Employee Transfer (LTA, Leave Encashment & Gratuity)	-	0.21
		Business Support Income (IT Development - Mumbai), Software Development Income (IT Development - Chennai)	552.46	-
	Aditya Birla Health Insurance Co. Ltd.	Business Support Income (IT Development - Mumbai), Group Mediclaim Receipt, Software Development Income (IT Development - Chennai)	139.57	-
Aditya Birla Sun Life AMC Limited	Aditya Birla Sunlife Insurance Co. Ltd.	Non insurance receipt toward reimbursement of expenses/Sale of assets/employee transfers etc	29.27	-
	Aditya Birla Health Insurance Co. Ltd.	Non insurance receipt toward reimbursement of expenses/Sale of assets etc.	10.35	-
	Tata-AIG General Insurance Co. Ltd.	Other Damaged Claims	6.94	-
Aditya Birla Capital Limited	Aditya Birla Sunlife Insurance Co. Ltd.	Business Support Cost	3,342.94	-
	Aditya Birla Health Insurance Co. Ltd.	Business Support Cost	140.29	-
Aditya Birla Finance Limited	Tata-AIG General Insurance Co. Ltd.	Damaged Claims	1.47	-
Aditya Birla Financial Shared Services Limited	ICICI Lombard	Car Insurance	15.80	-

Note:

As per Regulation 34 (6) of Insurance Regulatory and Development Authority of India (Insurance Brokers) Regulations, 2018, insurance brokers are required to include details of payments received by the group companies and/or associates and/or related parties of the insurance broker from any insurer and the details thereof in their financial statements. The above information covers payments received from insurers by Aditya Birla Capital Group companies and Grasim Industries Limited, the ultimate holding Company.

Notes

to the financial statements for the year ended 31st March 2021

44 FEES AND COMMISSION INCOME

Fees and commission Income includes brokerage of ₹408.48 Lakh (31st March 2020: ₹501.53 Lakh) received in respect of insurance/agency business undertaken by the Company. Out of this, ₹229.91 Lakh (31st March 2020: ₹251.16 Lakh) have been received from related parties.

45 STATEMENT OF CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

The gross amount required to be spent by the Company during the year towards Corporate Social Responsibility as per Sec 135 (5) of the Companies Act, 2013 was ₹177.98 Lakh (31st March 2020: ₹77.02 Lakh).

₹ in Lakh

		For the year ended 31 Mar 21	For the year ended 31 Mar 20
Amount spent during the year on:			
I.	Construction/acquisition of assets	-	-
II.	On purpose other than (I) above	177.98	77.02

46 ISSUANCE OF DEBT SECURITIES BY LARGE CORPORATE (REF: SEBI/HO/DDHS/CIR/P/2018/144 DATED 26TH NOVEMBER 2018)

A. Initial disclosure to be made by an entity identified as a large corporate -

Sr. No.	Particulars	Details
1	Name of the Company	Aditya Birla Housing Finance Limited
2	CIN	U65922GJ2009PLC083779
3	Outstanding borrowing of Company as on 31st March 2021	* ₹10,22,713 Lakh
4	Highest Credit Rating During the previous FY along with name of the Credit Rating Agency	1. AAA by India Ratings & Research Private Ltd. for NCD, Sub Debt & PPMLD (Principal Protected Market Linked Debenture), Bank Lines (Long Term). 2. AAA by ICRA Ltd. for NCD, Sub Debt & Bank Lines (Long Term).
5	Name of Stock Exchange in which the fine shall be paid, in case of shortfall in the required borrowing under the framework	National Stock Exchange India Ltd. (NSE)

** Principal Outstanding and Excluding commercial papers, cash credit, WCDL & inter corporate borrowings from Parent Company.*

B. Annual disclosure to be made by an entity identified as a large corporate -

1	Name of the Company	:	Aditya Birla Housing Finance Limited
2	CIN	:	U65922GJ2009PLC083779
3	Report filed for	:	FY 2020-2021
4	Details of the borrowings	:	

₹ in Lakh

Sr. No.	Particulars	Details
I	Incremental Borrowing in FY (a)	2,37,500
II	Mandatory borrowing to be done through issuance of debt securities (b) = (25% of a)	59,375
III	Actual borrowings done through debt securities in FY 2020-21 (c)	77,500
IV	Shortfall in the mandatory borrowing through debt securities, if any (d) = (b) - (c)	Nil
V	Reasons for short fall, if any, in mandatory borrowings through debt securities	None, as the Company has exceeded the mandatory incremental borrowing through issuance of debt securities.

Notes

to the financial statements for the year ended 31st March 2021

47 EMPLOYEE BENEFIT PLANS

I) Defined contribution plans

Amount recognised as an expense and included in note 32 - "Contribution to provident and other funds:

₹ in Lakh

Name of insurer	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Contribution to Govt. managed Employees Provident Fund	394.08	361.68
Contribution to Employee State Insurance Fund and others	22.64	21.13
	416.72	**382.81**

II) Defined benefit plans

The Company has a defined benefit gratuity plan (funded) to cater its liability under Payment of Gratuity Act, 1972 and long term compensated absences plan (unfunded) for leave entitlements to employees.

The details of the Company's defined benefit gratuity plan for its employees are given below:

a) Amount recognised in the balance sheet

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Present value of defined benefit obligation at the end of the year (refer note 22)	523.97	441.01
Fair value of plan assets at the end of the year (refer note 15)	502.92	273.70
Net liability at the end of the year	21.05	167.31

b) Components of defined benefit costs recognised in statement of profit and loss and other comprehensive income

₹ in Lakh

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Recognised in the statement of profit and loss		
Current service cost	101.49	89.79
Interest on defined benefit obligation	9.03	3.89
Past service cost	-	-
Administration expenses	-	-
(Gains) / loss on settlement	-	-
Total expense charged	**110.52**	**93.68**
Recognised in other comprehensive income		
Remeasurement of the net defined benefit liability due to		
- Changes in financial assumptions	12.58	37.49
- Changes in demographic assumptions	-	(0.08)
- Experience adjustments	(20.58)	43.56
- Actual return on plan assets less interest on plan assets	(47.15)	(2.60)
- Adjustments to recognise the effect of asset ceiling	-	-
Closing amount recognised in OCI	**(55.15)**	**78.37**

Current service cost and the net interest expense for the year are included in the 'Employee benefit expenses'.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

Gratuity expense in the Statement of Profit and loss includes the charge of ₹13.26 Lakh (31st March 2020: ₹11.99 Lakh) from Aditya Birla Financial Shared Services Limited and ₹2.52 Lakh (31st March 2020: ₹2.52 Lakh) from Aditya Birla Capital Limited on account of shared employee cost.

Notes

to the financial statements for the year ended 31st March 2021

Other comprehensive Income in the Statement of Profit and loss includes the charge/ (credit) of ₹(41.79) Lakh (31st March 2020: ₹7.35 Lakh) from Aditya Birla Financial Shared Services Limited and ₹(2.90) Lakh (31st March 2020: ₹5.31 Lakh) from Aditya Birla Capital Limited on account of shared employee cost.

c) Reconciliation of present value of the obligation

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Opening defined benefit obligation	441.01	257.69
Current service cost	101.49	89.79
Past service cost	-	-
Interest on defined benefit obligation	23.80	17.30
Remeasurements due to:		
-Actuarial loss/(gain) arising from change in financial assumption	12.58	37.49
-Actuarial loss/(gain) arising from change in demographic assumption	-	(0.08)
-Actuarial loss/(gain) arising on account of experience changes	(20.58)	43.56
Benefit paid	(34.32)	(4.74)
Liabilities assumed / (settled)	-	-
Closing defined benefit obligation	**523.97**	**441.01**

d) Reconciliation of fair value of the plan assets:

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Opening fair value of the plan assets	273.70	199.74
Employer contributions	167.30	57.95
Interest on plan assets	14.77	13.41
Administration expenses	-	-
Remeasurements due to:		
- Actual return on plan assets less interest on plan assets	47.15	2.60
Benefits paid	-	-
Assets acquired / (settled)	-	-
Assets distributed on settlements	-	-
Closing fair value of plan assets	**502.92**	**273.70**

e) Disaggregation of plan assets

₹ in Lakh

	As at 31 Mar 21		
	Quoted value	Non quoted value	Total
Government debt instruments	-	61.61	61.61
Other debt instruments	-	4.83	4.83
Insurer managed funds	-	202.22	202.22
Others	-	234.26	234.26
Total	**-**	**502.92**	**502.92**

Notes

to the financial statements for the year ended 31st March 2021

₹ in Lakh

	As at 31 Mar 20		
	Quoted value	Non quoted value	Total
Government debt instruments	-	13.79	13.79
Other debt instruments	-	0.77	0.77
Insurer managed funds	-	108.47	108.47
Others	-	150.67	150.67
Total	**-**	**273.70**	**273.70**

f) Principal actuarial assumptions

Particulars	As at 31 Mar 21	As at 31 Mar 20
Discount rate (p.a.)	4.90%	5.40%
Salary escalation rate (p.a)	7.00%	7.00%
Expected return on plan assets (p.a)	4.90%	5.40%
Attrition rate (p.a)	Age: Upto 30: 46% Age: 31-40: 35% Age: 41-50: 19% Age: Above 50: 0%	Age: Upto 30: 46% Age: 31-40: 35% Age: 41-50: 19% Age: Above 50: 0%

g) Sensitivity analysis of principal assumptions

(in terms of percentage)	As at 31 Mar 21	As at 31 Mar 20
Impact of increase in 50 bps on DBO		
Discount rate	-3.40%	-3.40%
Salary escalation rate	3.60%	3.60%
Attrition Rate	-15.20%	-15.70%
Impact of decrease in 50 bps on DBO		
Discount rate	3.70%	3.70%
Salary escalation rate	-3.40%	-3.40%
Attrition Rate	30.90%	32.00%

₹ in Lakh

(in terms of amount)	As at 31 Mar 21	As at 31 Mar 20
DBO due to Impact of increase in 50 bps		
Discount rate	505.91	425.88
Salary escalation rate	542.78	456.83
Attrition Rate	444.50	371.84
DBO due to Impact of decrease in 50 bps		
Discount rate	543.23	457.12
Salary escalation rate	506.14	426.00
Attrition Rate	686.09	582.27

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

Notes

to the financial statements for the year ended 31st March 2021

h) Maturity profile of defined benefit obligation

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date:

₹ in Lakh

Maturity profile	As at 31 Mar 21	As at 31 Mar 20
Expected benefits for year 1	95.61	67.87
Expected benefits for year 2	69.87	58.12
Expected benefits for year 3	55.09	53.80
Expected benefits for year 4	44.60	43.00
Expected benefits for year 5	35.23	33.29
Expected benefits for year 6	27.35	26.48
Expected benefits for year 7	21.18	20.22
Expected benefits for year 8	17.70	48.83
Expected benefits for year 9	24.06	12.55
Expected benefits for year 10 and above	393.60	325.81

The weighted average duration to the payment of these cash flows is 7 years (31st March 2020: 7 years).

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

Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields as at Balance Sheet date.

Estimated amount of contribution expected to be paid to the gratuity fund during the period after the Balance Sheet date is ₹139.87 Lakh (31st March 2020: ₹285.44 Lakh).

48 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

₹ in Lakh

Particulars	As at 31 Mar 21			As at 31 Mar 20		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
FINANCIAL ASSETS						
(a) Cash and cash equivalents	37,737.34	-	37,737.34	40,020.60	-	40,020.60
(b) Derivative financial instruments	-	-	-	-	1,070.50	1,070.50
(c) Receivables						
- Trade Receivables	250.45	-	250.45	213.77	-	213.77
- Other Receivables	187.40	-	187.40	100.99	-	100.99
(d) Loans	55,002.36	11,25,260.35	11,80,262.71	56,751.62	11,54,457.47	12,11,209.09
(e) Investments	10,120.38	-	10,120.38	54,692.14	-	54,692.14
(f) Other Financial assets	848.15	165.22	1,013.37	295.95	184.85	480.80
	1,04,146.08	**11,25,425.57**	**12,29,571.65**	**1,52,075.07**	**11,55,712.82**	**13,07,787.89**
NON- FINANCIAL ASSETS						
(a) Current tax assets (Net)	-	156.86	156.86	-	1,257.04	1,257.04
(b) Deferred tax Assets (Net)	-	3,931.01	3,931.01	-	2,232.68	2,232.68
(c) Property, Plant and Equipment	-	658.84	658.84	-	903.29	903.29
(d) Right to use of Assets	-	1,493.32	1,493.32	-	2,288.82	2,288.82
(e) Intangible assets under development	-	119.55	119.55	-	28.02	28.02
(f) Other Intangible assets	-	485.52	485.52	-	510.11	510.11
(g) Other non-financial assets	1,130.28	31.14	1,161.42	790.79	130.13	920.92
	1,130.28	**6,876.24**	**8,006.52**	**790.79**	**7,350.09**	**8,140.88**

Notes

to the financial statements for the year ended 31st March 2021

₹ in Lakh

Particulars	As at 31 Mar 21			As at 31 Mar 20		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
TOTAL ASSESTS	**1,05,276.36**	**11,32,301.81**	**12,37,578.17**	**1,52,865.86**	**11,63,062.91**	**13,15,928.77**
LIABILITIES AND EQUITY						
LIABILITIES						
FINANCIAL LIABILITIES						
(a) Payables						
(I) Trade Payables						
(i) total outstanding dues of micro enterprises and small enterprises	28.70	-	28.70	69.55	-	69.55
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	3412.38	-	3,412.38	2,621.35	-	2,621.35
(b) Derivative financial instruments	-	306.73	306.73	-	-	-
(c) Debt Securities	58,578.26	1,14,850.24	1,73,428.50	1,06,361.56	84,639.32	1,91,000.88
(d) Borrowings other than debt securities	1,14,120.79	7,47,013.45	8,61,134.24	1,28,000.93	8,21,080.86	9,49,081.79
(e) Lease Liability	357.69	1,226.96	1,584.65	585.61	2,016.51	2,602.12
(f) Subordinated Liabilities	1,835.39	32,363.85	34,199.24	1,726.41	24,881.61	26,608.02
(g) Other financial liabilities	10,386.88	-	10,386.88	4,507.28	-	4,507.28
	1,88,720.09	**8,95,761.23**	**10,84,481.32**	**2,43,872.68**	**9,32,618.31**	**11,76,490.99**
NON- FINANCIAL LIABILITIES						
(a) Current tax liabilities (Net)	68.94	-	68.94	-	-	-
(a) Provisions	823.43	-	823.43	779.79	-	779.79
(b) Other non-financial liabilities	289.19	-	289.19	371.74	-	371.74
	1,181.56	**-**	**1,181.56**	**1,151.53**	**-**	**1,151.53**
NET	**(84,625.29)**	**2,36,540.58**	**1,51,915.29**	**(92,158.35)**	**2,30,444.60**	**1,38,286.25**

49 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

ABHFL's risk philosophy involves a competent and comprehensive risk management framework & robust policies and processes which minimise the element of uncertainty and help in developing and maintaining a healthy portfolio within its risk appetite and the regulatory framework. The Risk Management provides stability and balance ensuring that growth is backed by a robust portfolio. ABHFL is exposed to various types of risks such as credit risk, market risk (which includes liquidity risk and pricing risk), operational risk, legal risk, regulatory risk and competition risk.

ABHFL's risk management strategy is based on a clear understanding of various risks, disciplined risk assessment and measurement procedures and continuous monitoring. The policies and procedures established for this purpose are continuously benchmarked with best practices. The Board of Directors have an oversight over the risk management framework applicable to the Company. The risk management oversight structure includes various Committees such as Risk Management Committee which consist of Board members and Senior Management. The Risk Management Committee ("RMC") which is chaired by an Independent Director conducts review at regular intervals to monitor compliance with risk policies, risk tolerance limits, review and analysis of risk exposure and provides oversight of risk across the organisation.

Market risk

The Company does not have any investments in securities other than short term investments of excess funds in liquid schemes of mutual funds and hence, there is no material market risk.

On liabilities front, the Company borrows through CPs (fixed rate, short duration), Term Loans (from Banks – at rates lined to their MCLR) and NCDs (fixed rate, long term).

Notes

to the financial statements for the year ended 31st March 2021

The Company has a robust mechanism to take care of liquidity risks in form of free Bank lines (CC and TL). From time to time depending on markets, the Company also invests in liquid schemes of mutual funds which ensures availability of funds to meet its immediate liabilities.

Asset Liability Committee (ALCO) meets around 6 times a year to discuss market conditions and Asset Liability Management (ALM). There is a Risk Committee meeting every quarter and also a Board meeting every quarter where the risks are discussed and ALM is presented.

Interest rate risk

Interest rate risk is monitored through the IRS statement prepared every quarter. The Company has issued NCDs which are fixed rate instruments. The major portion of the borrowings are through term loans, which are a variable rate with annual reset, linked to the Bank's MCLR. ALCO has set a limit for the interest rate gap that is acceptable and the same is monitored by ALCO and Risk Management Committee. Most of the loans given by the Company are floating rate loans and hence, any change in interest rate can be passed on to the customers, thereby minimising the risk.

Credit risk

Credit Risk is managed and controlled through a Credit Risk Management Framework comprising detailed risk evaluation of borrower and security. ABHFL has developed expertise to underwrite all kinds of customer segments (salaried, self-employed professionals, self-employed non-professionals) and their underwriting guidelines are benchmarked to the market and adequate internal controls have been put in place to maintain the quality of loans being approved. Distinct policies and processes are in place which are followed rigorously while selecting the borrowers and people who occupy key positions are professionally qualified (such as CA/MBA/ICWA). For each product, programs defining customer segments, underwriting standards, security structures, etc. are specified to ensure consistency of credit patterns. All the cases are approved by Credit Committees formulated at different levels with various approval limits. Collateral Risk refers to the risk of loss arising from errors in the nature, quantity, pricing, or characteristics of collateral securing a transaction with credit risk. ABHFL has dual external valuation process and the same is also evaluated internally to mitigate such risk. After sanctioning the loan, regular monitoring of the accounts is also done to sight irregularities if any and where required prompt action is initiated and a well defined collection process helps in ensuring minimum credit loss. As credit risk is one of the major risks faced by the Company, the policies and processes are reviewed periodically and, if need be, revised in order to keep them up-to-date.

Analysis of maximum exposure to credit risk and collateral and other credit enhancements

The following table shows the maximum exposure to credit risk, the total fair value of collateral and the net exposure to credit risk. The collateral value as at the time of on-boarding of the customer has been considered for below disclosure.

₹ in Lakh

Maturity profile	Maximum exposure to credit risk	Fair value of collateral and other credit enhancements held (Mortgage)	Net exposure
As at 31st March 2021	12,53,058.41	24,67,141.72	-
As at 31st March 2020	12,90,103.35	25,31,938.67	-

Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral.

The main type of collateral obtained is mortgages over residential/ commercial properties.

Liquidity risk

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances.

Notes

to the financial statements for the year ended 31st March 2021

Company manages its liquidity requirement by analysing the maturity pattern of Company's cash flows of financial assets and financial liabilities. The Asset Liability Management of the Company is periodically reviewed by its Risk Management Committee.

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at respective balance sheet dates.

As at 31st March 2021

₹ in Lakh

Particulars	Liabilities			Assets	
	Borrowings from banks	Market borrowings#	Other financial liabilities	Advances*	Other financial assets
Less than 1 year	1,13,891.94	60,819.02	14,185.65	1,23,658.59	49,143.72
More than 1 year	7,46,842.30	1,47,185.57	1,533.69	10,56,604.12	165.22
Total	**8,60,734.24**	**2,08,004.59**	**15,719.34**	**11,80,262.71**	**49,308.94**

As at 31st March 2020

₹ in Lakh

Particulars	Liabilities			Assets	
	Borrowings from banks	Market borrowings#	Other financial liabilities	Advances*	Other financial assets
Less than 1 year	1,27,565.83	1,08,776.40	7,783.79	1,25,627.63	95,323.45
More than 1 year	8,21,452.52	1,09,648.51	2,016.51	10,94,462.10	1,255.35
Total	**9,49,018.35**	**2,18,424.91**	**9,800.30**	**12,20,089.73**	**96,578.80**

The above table includes future contractual cash flows recognised as at balance sheet date in different buckets and does not include other future contracted cash flows (such as interest which are not accrued as at Balance Sheet date).

Net of unamortised discounting charges on commercial paper amounting to ₹21.66 Lakh (31st March 2020: ₹409.03 Lakh)

* Advances includes loan and advances to the customers.

Operational and business risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit and loss and other comprehensive income and equity, where any transaction references more than one currency or where assets/ liabilities are denominated in a currency other than the functional currency. Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates.

The Company, as per its risk management policy, uses derivative instruments primarily to hedge foreign exchange.

The total foreign currency exposure as at 31st March 2021 is $500 Lakh (31st March 2020: $500 Lakh) of which unhedged foreign currency exposure as at 31st March 2021 is Nil (31st March 2020: Nil)

Impact of COVID-19 (Global pandemic)

The Company basis their assessment believes that the probability of the occurrence of their forecasted transactions is not impacted by COVID-19 pandemic. The Company has also considered the effect of changes, if any, in both counterparty credit risk and own credit risk while assessing hedge effectiveness and measuring hedge ineffectiveness. The Company continues to believe that there is no impact on effectiveness of its hedges.

Notes

to the financial statements for the year ended 31st March 2021

50 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of its Regulator, NHB. The Company monitors capital using, among other measures, a capital adequacy ratio which is a ratio of weighted assets to total owned capital derived as per the NHB requirements. As per the NHB guidelines Company being a Housing Finance Company is required to maintain minimum of 14% of capital adequacy ratio (31st March 2020 - 13%). Company has complied in full with all its externally imposed capital requirements over the reported period

The Company also manages its leverage position on periodic basis by monitoring debt equity ratio to aligning itself with market and peers.

	As at 31 Mar 21	As at 31 Mar 20
Capital adequacy ratio:	21.73%	18.05%
Debt equity ratio:	7.04	8.44

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2021 and 31st March 2020.

Notes

to the financial statements for the year ended 31st March 2021

51 FAIR VALUES

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values, that are not carried at fair value in the financial statements. This table does not include the fair values of non–financial assets and non–financial liabilities.

₹ in Lakh

	Carrying value		Fair value	
	As at 31 Mar 21	As at 31 Mar 20	As at 31 Mar 21	As at 31 Mar 20
Financial assets at amortised cost				
Loans #	11,80,262.71	12,11,209.09	11,80,262.71	12,11,209.09
Security deposits	271.47	476.86	282.66	477.56
	11,80,534.18	**12,11,685.95**	**11,80,545.37**	**12,11,686.65**
Financial assets at FVTPL				
Investments - mutual fund	10,120.38	54,692.14	10,120.38	54,692.14
	10,120.38	**54,692.14**	**10,120.38**	**54,692.14**
Financial assets at Fair Value				
Derivative financial instruments	-	1,070.50	-	1,070.50
	-	**1,070.50**	**-**	**1,070.50**
Financial liabilities at amortised cost				
Debt Securities*	1,63,450.16	1,03,909.91	1,61,515.09	1,06,399.78
Sub debts**	34,199.24	26,608.02	33,592.49	24,907.53
Commercial papers	9,978.34	87,090.97	9,978.34	87,090.97
Borrowings other than debt securities#	8,61,134.24	9,49,081.79	8,61,134.24	9,49,081.79
	10,68,761.98	**11,66,690.69**	**10,66,220.16**	**11,67,480.07**
Financial liabilities at Fair Value				
Derivative financial instruments	306.73	-	306.73	-
	306.73	**-**	**306.73**	**-**

 # Loans to customers and borrowings other than debt securities are primarily at floating rate of interest hence carrying value approximates the fair value.

*"*Includes redeemable non convertible debentures subscribed by Aditya Birla Sun Life Insurance Company Limited of face value ₹Nil (31st March 2020 : ₹500 Lakh) with fair value ₹Nil (31st March 2020: ₹500.26 Lakh) included in level 2 below.*

***Includes subordinate debts subscribed by Aditya Birla Sunlife Insurance Company Limited of face value ₹1,000 Lakh (31st March 2020: ₹1,000 Lakh) with fair value ₹1,042.93 Lakh (31st March 2020: ₹915.46 Lakh) included in level 2 below."*

The 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.

The Company has availed the exemption granted under para 29(a) Ind AS 107-Financial Instruments: Disclosures, with regard to disclosure of financial instruments where the carrying amount approximates the fair value and accordingly, have not provided the disclosure of financial instruments falling under this category, except in case of loans to customers and borrowings other than debt securities.

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only.

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and bank balances, Trade receivables, trade payables, other financial assets and financial liabilities. Disclosures of financial assets and financial liabilities where the carrying amount approximates fair value is not required and hence not given.

Notes

to the financial statements for the year ended 31st March 2021

Loans and advances to customers

Since the mortgage lending by the Company is primarily bearing variable rate of interest, the carrying amount net of ECL is considered as the most comparable price and approximates fair value.

Debt securities, security deposits and other borrowings

The fair values of the Company's interest-bearing debt securities and security deposits are determined by using discounted cash flow (DCF) method using discount rate that reflects the issuer's market borrowing rate as at the end of the reporting period.

Since entity's other borrowings are primarily bearing variable rate of interest, the carrying amount of such borrowings is considered as the most comparable price and approximates fair value.

Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

As at 31st March 2021

₹ in Lakh

	Carrying Amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets at amortised cost					
Loans	11,80,262.71	-	-	11,80,262.71	11,80,262.71
Security deposits	271.47	-	-	282.66	282.66
	11,80,534.18	**-**	**-**	**11,80,545.37**	**11,80,545.37**
Financial assets at FVTPL					
Investments - mutual fund	10,120.38	-	10,120.38	-	10,120.38
	10,120.38	**-**	**10,120.38**	**-**	**10,120.38**
Financial assets at Fair Value					
Derivative financial instruments	-	-	-	-	-
	-	**-**	**-**	**-**	**-**
Financial liabilities at amortised cost					
Debt securities	1,63,450.16	-	1,61,515.09	-	1,61,515.09
Sub Debts	34,199.24	-	33,592.49	-	33,592.49
Commercial papers	9,978.34	-	9,978.34	-	9,978.34
Borrowings other than debt securities	8,61,134.24	-	-	8,61,134.24	8,61,134.24
	10,68,761.98	**-**	**2,05,085.92**	**8,61,134.24**	**10,66,220.16**
Financial liabilities at Fair Value					
Derivative financial instruments	306.73	-	306.73	-	306.73
	306.73	**-**	**306.73**	**-**	**306.73**

Notes

to the financial statements for the year ended 31st March 2021

As at 31st March 2020

₹ in Lakh

	Carrying Amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial assets at amortised cost					
Loans	12,11,209.09	-	-	12,11,209.09	12,11,209.09
Security deposits	476.86	-	-	477.56	477.56
	12,11,685.95	**-**	**-**	**12,11,686.65**	**12,11,686.65**
Financial assets at FVTPL					
Investments - mutual fund	54,692.14	-	54,692.14	-	54,692.14
	54,692.14	**-**	**54,692.14**	**-**	**54,692.14**
Financial assets at Fair Value					
Derivative financial instruments	1,070.50	-	1,070.50	-	1,070.50
	1,070.50	**-**	**1,070.50**	**-**	**1,070.50**
Financial liabilities at amortised cost					
Debt securities	1,03,909.91	-	1,06,399.78	-	1,06,399.78
Sub debts	26,608.02	-	24,907.53	-	24,907.53
Commercial papers	87,090.97	-	87,090.97	-	87,090.97
Borrowings other than debt securities	9,49,081.79	-	-	9,49,081.79	9,49,081.79
	11,66,690.69	**-**	**2,18,398.28**	**9,49,081.79**	**11,67,480.07**
Financial liabilities at Fair Value					
Derivative financial instruments	-	-	-	-	-
	-	**-**	**-**	**-**	**-**

52 EVENTS AFTER REPORTING DATE

There have been no events after the reporting date that require disclosure in these financial statements.

53 Disclosure of details as required under amended guidelines on Housing Finance Companies- Corporate Governance (National Housing Bank) Directions, 2016 issued by NHB vide circular dated 9th February 2017 has been given under Annexure 1 to these financial statements.

The accompanying notes are an integral part of the financial statements

For and on behalf of the Board of Directors of
Aditya Birla Housing Finance Limited

Ajay Srinivasan
Director
DIN: 00121181

Rakesh Singh
Director
DIN: 07006067

Netrapal Singh
Chief Executive Officer
Place: Mumbai
Date: 4th May 2021

Tushar Kotecha
Chief Financial Officer

Muthiah Ganapathy
Company Secretary

Notes

to the financial statements for the year ended 31st March 2021

1 DISCLOSURE OF DETAILS AS REQUIRED UNDER ANNEXURE IV OF MASTER DIRECTION – NON-BANKING FINANCIAL COMPANY – HOUSING FINANCE COMPANY (RESERVE BANK) DIRECTIONS, 2021 ISSUED BY RESERVE BANK OF INDIA VIDE CIRCULAR DATED 17TH FEBRUARY 2021.

1.1 Capital:

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
CRAR (%)	21.73%	18.05%
CRAR - Tier I capital (%)	17.09%	14.74%
CRAR - Tier II Capital (%)	4.64%	3.31%
Amount of subordinated debt raised as Tier- II Capital	34,199.24	26,608.02
Amount raised by issue of perpetual debt instruments	-	-

1.2 Reserve fund u/s 29C of the National Housing Bank Act, 1987:

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Balance at the beginning of the year		
i) Statutory reserves u/s 29C of the National Housing bank Act, 1987	328.85	79.98
ii) Amount of special reserve u/s 36(1)(viii) of the Income Tax Act, 1961 taken into account for the purposes of statutory reserve u/s 29C of the National Housing Bank Act, 1987	3,868.46	2,064.27
Total	**4,197.31**	**2,144.25**
Addition/ appropriation/ withdrawal during the year		
Add:		
i) Amount transferred u/s 29C of the National Housing Bank Act, 1987	-	248.87
ii) Amount of special reserve u/s 36(1)(viii) of the Income Tax Act, 1961 taken into account for the purposes of statutory reserve u/s 29C of the National Housing Bank Act, 1987	2,922.15	1,804.19
Less:		
i) Amount appropriated from the statutory reserve u/s 29C of the National Housing Bank Act, 1987	-	-
Balance at the end of the year		
i) Statutory reserve u/s 29C of the National Housing Bank Act, 1987	328.85	328.85
ii) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of statutory reserve under Section 29C of the NHB Act, 1987	6,790.61	3,868.46
Total	**7,119.46**	**4,197.31**

1.3 Investments:

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
1.3.1 Value of Investments		
i) Gross value of investments		
- In India	10,120.38	54,692.14
- Outside India	-	-
ii) Provisions for depreciation		
- In India	-	-
- Outside India	-	-
iii) Net value of investments		
- In India	10,120.38	54,692.14
- Outside India	-	-

Notes

to the financial statements for the year ended 31st March 2021

₹ in Lakh

Particulars		As at 31 Mar 21	As at 31 Mar 20
1.3.2 Movement of provisions held towards depreciation on investments			
i)	Opening balance	-	-
ii)	Add: Provisions made during the year	-	-
iii)	Less: Write-off / Written-back of excess provisions during the year	-	-
iv)	Closing balance	-	-

1.4 Derivatives:

1.4.1 Forward rate agreement (FRA) / Interest rate swap (IRS)

₹ in Lakh

Particulars		As at 31 Mar 21	As at 31 Mar 20
i)	The notional principal of swap agreements	35,445.00	35,445.00
ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	1,070.50
iii)	Collateral required by the HFC upon entering into swaps	NA	NA
iv)	Concentration of credit risk arising from the swaps $	Refer foot note $	Refer foot note $
v)	The fair value of the swap book	-306.73	1,070.50

$ Counter-party for all Swaps entered into by the Company are Scheduled Commercial Banks.

1.4.2 Exchange traded interest rate (IR) derivative

Company has not entered into any Exchange traded interest rate (IR) derivative during the current as well as previous financial year, hence the disclosure under this clause is not applicable.

1.4.3 Disclosures on risk exposure in derivatives

i) Qualitative disclosure

The Company's activities expose it to the financial risks of changes in foreign exchange rates and interest rates. The Company uses derivate contracts such as cross currency interest rate swaps to hedge its exposure to movements in foreign exchange and interest rates. The use of these derivative contracts reduce the risk or cost to the Company and the Company does not use those for trading or speculation purposes.

The Company uses hedging instruments that are governed by the policies of the Company which are approved by the Board of Directors, which provide written principles on the use of such financial derivatives consistent with the risk management strategy of the Company. The Board constituted Risk Management Committee (RMC) of the Company manages risk on the Company's derivative portfolio. All derivative transactions that are entered into by the Company are reported to the board, and the mark-to-market on its portfolio is monitored regularly by the senior management.

To hedge its risks on the principal and/or interest amount for foreign currency borrowings on its balance sheet, the Company has currently used cross currency interest rate swaps (CCIRS). The same is also used to hedge its LIBOR risk for foreign currency borrowings.

Derivative financial instruments are initially measured at fair value on the contract date and are subsequently remeasured to fair value at each reporting date. Derivatives are classified as assets when the fair value is positive (positive marked to market value) or as liabilities when the fair value is negative (negative marked to market value). Derivative assets and liabilities are recognised on the balance sheet at fair value. Fair value of derivatives is ascertained from the mark to market and accrual values received from the counter-party banks. Changes in the fair value of derivatives other than those designated as hedges are recognised in the Statement of Profit and Loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, no longer qualifies for hedge accounting or the Company chooses to end the hedging relationship.

Notes

to the financial statements for the year ended 31st March 2021

ii) Quantitative disclosure

₹ in Lakh

Particulars			Cross Currency interest rate Derivatives
(i)	Derivatives (Notional Principal Amount)		35,445.00
(ii)	Marked to Market Positions [1]		
	(a)	Assets (+)	-
	(b)	Liability (-)	-306.73
(iii)	Credit Exposure [2]		Nil
(iv)	Unhedged Exposures		Nil

Company has entered into a cross currency interest rates swaps hence the name of the column has been amended to that extent and the existing columns (currency derivatives and interest rate derivatives) as per NHB circulars requirements have not been given as they are not applicable.

1.5 Securitisation:

1.5.1 Since the Company has not sponsored any securitisation transactions during the current as well as previous financial year, the disclosure under this clause is not applicable.

1.5.2 Details of financial assets sold to securitisation / reconstruction Company for asset reconstruction

Since the Company has not sold any financial assets to securitisation or reconstruction Company for asset reconstruction during the current as well as previous financial year, the disclosure under this clause is not applicable.

1.5.3 Details of assignment transactions undertaken by HFCs (portfolio acquired)

₹ in Lakh

Particulars		As at 31 Mar 21	As at 31 Mar 20
i)	No. of accounts	-	-
ii)	Aggregate value (net of provisions) of accounts assigned	-	-
iii)	Aggregate consideration paid	-	-
iv)	Additional consideration realised in respect of accounts transferred in earlier years	-	-
v)	Aggregate gain / loss over net book value	-	-

1.5.4 Details of non-performing financial assets purchased / sold

A. Details of non-performing financial assets purchased:

Since the Company has not purchased any non-performing financial assets during the current as well as previous financial year, the disclosure under this clause is not applicable.

B. Details of non-performing financial assets sold:

Since the Company has not sold any non-performing financial assets during the current as well as previous financial year, the disclosure under this clause is not applicable.

1.6 Exposure

1.6.1 Exposure to real estate sector

₹ in Lakh

Direct exposure to		As at 31 Mar 21	As at 31 Mar 20
i)	**Residential mortgages -**		
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;	10,04,785.59	10,63,822.49
ii)	**Commercial real estate -**		
	Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.) Exposure would also include non-fund based (NFB) limits;	1,94,171.57	2,25,551.30

Notes

to the financial statements for the year ended 31st March 2021

₹ in Lakh

Direct exposure to		As at 31 Mar 21	As at 31 Mar 20
iii)	**Investments in mortgage backed securities (MBS) and other securitised exposures -**		
	Residential	-	-
	Commercial real estate	-	-

1.6.2 Indirect exposure

Fund base and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).

1.6.3 Exposure to capital market

Since the Company does not have any exposure to capital market during the current as well as previous financial year, the disclosure under this clause is not applicable.

1.6.4 Details of financing of parent Company products

Since the Company has not entered into any transaction for financing the parent Company products during the current as well as previous financial year, the disclosure under this clause is not applicable.

1.6.5 Single Borrower Limit (SBL) / Group Borrower Limit (GBL)

The Company has not exceeded Single Borrower Limit (SBL) / Group Borrower Limit (GBL) during the current as well as previous financial year.

1.6.6 Unsecured advances

The exposure of the Company towards unsecured advances in the current year is ₹1,418.98 Lakh, previous year is ₹737.18 Lakh.

1.6.7 Exposure to group companies engaged in real estate business

Description		Amount	% of owned fund
(i)	Exposure to any single entity in a group engaged in real estate business	Nil	Nil
(ii)	Exposure to all entities in a group engaged in real estate business	Nil	Nil

1.7 Miscellaneous

1.7.1 Registration obtained from other financial sector regulators-

Regulator	Registration No
Insurance Regulatory and Development Authority: As corporate agent (Composite)	CA0623

1.7.2 Disclosure of penalties imposed by NHB and other regulators -

A penalty amount of ₹0.12 Lakh (incl. GST of ₹0.02 Lakh) is imposed by NHB during the current financial year [31st March 2020: ₹48.30 Lakh (incl. GST of ₹7.39 Lakh)]. The Company has paid the said penalty.

1.7.3 Related party transactions

Details of all material transactions with related parties are disclosed in note no 35. The policy on related party transaction is set out in Director's report.

1.7.4 Group Structure

For diagrammatic representation of group structure please refer 'annexure a' to these notes.

Notes

to the financial statements for the year ended 31st March 2021

1.7.5 Rating assigned by credit rating agencies and migration of rating during the year

Instrument	Rating agency	Rating assigned
Bank lines programme	India Ratings	IND AAA Outlook Stable
	ICRA	[ICRA] AAA (stable) / ICRA A1+
Non-convertible debenture programme	India Ratings	IND AAA; Outlook Stable
	ICRA	[ICRA] AAA with Stable Outlook
Subordinated debt programme	India Ratings	IND AAA; Outlook Stable
	ICRA	[ICRA] AAA with Stable Outlook
Principal Protected Market Linked Debenture - (PP-MLD)	India Ratings	IND- PPMLD AAA emr' Outlook Stable
Commercial paper programme	India Ratings	IND A1+
	ICRA	[ICRA] A1+

There were no changes in any of the ratings or outlook during the year.

1.7.6 Remuneration of directors

Details of remuneration of directors are disclosed as part of the Director's Report.

1.7.7 Management

Refer to the Management Discussion and Analysis Report for the relevant disclosures.

1.7.8 Net profit or loss for the period, prior period items and changes in accounting policies

There are no prior period items that have impact on the current as well as previous year's profit and loss.

1.7.9 Revenue recognition

There have been no instances during current as well as previous financial year in which revenue recognition has been postponed pending the resolution of significant uncertainties.

1.7.10 Accounting Standard 21 - Consolidated Financial Statements (CFS)

These details are not applicable since the Company does not have any subsidiary / associate.

1.8 Additional disclosures

1.8.1 Provisions and contingencies

₹ in Lakh

	Break up of 'Provisions and Contingencies' shown under the head expenditure in statement of profit and loss	As at 31 Mar 21	As at 31 Mar 20
i)	Provisions for depreciation on investments	-	-
ii)	Provision made towards income tax (including tax on other comprehensive income)	3,882.82	3,084.32
iii)	Provision towards Stage 3 assets	3,296.99	4,185.02
iv)	Provision towards Stage 1 & Stage 2 assets*	4,749.25	2,942.66
v)	Other provision and contingencies		
	- Provision for employee benefits - gratuity (net of fund assets)	26.46	199.22
	- Provision for employee benefits - leave encashment	(15.35)	101.46

**Provision for Stage 1 & Stage 2 assets includes charge of CRE of ₹73.66 Lakh (31st March 2020 ₹288.41 Lakh), CRE - RH of ₹284.51 Lakh (31st March 2020 ₹-43.62 Lakh) and Others of ₹785.08 Lakh (31st March 2020 ₹963.19 Lakh).*

₹ in Lakh

Break up of loan & advances and provisions thereon	As at 31 Mar 21	As at 31 Mar 20
Housing loans		
Standard assets		
- Total outstanding amount	7,53,853.23	7,99,200.33
- Provisions made	7,098.52	3,698.18

Notes

to the financial statements for the year ended 31st March 2021

₹ in Lakh

Break up of loan & advances and provisions thereon	As at 31 Mar 21	As at 31 Mar 20
Sub standard assets		
- Total outstanding amount	12,431.35	6,117.34
- Provisions made	2,728.54	1,840.16
Doubtful I		
- Total outstanding amount	5,475.38	1,833.09
- Provisions made	2,105.25	634.92
Doubtful II		
- Total outstanding amount	1,698.85	337.70
- Provisions made	656.54	159.89
Doubtful III		
- Total outstanding amount	-	-
- Provisions made	-	-
Loss		
- Total outstanding amount	421.38	-
- Provisions made	421.38	-
Non-housing loans		
Standard assets		
- Total outstanding amount	4,09,906.12	4,07,026.12
- Provisions made	2,445.38	1,966.23
Sub standard assets		
- Total outstanding amount	9,392.56	4,979.62
- Provisions made	1,124.78	1,582.98
Doubtful I		
- Total outstanding amount	4,274.30	1,569.04
- Provisions made	1,444.34	511.94
Doubtful II		
- Total outstanding amount	1,301.28	794.05
- Provisions made	467.01	253.91
Doubtful III		
- Total outstanding amount	-	-
- Provisions made	-	-
Loss		
- Total outstanding amount	202.71	-
- Provisions made	202.71	-
Total		
- Total outstanding amount	11,98,957.16	12,21,857.29
- Provisions made	18,694.45	10,648.21

1.8.2 Draw down from reserves

There were no draw down from Reserves during the current as well as previous financial year.

1.8.3 Concentration of public deposits, advances, exposures and NPA

i) **Concentration of public deposits**

Since the Company is not a public deposit taking/holding HFC, the above disclosure is not applicable to the Company.

ii) **Concentration of loans & advances**

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Total loans & advances to twenty largest borrowers	44,242.60	48,532.72
Percentage of loans & advances to twenty largest borrowers to total advances of the Company	3.69%	3.97%

Notes

to the financial statements for the year ended 31st March 2021

iii) Concentration of all exposure (including off-balance sheet exposure)

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Total exposure to twenty largest borrowers / customers	55,459.10	58,585.87
Percentage of exposure to twenty largest borrowers / customers to total exposure of the Company on borrowers / customers	4.43%	4.46%

iv) Concentration of NPAs

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Total exposure to top ten NPA accounts	6,779.61	5,196.97

v) Sector-wise NPAs

Sector			Percentage of NPAs to total advances in that sector
I.	Housing loans:-		
	a)	Individuals	1.61%
	b)	Builders/project loans	0.06%
	c)	Corporates	0.17%
	d)	Others (specify)	0.00%
II.	Non - housing loans:-		
	a)	Individuals	0.71%
	b)	Builders/project loans	0.00%
	c)	Corporates	0.39%
	d)	Organisation	0.00%

vi) Movement of NPAs

₹ in Lakh

			As at 31 Mar 21	As at 31 Mar 20
(I)	Net NPAs to net advances (%)		2.21%	0.88%
(II)	Movement of NPAs (Gross)			
	a)	Opening balance	15,630.85	8,291.39
	b)	Additions during the year	26,093.64	12,069.12
	c)	Reductions during the year	6,526.68	4,729.66
	d)	Closing balance	35,197.81	15,630.85
(III)	Movement of Net NPAs			
	a)	Opening balance	10,647.05	4,632.11
	b)	Additions during the year	19,895.51	7,884.10
	c)	Reductions during the year	4,495.30	1,869.16
	d)	Closing balance	26,047.26	10,647.05
(IV)	Movement of provisions for NPAs (excluding provisions on standard assets)			
	a)	Opening balance	4,983.80	3,659.28
	b)	Provisions made during the year	6,198.13	4,185.02
	c)	Write-off/write-back of excess provisions	2,031.38	2,860.50
	d)	Closing balance	9,150.55	4,983.80

Notes

to the financial statements for the year ended 31st March 2021

vii) Overseas assets

The Company does not have any overseas assets during the current as well as previous financial year.

viii) Off- balance sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

The Company does not have any off- balance sheet SPVs during the current as well as previous financial year.

1.9 Disclosure of complaints

1.9.1 Customers complaints

		As at 31 Mar 21	As at 31 Mar 20
i)	No of complaints pending as at the beginning of the year	7	-
ii)	No of complaints received during the year	823	693
iii)	No of complaints redressed during the year	819	686
iv)	No of complaints pending as at the end of the year	11	7

1.10 Asset liability management (Maturity pattern of certain items of assets and liabilities)

₹ in Lakh

Particulars	Liabilities				Assets		
	Deposits	Borrowings from banks	Market borrowings*	Foreign Currency Liabilities	Advances**	Investments	Foreign Currency Assets
1 day to 7 days	400.00	4,460.43	357.94	-	5,197.34	10,120.38	-
8 to 14 days	-	2,894.09	-	-	6,203.30	-	-
15 days to 30/31 days (one month)	-	6,538.04	14,656.43	94.97	6,967.18	-	-
Over one months to 2 months	-	4,134.42	443.38	-	9,138.13	-	-
Over 2 months to 3 months	-	3,076.44	7,228.42	-	9,221.63	-	-
Over 3 months to 6 months	-	4,648.04	22,530.23	-	28,180.78	-	-
Over 6 months to 1 year	-	88,045.51	15,202.62	-	58,750.23	-	-
Over 1 year to 3 years	-	4,37,816.84	1,12,844.87	36,509.10	2,70,345.70	-	-
Over 3 years to 5 years	-	2,68,628.23	1,999.55	-	2,84,658.07	-	-
Over 5 years	-	3,888.13	32,341.15	-	5,01,600.35	-	-
Total	**400.00**	**8,24,130.17**	**2,07,604.59**	**36,604.07**	**11,80,262.71**	**10,120.38**	**-**

** The above amount is net of unamortised discounting charges on commercial paper amounting to ₹21.66 Lakh (31st March 2020: ₹409.03 Lakh).*

*** Advances includes loan and advances in the nature of loans and excludes advances recoverable in cash or kind or for value to be received and advance payment of taxes and other Deposits.*

Foot Note:

Non-performing asset (NPA) in these notes have been derived basis definition in the Master Direction Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021.

Accordingly, assets, where the terms of the agreement regarding interest and/ or principal have been re-negotiated or rescheduled after release of any instalment of loan (excluding asset covered under Resolution Framework for COVID-19-related Stress) have been classified as non-performing asset (Sub-standard category: loan principal outstanding ₹11,720.39 Lakh; total outstanding ₹12,014.45 Lakh). Such assets have been classified under Stage 2 category (as request to restructure is an indication of significant increase in credit risk) for the purpose of Ind AS reporting and expected credit loss calculations.

Further, a few assets, which are adversely affected by a potential threat of non-recoverability have also been classified as non-performing asset (loss category, loan principal outstanding ₹130.03 Lakh; total outstanding ₹132.03 Lakh). Since these accounts have been performing satisfactorily, for the purpose of Ind AS reporting, the same have been reported under respective stage (Stage 1/ Stage 2) basis their DPD bucket. However, as an abundant precaution, these accounts have been fully provided for.

Notes

to the financial statements for the year ended 31st March 2021

2 DISCLOSURE OF DETAILS AS REQUIRED UNDER OTHER GUIDELINES OF HFCS (NHB) DIRECTIONS, 2010 AND RESERVE BANK OF INDIA CIRCULARS.

2.1 Percentage of outstanding loans granted against the collateral gold jewellery to their outstanding total assets:

We have not disbursed any loans against the collateral of gold jewellery during the relevant financial year and in previous year.

2.2 Disclosure related to information namely, area, country of operation and joint venture partners with regard to joint ventures and overseas subsidiaries as prescribed under the said Directions:

We do not have any joint venture or overseas subsidiaries during the relevant financial year and in previous year.

2.3 Disclosure pursuant to RBI circular RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13th March 2020

₹ in Lakh

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	11,30,021.88	5,683.13	11,24,338.75	7,139.96	-1,456.83
	Stage 2	33,737.47	3,540.29	30,197.18	1,595.73	1,944.56
Subtotal		**11,63,759.35**	**9,223.42**	**11,54,535.93**	**8,735.69**	**487.73**
Non-Performing Assets (NPA)						
Substandard (Re-structured)	Stage 2	12,014.43	737.73	11,276.70	1,758.06	-1,020.33
Substandard	Stage 3	9,809.48	3,115.59	6,693.89	1,542.42	1,573.17
Doubtful - up to 1 year	Stage 3	9,749.68	3,549.59	6,200.09	2,887.03	662.56
1 to 3 years	Stage 3	3,000.13	1,123.55	1,876.58	1,231.23	-107.68
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		12,749.81	4,673.14	8,076.67	4,118.26	554.88
Loss (potential threat of non-recoverability)	Stage 1	132.03	132.03	-	132.03	-
Loss	Stage 3	492.06	492.06	-	492.06	-
Subtotal for NPA		**35,197.81**	**9,150.55**	**26,047.26**	**8,042.83**	**1,107.72**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms*	Stage 1	-	256.34	-	-	256.34
	Stage 2	-	64.14	-	-	64.14
	Stage 3	-	-	-	-	-
Subtotal						
Total	**Stage 1**	11,30,153.91	6,071.50	11,24,338.75	7,271.99	-1,200.49
	Stage 2	45,751.90	4,342.16	41,473.88	3,353.79	988.37
	Stage 3	23,051.35	8,280.79	14,770.56	6,152.74	2,128.05
	Total	**11,98,957.16**	**18,694.45**	**11,80,583.19**	**16,778.52**	**1,915.93**

Notes

to the financial statements for the year ended 31st March 2021

2.4 Disclosure pursuant to RBI circular RBI/2019-20/220 DOR.No.BP.BC.63/21.04.048/2019-20 dated 17th April 2020

In accordance with the RBI circular dated 27th March 2020, 17th April 2020 and 23rd May 2020 on 'COVID-19 Regulatory Package- Assest Classification and Provisioning', the details pertaining to loan accounts to which a moratorium on instalments and interest was extended, as of March 2021 are as below:

₹ in Lakh

1.	Advances in SMA / overdue categories, where the moratorium was extended*	55,103.82
2.	Advances where asset classification benefit was extended*	10,889.63
3.	Provisions made (as per para 4 of the circular, applicable to HFCs covered under Ind AS)	648.44
4.	Provisions adjusted against slippages	-
3.	Residual provisions	648.44

** represents outstanding balance of accounts as on 31st March 2021*

2.5 Disclosure pursuant to RBI circular RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 6th August 2020

₹ in Lakh

Type of borrower	(A) Number of accounts where resolution plan has been implemented under this window	(B) exposure to accounts mentioned at (A) before implementation of the plan	(C) Of (B), aggregate amount of debt that was converted into other securities	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation	(E) Increase in provisions on account of the implementation of the resolution plan
Personal Loans~	1,487	37,181.63	-	704.08	569.87
Corporate persons*	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	**1,487**	**37,181.63**	**-**	**704.08**	**569.87**

~Includes 6 loan accounts (Exposure:305.51 Lakh) which were restructured during the year but are closed as of 31st March 2021.

** As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016*

2.6 Disclosure on liquidity risk under RBI/2020-21/60 DOR.NBFC (HFC).CC.No.118/03.10.136/2020-21 dated 22nd October 2020

i. Funding concentration based on significant counterparty (both deposits and borrowings)

₹ in Lakh

Sl. No.	No. of Significant Counterparties	Amount	% of total Deposits	% of Total Liabilities*
1	18	9,52,150.95	NA	88%

ii. Top 20 large deposits – not applicable

iii. Top 10 borrowings

Amount	% of Total Liabilities*
7,71,838.58	71%

iv. Funding concentration based on significant instrument/product

₹ in Lakh

Sr. No.	Name of the instrument	Amount	% of Total Liabilities*
1	Term Loans	8,06,290.58	74%
2	NCD	1,63,450.16	15%
3	ECB	36,604.07	3%
4	CP	9,978.34	1%
5	Sub-Debt	34,199.24	3%
6	Working capital / short term facilities	18,239.59	2%

Notes

to the financial statements for the year ended 31st March 2021

v. Stock Ratios

Sr. No.	Name of the instrument	31 Mar 21
1	Commercial Papers to Total Liabilities*	1%
2	Commercial Papers to Total Assets	1%
3	NCDs (Original Maturity <1 ys) to Total Assets	Nil
4	NCDs (Original Maturity <1 ys) to Total Liabilities	Nil
5	Other Short-Term Liabilities** to Total Assets	15%
6	Other Short-Term Liabilities to Total Liabilities	17%

**Total Liabilities does not include Net Worth.*

*** Other Short Term Liabilities excludes Commercial Paper as they are already considered in 1 & 2.*

**** Significant Counterparties and Top 10 Borrowings are as per actual outstanding*

vi. Institutional set-up for liquidity risk management

The Company has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk. The ALCO meetings are held at periodic intervals. At the apex level, the Risk Management Committee (RMC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RC subsequently updates the Board of Directors on the same.

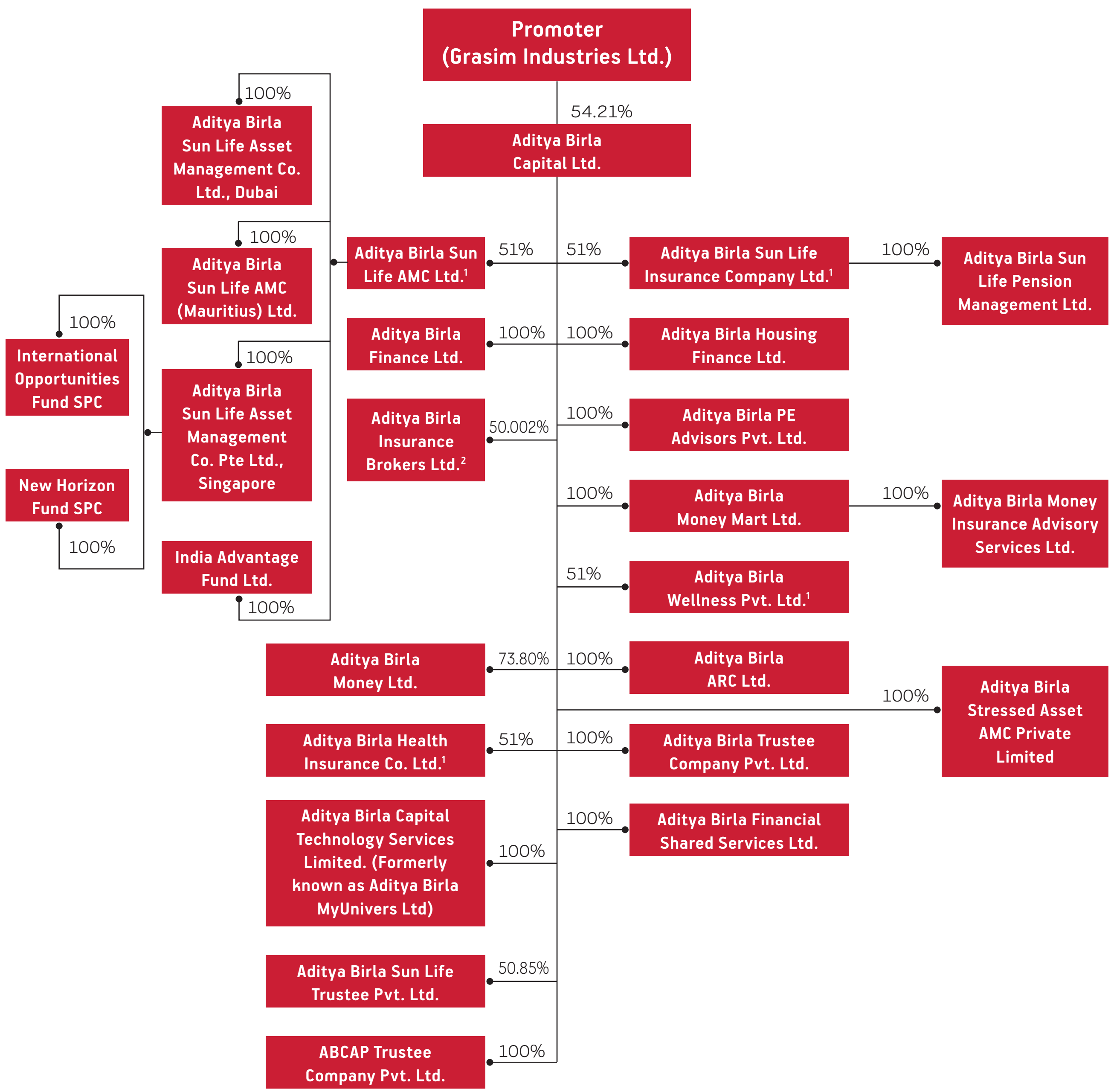
Notes

to the financial statements for the year ended 31st March 2021

ANNEXURE A

1 Disclosure of details as required under Annexure IV of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by Reserve Bank of India vide circular dated 17th February 2021.

The diagrammatic representation of group structure is shown as below (refer note 1.7.4):



[1] *Indicates Joint Ventures.*

[2] *49.998% is held by Infocyber India Pvt. Ltd.*

Aditya Birla ARC Limited

ADITYA BIRLA
CAPITAL

Independent Auditor's Report

To the Members of Aditya Birla ARC Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying standalone financial statements of Aditya Birla ARC Limited ("the Company"), which comprise the Standalone Balance sheet as at 31st March 2021, the Standalone Statement of Profit and Loss including the statement of Other Comprehensive Income, the Standalone Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

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

BASIS FOR OPINION

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

EMPHASIS OF MATTER

We draw attention to note 42 to the financial statements, which describes the increased uncertainty of estimates relating to the Company's investment valuation due to the continued outbreak of COVID-19 virus.

Our opinion is not modified in respect of this matter.

OTHER INFORMATION

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

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

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

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

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

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

2. As required by Section 143(3) of the Act, we report 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 Standalone Balance Sheet, the Standalone Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Standalone Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors as on 31st March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended 31st March 2021;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Shrawan Jalan**
Partner
Membership Number: 102102
UDIN: 21102102AAAAFO4380

Place of Signature: Mumbai
Date: 21st April 2021

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

Re: Aditya Birla ARC Limited

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

(ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Act are applicable and hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, goods and service tax, cess and other statutory dues applicable to it. As informed, the provisions of employees' state insurance, sales-tax, duty of custom, duty of excise and value added taxes are not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. As informed, the provisions of employees' state insurance, sales-tax, duty of custom, duty of excise and value added taxes are not applicable to the Company.

(c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, goods and service tax and cess which have not been deposited on account of any dispute. As informed, the provisions of employees' state insurance, sales-tax, duty of custom, duty of excise and value added taxes are not applicable to the Company.

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution or dues to debenture holders.

The Company did not have any loans or borrowing in respect of a bank or to government during the year.

(ix) According to the information and explanations given by the management and audit procedures performed by us, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of sec 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Shrawan Jalan
Partner
Membership Number: 102102
UDIN: 21102102AAAAFO4380

Place of Signature: Mumbai
Date: 21st April 2021

ANNEXURE 2 to the Independent Auditor's Report of even date on Standalone Financial Statements of Aditya Birla ARC Limited

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

We have audited the internal financial controls over financial reporting of Aditya Birla ARC Limited ("the Company") as of 31st March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE STANDALONE FINANCIAL STATEMENTS

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

OPINION

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

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Shrawan Jalan
Partner
Membership Number: 102102
UDIN: 21102102AAAAFO4380

Place of Signature: Mumbai
Date: 21st April 2021

Standalone Balance Sheet

as at 31st March 2021

₹ in Lakh

		Note	As at 31 Mar 21	As at 31 Mar 20
I	**ASSETS**			
(1)	**Financial Assets**			
(a)	Cash and Cash Equivalents	6	1,046.24	91.66
(b)	Bank Balance other than (a) above	7	3,114.87	4,992.17
(c)	Trade Receivables	8	45.70	0.03
(d)	Loans	9	169.91	1.00
(e)	Investments			
	- Other Investments	10	43,035.51	44,804.27
(f)	Other Financial Assets	11	131.37	140.20
	Sub-Total		**47,543.60**	**50,029.33**
(2)	**Non-Financial Assets**			
(a)	Current Tax Assets (Net)		631.70	380.80
(b)	Property, Plant and Equipment	12	21.02	58.40
(c)	Right to use of Assets	36	321.09	79.19
(d)	Other non-Financial assets	13	61.24	38.56
	Sub-Total		**1,035.05**	**556.95**
	Total assets		**48,578.65**	**50,586.28**
II	**LIABILITIES AND EQUITY**			
	LIABILITIES			
(1)	**Financial Liabilities**			
(a)	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		61.17	27.36
(b)	Debt Securities	14	28,223.19	36,205.27
(c)	Borrowings (Other than Debt Securities)	15	3,401.81	-
(d)	Subordinate Liabilities	16	1,600.00	1,600.00
(e)	Lease Liability	36	332.81	81.35
(f)	Other Financial Liabilities	17	330.56	325.29
	Sub-Total		**33,949.54**	**38,239.27**
(2)	**Non Financial Liabilities**			
(a)	Current tax liabilities (net)		10.08	10.08
(b)	Provisions	18	36.30	31.61
(c)	Deferred tax liabilities (net)	35	953.62	144.79
(d)	Other Non Financial Liabilities	19	1,014.14	1,948.20
	Sub-Total		**2,014.14**	**2,134.68**
(3)	**Equity**			
(a)	Equity Share capital	20	10,000.00	10,000.00
(b)	Other Equity	21	2,614.97	212.33
	Total equity		**12,614.97**	**10,212.33**
	Total Equity and Liabilities		**48,578.65**	**50,586.28**
	Significant Accounting Policies	5		

The accompanying Notes are an integral part of the Financial Statements.
In terms of the Company's report of even date attached

For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.:- 301003E/E300005
Chartered Accountants

per Shrawan Jalan
Partner
Membership No. 102102

Mumbai, 21st April 2021

For and on behalf of the Board of Directors
Aditya Birla ARC Limited

Tushar Shah
Director
DIN-00239762

Pinky Mehta
Director
DIN-00020429

Sandeep Somani
Chief Financial Officer

Sanjay Jain
Chief Executive Officer

Rajesh Gandhi
Company Secretary

Mumbai, 21st April 2021

Standaone Statement of Profit and Loss

for the year ended 31st March 2021

₹ in Lakh

	Note	Year Ended 31 Mar 21	Year Ended 31 Mar 20
REVENUE FROM OPERATIONS			
(a) Fee Income	22	2,971.03	955.11
(b) Net Gain on Fair Value Changes	23	4,466.42	1,487.96
Total Revenue from Operations		**7,437.45**	**2,443.07**
Other Income	24	271.77	443.78
Total Income		**7,709.22**	**2,886.85**
EXPENSES			
(a) Finance Costs	25	3,548.19	1,143.44
(b) Impairment on Financial Instruments	26	1.26	1.10
(c) Employee benefits expense	27	740.47	734.96
(d) Depreciation and amortisation expense	28	122.97	117.50
(e) Other expenses	29	87.58	86.84
Total Expenses		**4,500.47**	**2,083.84**
Profit before exceptional items and tax		**3,208.75**	**803.01**
Profit Before Tax		**3,208.75**	**803.01**
Tax Expenses			
Current Tax		-	-
Deferred Tax		808.15	144.79
Total Tax Expenses		**808.15**	**144.79**
Profit after tax		**2,400.60**	**658.22**
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss		2.72	(1.56)
Income tax relating to items that will not be reclassified to profit and loss		(0.68)	-
Other Comprehensive Income for the year		**2.04**	**(1.56)**
Total Comprehensive Income for the year		**2,402.64**	**656.66**
Earnings per share :			
Basic- (₹)	30	2.40	0.66
Diluted - (₹)		2.36	0.65
(Face Value of ₹ 10 each)			
Significant Accounting Policies	5		

The accompanying Notes are an integral part of the Financial Statements.
In terms of the Company's report of even date attached

For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.:- 301003E/E300005
Chartered Accountants

per Shrawan Jalan
Partner
Membership No. 102102

Mumbai, 21st April 2021

For and on behalf of the Board of Directors
Aditya Birla ARC Limited

Tushar Shah
Director
DIN-00239762

Pinky Mehta
Director
DIN-00020429

Sandeep Somani
Chief Financial Officer

Sanjay Jain
Chief Executive Officer

Rajesh Gandhi
Company Secretary

Mumbai, 21st April 2021

Standalone Cash Flow Statement

for the year ended 31st March 2021

₹ in Lakh

Note	Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax	3,208.75	803.01
	Adjustments for :		
	Impairment on Financial Assets	1.26	1.10
	Net gain on Fair value changes	(4,466.42)	(1,487.96)
	Interest Income	(246.98)	(423.60)
	Finance Cost	3,524.84	1,134.21
	Notional Interest on Lease	23.35	9.23
	Depreciation and Amortisation	122.97	117.50
	Operating Profit Before Working Capital Changes	**2,167.77**	**153.49**
	Adjustments for:		
	Decrease/(Increase) in Loans	(0.31)	(4.89)
	Decrease/(Increase) in Other Financial Assets	11.23	(96.78)
	Decrease/(Increase) in Trade Receivables	(45.67)	0.08
	Decrease/(Increase) in Other Non-Financial Assets	(344.80)	(92.83)
	(Decrease)/Increase in Trade Payables	33.81	2.97
	(Decrease)/Increase in Provisions	7.41	22.43
	(Decrease)/Increase in other Financial Liabilities	300.64	293.13
	(Decrease)/Increase in other Non Financial Liabilities	(934.08)	1,944.61
	Cash (Used in) / from Operations	**(971.77)**	**2,068.72**
	Income Taxes Paid	(250.90)	(309.16)
	Net Cash Flow From Operating Activities	**945.10**	**1,913.05**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Addition to Property, Plant and Equipment	(5.37)	(21.44)
	Investment in Security Receipts	(11,727.51)	(46,608.67)
	Redemption of Security Receipts	17,962.71	3,307.37
	Interest Received	257.94	750.83
	Bank Deposits placed during the year	(9,693.89)	(15,430.94)
	Bank Deposits matured during the year	11,557.83	20,570.00
	Net Cash From / (Used in) Investing Activities	**8,351.71**	**(37,432.85)**

Standalone Cash Flow Statement

for the year ended 31st March 2021

₹ in Lakh

Note	Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Loans & Advances to Trust	(169.86)	-
	Lease Liability - Principal Portion	(43.91)	(75.24)
	Lease Liability - Interest Portion	(23.35)	(9.23)
	Proceeds from Borrowings	7,000.00	37,819.00
	Repayment of Borrowings	(3,600.00)	-
	Repayment of Debt Securities	(7,982.08)	(2,240.00)
	Finance Cost on Debt Securities & Borrowings	(3,523.03)	(507.94)
	Proceeds from Compulsorily Convertible Preference Shares	-	500.00
	Net Cash (Used In)/From Financing Activities	**(8,342.23)**	**35,486.59**
	Net Increase In Cash And Equivalents	954.58	(33.21)
	Cash And Cash Equivalents (Opening Balance)	91.66	124.87
	Cash And Cash Equivalents (Closing Balance)	1,046.24	91.66

Notes:

1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 'Statement of Cash Flow's prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

2 Cash and cash equivalents in the balance sheet comprise of Cash at bank.

The accompanying Notes are an integral part of the Financial Statements.
In terms of the Company's report of even date attached

For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.:- 301003E/E300005
Chartered Accountants

per Shrawan Jalan
Partner
Membership No. 102102

Mumbai, 21st April 2021

For and on behalf of the Board of Directors
Aditya Birla ARC Limited

Tushar Shah
Director
DIN-00239762

Pinky Mehta
Director
DIN-00020429

Sandeep Somani
Chief Financial Officer

Sanjay Jain
Chief Executive Officer

Rajesh Gandhi
Company Secretary

Mumbai, 21st April 2021

Statement of Changes in Equity

for the year ended 31st March 2021

(A) EQUITY SHARE CAPITAL

₹ in Lakh

Particulars	As at 31 Mar 21		As at 31 Mar 20	
	No. of Shares	Amount	No. of Shares	Amount
Equity shares of face value of ₹10/- each issued on subscribed and fully paid up				
Balance at the beginning of the year	10,00,00,000	10,000.00	10,00,00,000	10,000.00
Changes in Equity share capital during the year	-	-	-	-
Balance at the end of the year	**10,00,00,000**	**10,000.00**	**10,00,00,000**	**10,000.00**

(B) OTHER EQUITY

₹ in Lakh

Particulars	Reserve and Surplus	Total Other Equity
BALANCE AS AT 1st APRIL 2019	(438.52)	(438.52)
Profit for the year	658.22	658.22
Other Comprehensive loss for the year	(1.56)	(1.56)
Total Comprehensive income	**656.66**	**656.66**
Less: IND AS 116 adjustment during the year from opening Reserve	**(5.81)**	**(5.81)**
BALANCE AS AT 31st MARCH 2020	**212.33**	**212.33**
Equity attributable to Shareholders of Company	**212.33**	**212.33**
BALANCE AS AT 1st APRIL 2020	212.33	212.33
Profit for the year	2,400.60	2,400.60
Other Comprehensive Income for the year	2.04	2.04
Total Comprehensive income	**2,402.64**	**2,402.64**
BALANCE AS AT 31st MARCH 2021	**2,614.97**	**2,614.97**
Equity attributable to Shareholders of Company	**2,614.97**	**2,614.97**

The accompanying Notes are an integral part of the Financial Statements.
In terms of the Company's report of even date attached

For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.:- 301003E/E300005
Chartered Accountants

per Shrawan Jalan
Partner
Membership No. 102102

Mumbai, 21st April 2021

For and on behalf of the Board of Directors
Aditya Birla ARC Limited

Tushar Shah
Director
DIN-00239762

Pinky Mehta
Director
DIN-00020429

Sandeep Somani
Chief Financial Officer

Sanjay Jain
Chief Executive Officer

Rajesh Gandhi
Company Secretary

Mumbai, 21st April 2021

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

1. ABOUT THE COMPANY

Aditya Birla ARC Limited (the Company) was incorporated as a public limited Company under the provisions of the Companies Act, 2013 on 10th March 2017.

The principal activity of the Company is to carry on the business of securitisation and asset reconstruction as defined in section 2 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ('the SARFAESI Act'). The Company acts as a Manager / Trustee for trusts set up for securitisation pursuant to the SARFAESI Act. The financial assets are acquired under separate trusts set up for securitisation or directly for asset reconstruction.

Reserve Bank of India ('RBI') granted a Certificate of Registration to the Company on 13th March 2018 to carry on business of securitisation or asset reconstruction under section 3 of the SARFAESI Act.

The Company recognises its income through Trusteeship and Management Fees, which is recognised on accrual basis in accordance with the terms of the respective trust deed / offer document / commitment agreement, wherever applicable.

The financial statements were authorised for issue by the Company's Board of Directors on 21st April 2021.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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 (as amended from time to time).

The financial statements have been prepared on a historical cost basis and accrual basis except for fair value through other comprehensive income (FVOCI) instruments, derivative financial instruments, other financial assets held for trading and financial assets and liabilities designated at fair value through profit or loss (FVTPL), all of which have been measured at fair value. The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakh, except when otherwise indicated.

3. USE OF ESTIMATES

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

4. PRESENTATION OF FINANCIAL ESTIMATES

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business.
- The event of default.
- The event of insolvency or bankruptcy of the Company and/or its counterparties.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

5.1 Revenue from contract with customer

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at transaction price i.e. the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to the customer, excluding amounts collected on behalf of third parties. The Company consider the terms of the contract and its customary business practices to determine the transaction price.

Where the consideration promised is variable, the Company excludes the estimates of variable consideration that are constrained. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognises revenue from the following sources:

a. The fee income comprises of Trusteeship and Management Fee. The Company receives management fee from trusts declared by it for acquisition of financial assets and the same is accounted for on accrual basis as per terms of the relevant trust deeds and offer document issued by the Trust. Management fees are calculated and charged as a percentage of the Net Assets Value (NAV) at the lower end of the range of the NAV specified by the Credit Rating Agency.

b. Redemption incentive and recovery incentive is accounted over the period on cash basis, i.e. as and when received by the Company, based on terms of the relevant trust deeds and offer document issued by the Trust.

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

c. Any upside share in excess realisation over acquisition price of financial asset by trust is recognised at point in time basis as per terms of the relevant trust deed/ offer document.

d. The above receipts are recognised as revenue excluding GST.

Rental Income

Temporary arrangements were made to give unoccupied workstations to other businesses, rent were charged for the period on these workstations on basis of area wise cost allocation.

Interest Income

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

For interest income on Fixed Deposit, the Company recognises it on accrual basis.

For purchased or originated credit-impaired (POCI) financial assets, the Company calculates interest income by calculating the credit-adjusted EIR and applying that rate to the amortised cost of the asset. The credit-adjusted EIR is the interest rate that, at original recognition, discounts the estimated future cash flows (including credit losses) to the amortised cost of the POCI assets. Interest income on all trading assets and financial assets mandatorily required to be measured at FVTPL is recognised using the contractual interest rate in net gain on fair value changes.

5.2 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

Date of recognition

Financial assets and liabilities, debt securities, deposits and borrowings are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument

Initial measurement

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from, this amount. Trade receivables are measured at the transaction price.

Measurement categories of financial assets and liabilities

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

- At amortised cost
- At fair value through other comprehensive income (FVTOCI)
- At fair value through profit or loss (FVTPL)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

   After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b. The asset's contractual cash flows represent Solely Payments of Principal and Interest (SPPI).

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

from the equity to Statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of profit and loss.

De-Recognition of financial assets

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises an associated liability.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit and loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial assets.

On derecognition of a financial asset other than in it's entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financials asset between the part it continues to recognise under continuing involvement, and the part is no longer recognises on the basis of relative fair values of those parts on the date of transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of consideration received for the part no longer recognised and and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Impairment of Financial Assets (ECL Policy)

In accordance with IND AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets & credit risk exposure.

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as loans and advances held at amortised cost for impairment based on evidence or information that is available without undue cost or effort.

The Company applies a three-stage approach to measuring expected credit losses (ECLs) for financial assets.

Stage 1: 12-months ECL

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Company has assessed that all loans and advances with no default or upto 30 days default would fall under this category.

For these assets, 12-month ECL are recognised and interest revenue is calculated on the gross carrying amount of the asset (that is, without deduction for credit allowance).

Stage 2: Lifetime ECL – significant increase in credit risk

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. Financial instruments that have had a significant increase in credit risk since initial recognition are classified under this stage. 30 Days Past Due is considered as significant increase in credit risk and classified under this category. For these assets, lifetime ECL are recognised, but interest revenue is calculated on the gross carrying amount of the asset less ECL already provided.

Stage 3: Lifetime ECL – credit impaired

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount.

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

Credit-impaired financial assets:
At each reporting date, the Company assesses whether financial assets carried at amortised cost is credit impaired. A financial asset is 'credit-impaired' when a breach of contract such as a default or past due event that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

ECL provisioning is being done on each reporting date basis probability of default and loss given default on outstanding financial asset.

Trade receivables
Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of IND AS 115 are recognise.

Other financial assets
Other financial assets are tested for impairment based on significant change in credit risk since initial recognition and impairment is measured based on probability of default over the lifetime when there is significant increase in credit risk.

Financial liabilities
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, debt securities and subordinated liabilities, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts. The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair- value through profit or loss:
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognised in OCI.

These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity.

All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Financial liabilities and equity instruments
Financial instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs.

Loans & borrowings
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss

De-recognition of financial liabilities
A financial liability shall be de-recognised when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

5.3 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

5.4 Expenses incurred by the Company on behalf of the Trust

Expenses incurred at pre-acquisition stage are recognised as expenses for the period in which such costs are incurred. If such expenses are contracted to be recovered from the Trust, the same are shown as Loan & Advances to Trust in the Balance Sheet. These expenses are reimbursed to the Company in terms of provisions of relevant Trust Deed and Offer Document of the Trusts.

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

5.5 Property, plant & equipment.

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and arrangements arising from exchange rate variations attributable to the assets. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow the entity and the cost can be measured reliably. Depreciation on property, plant and equipment is provided using straight line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Depreciation on Tangible Fixed Assets is provided on Straight Line using the rates arrived at based on the useful lives as specified in the Schedule II of the Companies Act, 2013 or estimated by the management. The Company has used the following useful life to provide depreciation on its fixed assets, which is in line with the useful life suggested by Schedule III.

Asset	Useful Life as Prescribed by Schedule II of the Companies Act, 2013
Computers (end user computers, Laptops)	3
Office Equipment	5
Furniture & Fixtures	10
Motor Vehicles	6

Useful life of assets estimated by management supported by the Internal Technical assessment.

Asset	Estimated Useful Life
Leasehold Improvements*	3
Motor Vehicles^	4-5

**In case of Leasehold Improvements, Depreciation calculated based on lease period*

^ In case of Motor Vehicles, depreciation calculated on basis of its replacement.

Depreciation on the Fixed Assets added/disposed off/ discarded during the year is provided on pro-rata basis with reference to the date of addition/disposal/discarding.

5.6 Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or the liability; or in the absence of a principal market, in the most advantageous market for the asset or liability, the principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

Level-2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level-3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

5.7 Impairment of non-financial assets

The Company assesses, at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists or when annual impairment testing for any asset is required, the Company estimates the assets recoverable amount. An assets recoverable

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

amount is the higher of an assets fair value less cost of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflow that is largely independent of those from other assets or Company of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written-down to it recoverable amount.

5.8 Retirement and other employee benefits

Employee benefits are accrued in the period in which the associated services are rendered by employees of the Company, as detailed below:

Defined contribution plan (Provident fund)
In accordance with Indian law, eligible employees receive benefits from provident fund, which is a defined contribution plan. Both the employee and employer make monthly contributions to the plan, each equal to a specified percentage of employee's basic salary. The Company has no further obligations under the plan beyond its monthly contributions. The Company does not have any legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. Obligation for contributions to the plan is recognised as an employee benefit expense in the Statement of Profit and Loss when incurred.

Defined benefit plans (gratuity)
In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (the Gratuity Plan) covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Company.

The Company's net obligation in respect of the gratuity plan is calculated by estimating the amount of future benefits that the employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service cost and the fair value of plan assets are deducted. The discount rate is the yield at the reporting date on risk free government bonds that have maturity dates approximating the terms of the Company's obligations. The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognised asset is limited to the total of any unrecognised past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

The Company recognises all re-measurements of net defined benefit liability/asset directly in other comprehensive income and presented within equity. The Company has employees' gratuity fund under Grasim Industries Limited Employees Gratuity Trust managed by the ultimate parent company.

Short term benefit
Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Compensated absences
The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement.

The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period.

The Company recognises accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognised in the period in which the absences occur. The Company recognises actuarial gains and losses immediately in the Statement of Profit and Loss.

Other benefits
Few employees transferred from other business of the Aditya Birla Capital Group were eligible under long term incentive plan (the "LTIP scheme") issued by that business in September 2017. The scheme is for 4 years and pay out under the scheme to employees will be made at end of 4 years, as per option opted by the employees. This is a one time option, which cannot be changed to the option of early vesting, hence liability has been equally spread over the tenure. In case these employees leave before the stipulated period of 4 years, the liability to pay under the aforesaid LTIP scheme ceases.

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

5.9 Leases

AS per IND AS 116

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises right – of – use ("ROU") asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the under lying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value – in – use) is determined on an individual asset basis unless the asset generates cash flows that are largely dependent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment on exercise of an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

5.10 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are not discounted to their present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

5.11 Taxes

Current Tax

Current income tax assets and liabilities 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, at the reporting date in the countries where the Company operates and generates taxable income. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised 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.

Deferred Tax

Deferred tax is recognised using the Balance Sheet approach on the temporary differences between the carrying amounts of assets and liabilities in the financial statements and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset, if there is a legally enforceable right to offset current tax liabilities and assets, and these relate to income taxes levied by the same tax authority and are

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

intended to settle current tax liabilities and assets on a net basis or such tax assets and liabilities will be realised simultaneously.

In the event of unabsorbed depreciation or carry forward of losses under tax laws, deferred tax assets are recognised to the extent that it is probable that sufficient future taxable income will be available to realise such assets.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

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

Current and deferred tax are recognised in Statement of Profit and Loss, except when the same relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax relating to such items are also recognised in other comprehensive income or directly in equity respectively.

5.12 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split, if any.

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

5.13 Capital Management

The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

5.14 Significant accounting judgements, estimates and assumptions:

The preparation of financial statements, in conformity, with the Ind AS requires management to make judgements, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial years

Measurement of defined benefit obligations

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

Provisions

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cashflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amount of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

Property plant and equipment and investment property

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful life and residual values of the Company's assets at the end of its useful life are estimated by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The useful life are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Impairment of trade receivables

Trade receivables are the trusts of which Company is a trustee and also holds investments in the trust through Security Receipts. The Company estimates the probability of collection of accounts receivable by analyzing the future cash flow in the trust. If the financial condition of the trust deteriorates, additional allowances may be required.

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

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.

Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

ECL on financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different level of allowances.

The Company ECL calculation are outputs of models with a number of underlying assumptions regarding the choice of variable inputs ad their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates includes:

- Probabilities of Defaults (PDs) the calculations of which includes historical data, assumptions and expectations of future conditions.
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life time expected credit loss model basis and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Developments of ECL models, including the various formulas and choices of inputs
- Determination of associations between macroeconomic scenarios and economic inputs, such as unemployment levels and collateral values, and the effects of PDs, exposure at defaults and loss given defaults.

Critical judgements required in the application of Ind AS 116 may include, among others, the following:

- Identifying whether a contract (or part of a contract) includes a lease;
- Determining whether it is reasonably certain that an extension or termination option will be exercised;
- Determination of whether variable payments are in-substance fixed;
- Establishing whether there are multiple leases in an arrangement;
- Determining the stand-alone selling prices of lease and non-lease components.

Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:

- Estimation of the lease term; •
- Determination of the appropriate rate to discount the lease payments;
- Assessment of whether a right-of-use asset is impaired.

Policy for sales out of amortised cost business model portfolios

ABARC existing business model focuses on acquisition of financial assets through trusts, with or without participation from external investors. Their existing resolution strategy is to right size the debt and restructure the debt with focus on improvement in operational performance of the acquired financial assets with existing sponsors or strategic investors.

At present ABARC has no amortised cost business model portfolio, therefore it has not prepared and adopted any such policy.

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

NOTE: 6 CASH AND CASH EQUIVALENTS

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Balances with Banks		
Current Accounts	71.17	91.66
Deposit Accounts (with original maturity period of 3 months or less)	975.07	-
	1,046.24	**91.66**

NOTE: 7 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Fixed Deposit Accounts (with original maturity period of more than 3 months)	3,114.87	4,992.17
	3,114.87	**4,992.17**

NOTE: 8 TRADE RECEIVABLES

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
(a) Receivables considered good, Unsecured	45.81	-
(b) Receivables - Credit Impaired	0.51	0.33
Less: Expected Credit Loss	(0.62)	(0.30)
	45.70	**0.03**

Reconciliation of ECL on Trade Receivables

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Opening Balance	(0.30)	-
Add/(Less): ECL allowance during the year	(0.32)	(0.30)
Closing Balance	**(0.62)**	**(0.30)**

NOTE: 9 LOANS

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Loans (Carried at amortised cost)*	171.20	1.33
Less: Impairment loss allowance*	(1.29)	(0.33)
	169.91	**1.00**

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

NOTE: 9.1*

₹ in Lakh

Sr. No.	Particulars	As at 31 Mar 21 At Amortised Cost	As at 31 Mar 20 At Amortised Cost
(A)	(i) Loans	-	-
	(ii) Other Advances	171.20	1.33
	Total Gross (A)	**171.20**	**1.33**
	Less: Impairment loss allowance	(1.29)	(0.33)
	Total Net (A)	**169.91**	**1.00**
(B)	(i) Secured by tangible assets	-	-
	(i) Unsecured	171.20	1.33
	Total Gross (B)	**171.20**	**1.33**
	Less: Impairment loss allowance	(1.29)	(0.33)
	Total Net (B)	**169.91**	**1.00**
(C) (I)	Loans and Advances in India		
	(i) Public Sector	-	-
	(ii) Others	171.20	1.33
	Total Gross (C)(I)	**171.20**	**1.33**
	Less: Impairment loss allowance	(1.29)	(0.33)
	Total Net (C)(I)	**169.91**	**1.00**
(C) (II)	Loans and Advances outside India	-	-
	Less: Impairment loss allowance	-	-
	Total Net (C)(II)	**-**	**-**
	Total (C)(I) and (II)	**169.91**	**1.00**

NOTE: 10 OTHER INVESTMENTS

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
(Carried at Fair value through Profit or Loss)		
Investments in Security Receipts	43,035.51	44,804.27
Less: Fair Value Loss	-	-
	43,035.51	**44,804.27**
In India	43,035.51	44,804.27
Outside India	-	-

NOTE: 11 OTHER FINANCIAL ASSETS

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
(Unsecured, considered good, unless stated otherwise)		
Security Deposits (carried at amortised cost)	38.50	45.52
Interest Accrued	1.25	1.25
Other Receivable	22.95	3.10
Other Advance*	69.12	90.79
Less: Expected Credit Loss	(0.45)	(0.46)
	131.37	**140.20**

** It includes reimbursements from ABARC-AST-001 Trust amounting to ₹0.74 Lakh (31st March 2020: ₹0.41 Lakh) and reimbursements from ABARC-AST-008 Trust amounting to ₹3.04 Lakh (31st March 2020: Nil)*

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

NOTE: 12 PROPERTY, PLANT AND EQUIPMENT

₹ in Lakh

Particulars	Computers	Leasehold Improvements	Office Equipments	Furniture & Fixtures	Vehicles	TOTAL
GROSS BLOCK						
As at 1st April 2019	0.62	85.31	11.65	2.29	-	99.87
Additions	2.73	2.29	0.01	-	16.60	21.63
Deletions	-	-	-	-	-	-
As at 31st March 2020	**3.35**	**87.60**	**11.66**	**2.29**	**16.60**	**121.50**
ACCUMULATED DEPRECIATION						
As at 1st April 2019	0.08	23.45	1.37	0.10	-	25.00
Depreciation for the year	1.05	32.12	2.33	0.23	2.37	38.10
Deletions						-
As at 31st March 2020	**1.13**	**55.57**	**3.70**	**0.33**	**2.37**	**63.10**
Net Carrying amount as at 31st March 2020	**2.22**	**32.03**	**7.96**	**1.96**	**14.23**	**58.40**
GROSS BLOCK						
As at 1st April 2020	3.35	87.60	11.66	2.29	16.60	121.50
Additions	4.37	-	0.99	-	-	5.36
Deletions	-	-	-	-	-	-
As at 31st March 2021	**7.72**	**87.60**	**12.65**	**2.29**	**16.60**	**126.86**
ACCUMULATED DEPRECIATION						
As at 1st April 2020	1.13	55.57	3.70	0.33	2.37	63.10
Depreciation for the year	1.91	32.03	2.46	0.23	6.11	42.75
Deletions	-	-	-	-	-	-
As at 31st March 2021	**3.04**	**87.60**	**6.16**	**0.56**	**8.48**	**105.84**
Net Carrying amount as at 31st March 2021	**4.68**	**-**	**6.49**	**1.73**	**8.12**	**21.02**

NOTE: 13 OTHER NON-FINANCIAL ASSETS

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
(Unsecured, considered good, unless stated otherwise)		
Dues Recievable from Government - GST	30.56	23.60
Advance to Vendor	6.68	5.67
Prepaid expenses	4.48	4.80
Gratuity Plan Assets	19.52	4.50
	61.24	**38.56**

NOTE: 14 DEBT SECURITIES

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
(Secured, carried at amortised cost)		
Non Convertible Debentures	28,223.19	36,205.27
	28,223.19	**36,205.27**
In India	28,223.19	36,205.27
Outside India	-	-

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

NOTE: 14 DEBT SECURITIES (contd.)

Following is the repayment terms of Debt Securities

Repayment clause	Coupon rate	Maturity period
Repayment is linked to the receipt of distribution amount from redemption of Security Receipts (SR), against which the debentures are issued.	11.50%	8 years

Notes:

1. Security over the SR distributions, debt service trust accounts and all rights, title, benefit and interest in the debt service trust account.
2. Company is also required to create pledge on SRs issued, however no pledge created on SRs till date. Further Company has executed a Non Disposal Undertaking in favour of Debenture Trustee. Subject to applicable law, as and when the Debenture Trustee instructs the Company to create pledge, Company will create the pledge.

NOTE: 15 BORROWINGS (OTHER THAN DEBT SECURITIES)

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
(Unsecured, carried at amortised cost)		
Loans and Advances received	3,401.81	-
	3,401.81	**-**
In India	3,401.81	-
Outside India	-	-

Following is the repayment terms of the Borrowings

Repayment clause	Interest rate	Maturity period
Repayable anytime after 7 days from the date of disbursement with 2 days advance notice. Interest payable on maturity	10.50%	3 months

NOTE: 16 SUBORDINATE LIABILITIES

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
(Carried at amortised cost)		
Compulsorily Convertible Preference Shares	1,600.00	1,600.00
	1,600.00	**1,600.00**
Subordinate Liabilities		
In India	1,600.00	1,600.00
Outside India	-	-

0.01% compulsorily convertible preference shares

1. Compulsorily convertible preference shares on a non-cumulative basis
2. To be compulsorily converted into equity shares of ₹10/- each at higher of
   (a) Fair Market value determined as on the date of conversion or
   (b) ₹10/- per equity share (being the face value of equity shares)
3. Tenor of CCPS amounting to ₹1,100 Lakh is 20 years and ₹500 Lakh is 10 years

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

NOTE: 17 OTHER FINANCIAL LIABILITIES

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
(Carried at amortised cost)		
Accrued salaries and benefits	330.56	325.29
	330.56	**325.29**

NOTE: 18 PROVISIONS

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Provision for Employee Benefits		
Provision for Leave encashment	14.32	14.60
Provision for Gratuity	21.98	17.01
	36.30	**31.61**

NOTE: 19 OTHER NON FINANCIAL LIABILITIES

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Unearned Revenue	868.37	1,925.60
Statutory Dues	145.77	22.60
	1,014.14	**1,948.20**

NOTE: 20 SHARE CAPITAL

₹ in Lakh

Particulars	Numbers	As at 31 Mar 21	Numbers	As at 31 Mar 20
AUTHORISED:				
Equity Shares of ₹10/- each	13,00,00,000	13,000.00	13,00,00,000	13,000.00
	13,00,00,000	**13,000.00**	**13,00,00,000**	**13,000.00**
ISSUED:				
Equity Share Capital				
Equity Shares of ₹10/- each	10,00,00,000	10,000.00	10,00,00,000	10,000.00
	10,00,00,000	**10,000.00**	**10,00,00,000**	**10,000.00**
SUBSCRIBED AND PAID-UP:				
Equity Share Capital				
Equity Shares of ₹10/- each, fully paid-up	10,00,00,000	10,000.00	10,00,00,000	10,000.00
	10,00,00,000	**10,000.00**	**10,00,00,000**	**10,000.00**

1) Reconciliation of the number of shares authorised at the beginning and at the end of the year

₹ in Lakh

Sr. No.	Description	As at 31 Mar 21		As at 31 Mar 20	
		Equity Shares	Amount	Equity Shares	Amount
1	No of Shares Outstanding at the beginning of the year	13,00,00,000	13,000.00	13,00,00,000	13,000.00
2	Add increased during the year	-	-	-	-
3	No. of Shares Outstanding at the end of the year	**13,00,00,000**	**13,000.00**	**13,00,00,000**	**13,000.00**

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

NOTE: 20 SHARE CAPITAL (contd.)

2) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

₹ in Lakh

Sr. No.	Description	As at 31 Mar 21		As at 31 Mar 20	
		Equity Shares	Amount	Equity Shares	Amount
1	No of Shares Outstanding at the beginning of the year	10,00,00,000	10,000.00	10,00,00,000	10,000.00
2	Add increased during the year	-	-	-	-
3	No. of Shares Outstanding at the end of the year	10,00,00,000	10,000.00	10,00,00,000	10,000.00

Term/Right Attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.

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

Shares held by holding / ultimate holding Company and / or their subsidiaries / associates

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

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
	Amount	Amount
Parent - Aditya Birla Capital Limited		
10,00,00,000 (31st March 2020: 10,00,00,000) equity shares	10,000.00	10,000.00

NOTE: 21 OTHER EQUITY

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
RETAINED EARNINGS*		
Opening Balance	212.33	(438.52)
Addition:		
Profit/(Loss) for the Year	2,400.60	658.22
Other Comprehensive Income/(loss) for the year	2.04	(1.56)
Deduction:		
Impact of IND AS 116 on application	-	(5.81)
Closing Balance	2,614.97	212.33
Total Other Equity	**2,614.97**	**212.33**

** Retained Earning comprises of Surplus in Profit & Loss Account of the Company*

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

NOTE: 22 FEE INCOME

₹ in Lakh

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Trusteeship and Management fees	2,971.03	955.11
	2,971.03	**955.11**

NOTE: 23 NET GAIN ON FAIR VALUE CHANGES

₹ in Lakh

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Net gain / (loss) on financial instruments at fair value through profit or loss		
Net Gain from Investments in Security Receipts	4,466.42	1,487.96
	4,466.42	**1,487.96**
Fair Value changes :		
Realised	669.46	-
Unrealised	3,796.96	1,487.96
	4,466.42	**1,487.96**

NOTE: 24 OTHER INCOME

₹ in Lakh

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
INTEREST ON DEPOSITS WITH BANKS		
On financial assets carried at amortised cost	244.58	423.60
INTEREST ON OTHERS		
On financial assets carried at amortised cost	8.54	6.53
Rental Income	1.43	13.65
Miscellaneous Income	17.22	-
	271.77	**443.78**

NOTE: 25 FINANCE COST

₹ in Lakh

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Interest on Financial Liabilities carried at amortised cost		
Debt securities	3,497.50	1,134.21
Borrowing other than Debt securities	27.34	-
Finance Cost - Lease Liability	23.35	9.23
	3,548.19	**1,143.44**

NOTE: 26 IMPAIRMENT ON FINANCIAL INSTRUMENTS

₹ in Lakh

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
On Trade Receivable	0.32	0.30
On Other Financial Assets held at Amortised Cost	0.94	0.80
	1.26	**1.10**

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

NOTE: 27 EMPLOYEE BENEFITS EXPENSES

₹ in Lakh

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Salaries and Wages	705.33	700.47
Contribution to Provident Fund (Refer Note no 33)	20.02	17.62
Contribution to Gratuity Fund (Refer Note no 33)	7.38	5.51
Staff Welfare Expenses	7.74	11.36
	740.47	**734.96**

NOTE: 28 DEPRECIATION AND AMORTISATION EXPENSES

₹ in Lakh

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Depreciation of Property, plant and equipment	42.75	38.10
Amortisation on Lease Assets	80.22	79.40
	122.97	**117.50**

NOTE: 29 OTHER EXPENSES

₹ in Lakh

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Rent	0.21	0.13
Repairs & Maintenance - Others	21.45	21.38
Insurance	0.32	0.11
Rates & Taxes	2.12	0.03
Legal & Professional Expenses (Refer Note 29.1)	25.84	35.01
Travelling & Conveyance	2.70	7.22
Printing and Stationery	0.63	1.34
Communication Expenses	0.15	0.47
Electricity Charges	1.80	2.97
Information Technology Expenses	17.95	7.02
Director Sitting Fees	1.40	1.50
Recruitment Charges	3.93	1.71
Miscellaneous Expenses	9.08	7.97
Total	**87.58**	**86.84**

NOTE: 29.1 INCLUDES AUDITORS REMUNERATION

₹ in Lakh

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Audit Fees	4.70	4.25
Tax Audit Fees	1.10	-
Other Certification Fees	0.50	0.50
Reimbursement of Expense	0.03	0.16
	6.33	**4.91**

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

NOTE: 30 DISCLOSURE AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 33 EARNINGS PER SHARE

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Earnings per Share (EPS) is calculated as under:		
Weighted-average Number of Equity Shares for calculation of Basic EPS	1,000	1,000
Weighted-average Number of Equity Shares for calculation of Diluted EPS	1,016.00	1,011.01
Nominal Value of Shares (₹)	10.00	10.00
PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT:		
Continuing Operations	2,400.60	658.22
Basic EPS (₹)	2.40	0.66
Diluted EPS (₹)	2.36	0.65

Dilutive shares for computation of Earnings per share pertain to 16,00,000 (Previous year: 11,00,000) 0.01% compulsorily convertible preference shares

NOTE: 31 DISCLOSURE IN RESPECT OF RELATED PARTY PURSUANT TO INDIAN ACCOUNTING STANDARD (IND AS) 24: (AS IDENTIFIED BY MANAGEMENT AND RELIED UPON BY AUDITOR)

a. List of Related Parties:

A Holding Company

Aditya Birla Capital Limited (ABCL) (Formerly known as Aditya Birla Financial Services Limited)

B Directors and Key Management Personnel

Ajay Srinivasan- Director
Tushar Shah- Director
Pinky Mehta - Director (wef 15th May 2020)
Sharadkumar Bhatia - Director (wef 30th December 2020)
Sanjay Jain - Chief Executive Officer
Sandeep Somani - Chief Financial Officer (wef 1st September 2020)
Vijayalakshmi Iyer- Independent Director (upto 5th May 2020)
Sethurathnam Ravi - Independent Director (wef 20th January 2021)

C Fellow Subsidiary

Aditya Birla Finance Limited
Aditya Birla Money Limited
Aditya Birla Sunlife Insurance Company Limited
Aditya Birla Health Insurance Company Limited
Aditya Birla Stressed Asset AMC Private Limited
Aditya Birla Financial Shared Services Limited
Aditya Birla PE Advisors Private Limited
Aditya Birla Sun Life AMC Limited
Aditya Birla Wellness Private Limited
Grasim Industries Limited -Employee Gratuity Trust Fund

D ARC Trust - Controlled by the Company

ABARC-AST-001 Trust*

ABARC-AST-008 Trust*

*Trusts set up by the Company for the purpose of carrying out asset securitisation and reconstruction business. By virtue of provisions of SARFAESI Act and RBI guidelines, the Company acts as Trustee and Investment Manager (IM) of the aforesaid trusts and decides the acquisition and resolution strategy and takes necessary steps for recovery in line with the strategy decided. As prescribed by RBI, the Asset Acquisition and Resolution has to be approved by a "Committee" of the Company

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

NOTE: 31 DISCLOSURE IN RESPECT OF RELATED PARTY PURSUANT TO INDIAN ACCOUNTING STANDARD (IND AS) 24: (AS IDENTIFIED BY MANAGEMENT AND RELIED UPON BY AUDITOR) (contd.)

to ensure that there is no potential conflict with the interest of the Company and they are being carried out on arm's length basis at fair market value. Further, powers and duties of the Company, acting as Trustee and AMC of the aforesaid trusts are governed by relevant trust deeds / offer document and commitment agreement.

b. Related Parties with whom the Group has entered into transactions during the year

₹ in Lakh

Sr. No.	Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
A	**HOLDING COMPANY**		
1	**Transactions during the year ***		
	Aditya Birla Capital Limited (Issue of Compulsorily Convertible Preference Shares)	-	500.00
	Aditya Birla Capital Limited (ICD taken)	3,600.00	-
	Aditya Birla Capital Limited (ICD redeemed)	3,600.00	-
	Aditya Birla Capital Limited (ICD interest)	25.38	-
	Aditya Birla Capital Limited (Other Expense paid)	-	0.01
2	**Balance Outstanding**		
	Aditya Birla Capital Limited (Equity Shares)	10,000.00	10,000.00
	Aditya Birla Capital Limited (CCPS)	500.00	500.00
	Aditya Birla Capital Limited (Other - Payables)	2.23	-
B	**FELLOW SUBSIDIARIES**		
1	**Transactions during the year***		
i	**Expenses Reimbursement**		
	Aditya Birla Finance Limited (Payroll Expense)	-	114.48
	Aditya Birla Stressed Asset AMC Private Limited (Payroll Expense)	134.62	31.28
	Aditya Birla Wellness Private Limited (Staff Welfare expense)	0.02	-
ii	**Expense Recovery**		
	Aditya Birla Financial Shared Services (Recurring expense recovery)	0.22	0.27
	Aditya Birla Stressed Asset AMC Private Limited (Insurance expense)	1.27	-
	Aditya Birla Stressed Asset AMC Private Limited (Staff Welfare expense)	0.01	-
	Aditya Birla Stressed Asset AMC Private Limited (Professional expense)	0.05	-
	Aditya Birla Finance Limited (Payroll Expense)	19.67	-
	Aditya Birla Finance Limited (Received against reimbursement of expenses)	0.60	2.01
iii	**Expenses**		
	Aditya Birla Health Insurance Company Limited (Insurance expenses)	0.79	0.42
	Aditya Birla Money Limited (Custodian fees)	0.02	5.63
	Aditya Birla Sun Life Insurance Company Limited (Insurance expense)	0.84	1.04
iv	**Income**		
	Aditya Birla Finance Limited (Rental Income)	0.40	12.02
	Aditya Birla Financial Shared Services (Rental Income)	1.04	1.63
v	**Others**		
	Aditya Birla Money Limited (Received against employee transfer)	-	0.42
	Aditya Birla Finance Limited (Received against employee transfer)	-	9.36
	Aditya Birla Finance Limited (Purchase of Asset)	3.35	4.91
	Aditya Birla PE Advisors Pvt. Ltd. (Paid against asset transfer)	-	0.18
	Aditya Birla PE Advisors Pvt. Ltd. (Received against employee transfer)	-	2.24
	Aditya Birla Sun Life AMC Ltd. (Paid against Employee Transfer)	-	1.11
	Grasim Industries Limited -Employee Gratuity Trust Fund (Amount paid towards Gratuity)	12.52	4.03

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

NOTE: 31 DISCLOSURE IN RESPECT OF RELATED PARTY PURSUANT TO INDIAN ACCOUNTING STANDARD (IND AS) 24: (AS IDENTIFIED BY MANAGEMENT AND RELIED UPON BY AUDITOR) (contd.)

₹ in Lakh

Sr. No.	Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
vi	**Directors and Key Management Personnel**		
	Sanjay Jain (Remuneration)^	117.37	155.34
	Sandeep Somani (Remuneration)^	29.26	-
	Vijayalakshmi Iyer (Sitting Fees)	0.50	1.50
	Sharadkumar Bhatia (Sitting Fees)	0.90	-
vii	**Advance for Expenses**		
	Aditya Birla Health Insurance Company Limited (Advance Insurance Premium)	-	0.42
	Aditya Birla Sun Life Insurance Company Limited (Insurance premium deposit)	0.17	0.15
	Aditya Birla Health Insurance Company Limited (Insurance premium deposit)	0.13	0.13
2	**Balance Outstanding**		
i	**Receivable**		
	Aditya Birla Money Limited	-	0.42
	Aditya Birla Financial Shared Services Ltd	-	2.05
	Aditya Birla Finance Limited	19.92	0.63
	Grasim Industries Limited -Employee Gratuity Trust Fund (Amount paid towards Gratuity)	19.52	4.50
ii	**Payable**		
	Aditya Birla Wellness Private Limited	0.02	-
	Aditya Birla Stressed Asset AMC Private Limited	4.88	4.86
C	**ARC TRUST - CONTROLLED BY THE COMPANY**		
1	**Transactions during the year***		
i	**Expense Recovery**		
	ABARC-AST-001 Trust (expenses incurred on behalf of the Trust)	0.28	1.01
	ABARC-AST-008 Trust (expenses incurred on behalf of the Trust)	2.58	-
ii	**Income**		
	ABARC-AST-001 Trust (Trusteeship Fees)	0.15	0.19
	ABARC-AST-008 Trust (Trusteeship Fees)	33.95	-
2	**Balance Outstanding**		
i	**Receivable**		
	ABARC-AST-001 Trust (Trusteeship Fees and expenses incurred on behalf of Trust)	1.25	2.08
	ABARC-AST-008 Trust (Expenses incurred on behalf of Trust)	3.04	-

* *All amounts are exclusive of GST*

^ *Variable Pay & Retirement Benefits are not included*

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

NOTE: 32

Maturity analysis of assets and liabilities

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

₹ in Lakh

Particulars	31 Mar 21			31 Mar 20		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	1,046.24	-	1,046.24	91.66	-	91.66
Bank Balance other than above	162.39	2,952.48	3,114.87	4,992.17	-	4,992.17
Trade receivables	45.70	-	45.70	0.03	-	0.03
Loans	169.91	-	169.91	1.00	-	1.00
Investments	12,073.43	30,962.08	43,035.51	13,642.00	31,162.27	44,804.27
Other financial assets	95.15	36.22	131.37	140.20	-	140.20
Non-financial Assets						
Current tax asset	-	631.70	631.70	-	380.80	380.80
Property, plant and equipment	-	21.02	21.02	-	58.40	58.40
Right to use of Assets	-	321.09	321.09	79.19	-	79.19
Other non financial assets	61.24	-	61.24	38.56	-	38.56
Total assets	**13,654.06**	**34,924.59**	**48,578.65**	**18,984.81**	**31,601.47**	**50,586.27**
LIABILITIES						
Financial Liabilities						
Trade payables						
total outstanding dues of creditors	-	-	-	-	-	-
other than micro enterprises and small enterprises	61.17	-	61.17	27.36	-	27.36
Debt Securities	6,632.12	21,591.07	28,223.19	8,728.22	27,477.05	36,205.27
Borrowings (Other than Debt Securities)	3,401.81	-	3,401.81			
Subordinate Liabilities	-	1,600.00	1,600.00	-	1,600.00	1,600.00
Lease Liabilities	86.35	246.46	332.81	81.35	-	81.35
Other Financial liabilities	330.56	-	330.56	233.29	92.00	325.29
Non-financial Liabilities						
Current tax liabilities (net)	10.08	-	10.08	10.08	-	10.08
Provisions	11.07	25.23	36.30	14.60	17.01	31.61
Deferred tax liabilities (net)	-	953.62	953.62	-	144.79	144.79
Other non-financial liabilities	1,014.14	-	1,014.14	1,948.20	-	1,948.20
Equity						
Equity Share Capital	-	10,000.00	10,000.00	-	10,000.00	10,000.00
Other Equity	-	2,614.97	2,614.97	-	212.33	212.33
Total Liabilities	**11,547.30**	**37,031.35**	**48,578.65**	**11,043.10**	**39,543.18**	**50,586.28**
Net			-			-

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

NOTE: 33 EMPLOYEE BENEFIT DISCLOSURES

Defined Contribution Plan

The amounts charged to the Statement of Profit and Loss during the year for Provident fund contribution aggregates to ₹20.02 Lakh (31st March 2020 – ₹ 17.62 Lakh).

Defined Benefit Plan

General Description of the plan:
The Company operates gratuity plan through a trust wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service. In case of some employees, the Company's scheme is more favorable as compared to the obligation under Payment of Gratuity Act, 1972.

Nature of Benefits:
The Company operates a defined benefit final salary gratuity plan which is open to new entrants. The gratuity benefits payable to the employees are based on the employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the Company.

Inherent Risks:
The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Company that any adverse salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the balance sheet for the gratuity plan of the Company.

Amounts recognised in the Balance sheet in respect of Gratuity

₹ in Lakh

Particulars	31 Mar 21	31 Mar 20
Opening Defined Benefit Obligations	17.01	2.25
Current Service Cost	6.68	5.35
Interest Cost	0.95	0.16
Actuarial changes arising from changes in demographic assumptions	-	(0.01)
Actuarial changes arising from changes in financial assumptions	(0.07)	1.38
Actuarial changes arising from changes in experience assumptions	(0.39)	0.65
Add: Benefits paid including transfer in/out	(2.20)	7.23
Present value of defined benefit obligation	21.98	17.01

Changes in Fair Value of Plan Assets

₹ in Lakh

Particulars	31 Mar 21	31 Mar 20
Opening Fair Value of the Plan Assets	4.50	-
Interest Income on the Plan Assets	0.24	-
Employers Contribution	12.52	4.03
Return on Plan Assets	2.26	0.47
Closing Fair Value of the Plan Assets	19.52	4.50

Amounts recognised in Employee Benefits Expenses in the Statement of Profit and Loss in respect of Gratuity

₹ in Lakh

Particulars	31 Mar 21	31 Mar 20
In Statement of Profit and Loss	7.38	5.51
Interest on net defined benefit liability/(assets)	(2.72)	1.56
Total Expenses Recognised for the period	**4.66**	**7.06**

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

NOTE: 33 EMPLOYEE BENEFIT DISCLOSURES (contd.)

Other Comprehensive Income:

₹ in Lakh

Particulars	31 Mar 21	31 Mar 20
Actuarial (gains)/ losses		
Actual Return on Plan Assets excluding amount recognised in net interest expense	(2.26)	(0.47)
Actuarial changes arises from change		
- Demographic Assumptions	-	(0.01)
- Financial Assumptions	(0.07)	1.39
- Experience Variance	(0.39)	0.65
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
Components of defined benefit costs recognised in OCI	(2.72)	1.56

b) Maturity Profile of Defined Benefit Obligation

₹ in Lakh

Weighted average duration (based on discounted cashflows)	6 years
Expected cash flows over the next (valued on undiscounted basis):	
1 years	1.57
2 to 5 years	11.28
6 to 10 years	12.84
More than 10 years	7.41

c) Expected Contribution during the next annual reporting period

₹ in Lakh

The company's best estimate of contribution during the next year	11.58

d) Funding Arrangements and Funding Policy

The Scheme is on funded basis.

e) Principal Actuarial Financial Assumptions

Particulars	31 Mar 21	31 Mar 20
Discount Rate (per anumn)	5.65%	5.60%
Salary Growth Rate (per anumn)	10%	10%
Decrement adjusted remaining working life (yrs)	4.04	4.4

The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.

The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, senority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

f) Demographic Assumptions

Particulars	31 Mar 21	31 Mar 20
Mortality Rate	100% of IALM 2012-24	100% of IALM 2012-24
Normal retirement age	60 yrs	60 yrs
Attrition/Withdrawal rate (per anumn)	20%	20%

Attrition rate indicated above represents the Company's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

NOTE: 33 EMPLOYEE BENEFIT DISCLOSURES (contd.)

g) Major Categories of Plan Assets (as a percentage of Total Plan Assets)

Particulars	31 Mar 21	31 Mar 20
Government of India Securities	6.03%	4.36%
State Govt. Securities	6.22%	0.68%
High Quality Corporate Bonds	0.96%	0.28%
Fund Managed by Insurers	40.21%	39.63%
Other Investments	46.58%	55.05%
Total	**100.00%**	**100.00%**

Sensitivity Analysis

₹ in Lakh

Particulars	31 Mar 21		31 Mar 20	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 0.5%)	22.71	21.30	17.58	16.48
(% change compared to base due to sensitivity)	3.30%	-3.10%	3.30%	-3.20%
Salary Growth (-/+ 0.5%)	21.32	22.67	16.49	17.55
(% change compared to base due to sensitivity)	-3.00%	3.10%	-3.10%	3.20%
Attrition Rate (-/+ 50%)	33.67	16.51	25.78	13.49
(% change compared to base due to sensitivity)	53.20%	-24.90%	51.50%	-20.70%
Mortality Rate (-/+ 10%)	21.96	22.01	17.00	17.03
(% change compared to base due to sensitivity)	-0.10%	0.10%	-0.10%	0.10%

Sensitivity Analysis Method

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

NOTE: 34 TAXATION APPROACH

Pursuant to the Taxation Laws (Amendment) Act, 2019, a new Section 115BAA is inserted in the Income-tax Act, 1961 which provides an option to the domestic companies to pay income tax at lower rate, subject to the giving up of certain incentives and deductions. The Company has availed the option to pay income tax at the lower rate and accordingly have applied the lower income tax rate.

NOTE: 35 INCOME TAX DISCLOSURE

Current tax for the year of ₹NIL/- (Previous year ₹NIL).

The major components of income tax expense for the years ended

Statement of profit and loss:

₹ in Lakh

Profit or loss Section	31 Mar 21	31 Mar 20
Current tax	-	-
Deferred tax	808.15	144.79
Income tax expense reported in the statement of profit or loss	**808.15**	**144.79**

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

NOTE: 35 INCOME TAX DISCLOSURE (contd.)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for years ended

₹ in Lakh

	31 Mar 21	31 Mar 20
A) Income before income tax	3,208.75	803.01
B) Enacted tax rate in India	25.17%	25.17%
C) Expected Tax Expense (A*B)	807.64	202.12
D) Other Adjustments*	0.51	(57.33)
Income tax expense reported in the statement of profit and loss	808.15	144.79

** Since the Company is creating defer tax liability (net) for the first time in the previous year, it includes impact of opening deferred tax items*

Note: Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised (capital in nature) amounts to ₹166.76 Lakh relating to FY 2018-19.

Deferred tax:

Deferred tax relates to the following:

₹ in Lakh

Balance Sheet	31 Mar 21	31 Mar 20
Deferred tax Liabilities		
Marked to Market Value of Investment	1,330.21	374.53
Subtotal A	**1,330.21**	**374.53**
Deferred tax Assets		
Leave Encashment	(3.60)	(3.67)
Difference in WDV between Companies Act and Income Tax Act	(15.02)	(9.87)
Temporary differences due to Lease accounting as per Ind AS 116	(9.14)	-
Impact of IND AS 116 on Reserve	(1.46)	(1.46)
Employee LTIP provision	(30.34)	(23.16)
Unfunded Gratuity	(0.62)	(3.15)
1/5th of preliminary expenses u/s 35D	(6.68)	(13.37)
ECL provisions	(0.60)	(0.08)
Carry forwarded losses	(309.13)	(174.98)
Subtotal B	**(376.60)**	**(229.74)**
Net deferred tax (assets)/liabilities	**953.62**	**144.79**

₹ in Lakh

Reflected in the balance sheet as follows:	31 Mar 21	31 Mar 20
Deferred tax assets	(376.60)	(229.74)
Deferred tax liabilities	1,330.21	374.53
Deferred tax (assets)/liabilities (net)	**953.62**	**144.79**

₹ in Lakh

Reconciliation of deferred tax (assets)/ liabilities (net)	31 Mar 21	31 Mar 20
Opening balance as of 1st April	**144.79**	-
Tax (income)/expense during the period recognised in profit and loss	808.15	144.79
Tax (income)/expense during the period recognised in OCI	0.68	-
Closing balance as at 31st March	**953.62**	**144.79**

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

NOTE: 36 LEASES

Effective 1st April 2019, the Group adopted IND AS 116 “Leases” and applied the standard to all lease contracts existing on 1st April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee’s incremental borrowing rate at the date of initial application.

Following are the changes in the carrying value of right of use assets for the year ended 31st March 2021:

₹ in Lakh

Particulars	Category of ROU Asset Leasehold premises	
	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Balance as at 1st April 2020	79.19	150.78
Additions	-	7.81
Modification to lease terms	302.04	-
Deletions	-	-
Depreciation	(80.22)	(79.40)
Other adjustment	20.08	-
Balance as at 31st March 2021	**321.09**	**79.19**

Amounts recognised in profit and loss

₹ in Lakh

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Depreciation expense on right-of-use assets	80.22	79.40
Interest expense on lease liabilities	23.35	9.23

The following is the break-up of current and non-current lease liabilities as at 31st March 2021

₹ in Lakh

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Current Lease Liabilities	86.35	81.35
Non-Current Lease Liabilities	246.46	-
Total	**332.81**	**81.35**

The following is the movement in lease liabilities during the year ended 31st March 2021:

₹ in Lakh

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Balance as at 1st April	**81.35**	**-**
Additions	-	156.59
Modification to lease terms	302.04	-
Finance Cost accrued during the period	23.35	9.23
Deletions	-	-
Variable lease payment adjustments	(6.67)	-
Payment of Lease Liabilities	(67.26)	(84.47)
Balance as at 31st March	**332.81**	**81.35**

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

NOTE: 36 LEASES (contd.)

The table below provides details regarding the contractual maturities of lease liabilities as at 31st March 2021 on an undiscounted basis:

₹ in Lakh

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Less than one year	89.31	84.47
One to Five years	93.66	-
More than Five years	-	-
Total	**182.97**	**84.47**

The group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

NOTE: 37 CAPITAL MANAGEMENT

The primary objective of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using capital adequacy ratio, which is weighted assets divided by total capital derived as per the RBI requirements. As per RBI guidelines, ARC has to maintain capital 15% of the capital adequacy ratio:

Profit or loss Section	31 Mar 21	31 Mar 20
Capital Adequacy Ratio	25.55%	23.50%

NOTE: 38 FAIR VALUE

The following table provides the comparission of carrying value and fair value of the Company's Financial Assets and Liabilities as at 31st March 2021 & 31st March 2020.

As at 31st March 2020

₹ in Lakh

Financial Assets	Carrying Value	Fair Value
Loans	1.00	1.00
Trade Receivable	0.03	0.03
Investments Unquoted(FVTPL)	44,804.27	44,804.27
Others financial Asset	140.20	140.20
Total	**44,945.50**	**44,945.50**

₹ in Lakh

Financial Liabilities	Carrying Value	Fair Value
Compulsorily Convertible Preference Shares	1,600.00	1,600.00
Debt Securities	36,205.27	36,205.27
Trade payables	27.36	27.36
Lease liabilities	81.35	81.35
Others financial liabilities	325.29	325.29
Total	**38,239.27**	**38,239.27**

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

NOTE: 38 FAIR VALUE (contd.)

As at 31st March 2021

₹ in Lakh

Financial Assets	Carrying Value	Fair Value
Trade Reeceivables	45.70	45.70
Loans	169.91	169.91
Investments Unquoted(FVTPL)	43,035.51	43,035.51
Others financial Asset	131.37	131.37
Total	**43,382.49**	**43,382.49**

₹ in Lakh

Financial Liabilities	Carrying Value	Fair Value
Trade payables	61.17	61.17
Debt Securities	28,223.19	28,223.19
Borrowings (Other than Debt Securities)	3,401.81	3,401.81
Compulsorily Convertible Preference Shares	1,600.00	1,600.00
Lease liabilities	332.81	332.81
Others financial liabilities	330.56	330.56
Total	**33,949.54**	**33,949.54**

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

NOTE: 39 FAIR VALUE HIERARCHY

Following table provides the fair value measurement hierarchy of the Company's assets and liabilities as on 31st March 2021 & 31st March 2020

As at 31st March 2020

₹ in Lakh

Financial Assets	Date of Valuation	Total	Level 1	Level 2	Level 3
Investments Unquoted(FVTPL)	31-03-2020	44,804.27			44,804.27

Financial Assets & Financial Liabilities not measured at fair value, including their levels in the fair value heirarchy are presented below.

₹ in Lakh

Particulars	Date of Valuation	Total	Level 1	Level 2	Level 3
FINANCIAL ASSETS					
Loans	31-03-2020	1.00			1.00
Trade Receivable	31-03-2020	0.03			0.03
Others financial Asset	31-03-2020	140.20			140.20
FINANCIAL LIABILITIES					
Compulsorily Convertible Preference Shares	31-03-2020	1,600.00			1,600.00
Debt Securities	31-03-2020	36,205.27			36,205.27
Trade payables	31-03-2020	27.36			27.36
Lease liabilities	31-03-2020	81.35			81.35
Others financial liabilities	31-03-2020	325.29			325.29

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

NOTE: 39 FAIR VALUE HIERARCHY (contd.)

As at 31st March 2021

₹ in Lakh

Financial Assets	Date of Valuation	Total	Level 1	Level 2	Level 3
Investments Unquoted(FVTPL)	31-03-2021	43,035.51			43,035.51

Financial Assets & Financial Liabilities not measured at fair value, including their levels in the fair value heirarchy are presented below.

₹ in Lakh

Particulars	Date of Valuation	Total	Level 1	Level 2	Level 3
FINANCIAL ASSETS					
Trade Reeceivables	31-03-2021	45.70			45.70
Loans	31-03-2021	169.91			169.91
Others financial Asset	31-03-2021	131.37			131.37
FINANCIAL LIABILITIES					
Trade payables	31-03-2021	61.17			61.17
Debt Securities	31-03-2021	28,223.19			28,223.19
Borrowings (Other than Debt Securities)	31-03-2021	3,401.81			3,401.81
Compulsorily Convertible Preference Shares	31-03-2021	1,600.00			1,600.00
Lease liabilities	31-03-2021	332.81			332.81
Others financial liabilities	31-03-2021	330.56			330.56

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

Level-2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level-3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. This means that fair values are determined in whole or in part part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. However, the fair value measurement objective remains the same, that is, to estimate an exit price.

There have been no transfers between levels during the year ended 31st March 2021 and year ended 31st March 2020.

Movement in Level 3 Financial Instruments measured at fair Value

₹ in Lakh

Financial Assets	Investments Unquoted (in SRs)	
Particulars	As at 31 Mar 21	As at 31 Mar 20
As at beginning of the year	44,804.28	15.01
Investments	11,727.51	46,608.63
Redemptions/write offs	(17,293.24)	(3,311.07)
Gains for the year (recognised) in profit or loss	3,796.96	1,491.71
At as at the end of the year	**43,035.51**	**44,804.28**
Unrealised gains related to balances held at the end of the year	3,796.96	1,491.71

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

NOTE: 39 FAIR VALUE HIERARCHY (contd.)

Unobservable inputs used in measuring fair value categorised within Level 3

₹ in Lakh

Type of Financial Instruments	Fair Value of Asset as on 31 Mar 20	Valuation Techniques	Significant Unobservable Input
Investments Unquoted(FVTPL)	44,804.27	Discounted Projected Cash Flow	Expected Gross Recoveries* & Discount Rates

₹ in Lakh

Type of Financial Instruments	Fair Value of Asset as on 31 Mar 21	Valuation Techniques	Significant Unobservable Input
Investments Unquoted(FVTPL)	43,035.51	Discounted Projected Cash Flow	Expected Gross Recoveries* & Discount Rates

** Expected Gross Recoveries are pertaining to the overall assets under management of the Company. The cash attributable to the Company's share in expected gross recoveries will be dependant on the Company's investment share and terms of the SR subscribed.*

Qualitative analysis of significant unobservable inputs

Discount margin/spreads

Discount margin/spreads represent the discount rates used when calculating the present value of future cash flows. In discounted cash flow models such spread are added to the benchmark rate when discounting the future expected cash flows. Hence these spreads are reduce the net present value of an asset or increase the value of liability. They generally reflect the premium an investor expects to achieve over the benchmark interest rate to compensate for the higher risk driven by the uncertainty of the cash flows caused by the credit quaity of the asset. They can be implied from the underlying deal documents and are usually unobservable for illiquid or complex instruments.

Cash Flow

Expected Cash flow levels including timing of cash flows are estimated by using quantitative and qualitative measures regarding the characteristics of the underlying assets including default rates, manner of resolution and other economic drivers. The manner of resolution is determined based on financial position and negotiaitions with counterparty.

NOTE: 40 RISK MANAGEMENT FRAMEWORK

a. Governance framework

The primary objective of the Company's risk and financial management framework is to protect the Company's shareholders from events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities. Key management recognises the critical importance of having efficient and effective risk management systems in place.

b. Approach to capital management

The Company seeks to optimise the structure and sources of capital to ensure that it consistently maximises returns to the shareholders.

The primary source of capital used by the Company is equity including CCPS, Debt Securities.

Available capital resources at 31st March 2021

₹in Lakh

Particulars	31 Mar 21	31 Mar 20
Compulsorily Convertible Preferences shares	1,600.00	1,600.00
Debt Securities	28,223.19	36,205.27
Borrowings (Other than Debt Securities)	3,401.81	-
Total Equity	10,000.00	10,000.00
Total Capital	**43,225.00**	**47,805.27**

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

NOTE: 40 RISK MANAGEMENT FRAMEWORK (contd.)

c. Regulatory framework

Regulators are primarily interested in protecting the rights of policyholders and monitor them closely to ensure that the Company is satisfactorily managing affairs for their benefit. At the same time, regulators are also interested in ensuring that the Company maintains an appropriate solvency position to meet unforeseeable liabilities arising from economic shocks or natural disasters. The operations of the Company are subject to regulatory requirements within the jurisdictions in which it operates.

Financial risks

1. Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, preference shares. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company manages its liquidity risk through temporary funding from its holding Company and availing bank overdraft as and when require.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

₹ in Lakh

Year ended 31st March 2020	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Compulsorily Convertible Preference Shares	-	-	-	-	1,600.00	1,600.00
Debt Securities*	-	-	8,728.22	27,477.05	-	36,205.27
Other financial liabilities		2.29	231.00	92.00	-	325.29
Lease Liabilities		21.10	60.25	-	-	81.35
Trade and other payables	-	-	27.36	-	-	27.36
	-	**23.39**	**9,046.83**	**27,569.05**	**1,600.00**	**38,239.27**

₹ in Lakh

Year ended 31st March 2021	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Trade and other payables	-	42.87	18.30	-	-	61.17
Debt Securities*	-	1,746.17	4,885.95	21,591.07	-	28,223.19
Borrowings (Other than Debt Securities)	-	3,401.81	-	-	-	3,401.81
Compulsorily Convertible Preference Shares	-	-	-	-	1,600.00	1,600.00
Lease Liabilities	-	16.77	69.58	246.46	-	332.81
Other financial liabilities	-	4.02	326.54	-	-	330.56
	-	**5,211.64**	**5,300.37**	**21,837.53**	**1,600.00**	**33,949.54**

** Term of Debt Securities is 8 years, repayment is dependent on distribution from Security Recipts which may stretch more than 5 years*

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

NOTE: 40 RISK MANAGEMENT FRAMEWORK (contd.)

The table below summarises the maturity profile of the Company's Financial Assets based on contractual undiscounted payments.

₹ in Lakh

Year ended 31st March 2020	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Cash & Cash Equivalents	91.66	-	-	-	-	91.66
Fixed Deposit Accounts	-	294.58	4,697.59	-	-	4,992.17
Trade Receivable	-	-	0.03	-	-	0.03
Loans	-	1.00	-	-	-	1.00
Investments	-	-	13,642.00	31,162.27	-	44,804.27
Other Financial Assets	-	-	140.20	-	-	140.20
	91.66	**295.58**	**18,479.82**	**31,162.27**	**-**	**50,029.33**

₹ in Lakh

Year ended 31st March 2021	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Cash & Cash Equivalents	71.17	975.07	-	-	-	1,046.24
Fixed Deposit Accounts	-	52.38	110.01	2,952.48	-	3,114.87
Trade Receivables	-	45.70	-	-	-	45.70
Loans	-	1.83	168.08	-	-	169.91
Investments	-	2,879.07	9,194.36	30,962.08	-	43,035.51
Other Financial Assets	-	23.51	71.64	36.22	-	131.37
	71.17	**3,977.56**	**9,544.09**	**33,950.78**	**-**	**47,543.60**

2. Operational risks

Operational risk is the risk of loss arising from system failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications or can lead to financial loss. The Company cannot expect to eliminate all operational risks, but by initiating a rigorous control framework and by monitoring and responding to potential risks, the Company is able to manage the risks. Controls include effective segregation of duties, access controls, authorisation and reconciliation procedures, staff education and assessment processes, including the use of internal audit. Business risks such as changes in environment, technology and the industry are monitored through the Company's strategic planning and budgeting process. Internal control deficiency are reviewed by management and audit committee on periodic basis.

3. Credit risks

Credit risk arises when a customer or counterparty does not meet its obligations under a customer contract or financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables and from its financing/ investing activities, including deposits with banks, investments in security Receipts. The carrying amount of following financial assets represent the maximum credit risk exposure:

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Trade Receivables	45.70	0.03
Loans	169.91	1.00
Investments Unquoted(FVTPL)	43,035.51	44,804.27
Others financial Asset	131.37	140.20
Total	**43,382.49**	**44,945.50**

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

NOTE: 41 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

₹ in Lakh

Particulars	01 April 19	Cash flows	Interest	31 Mar 20
Debt Securities	-	35,071.06	1,134.21	36,205.27
Subordinate Liabilities	1,100.00	500.00	-	1,600.00

₹ in Lakh

Particulars	01 April 20	Cash flows	Interest	31 Mar 21
Debt Securities	36,205.27	(11,479.58)	3,497.50	28,223.19
Borrowings (Other than Debt Securities)	-	3,374.47	27.34	3,401.81
Subordinate Liabilities	1,600.00	-	-	1,600.00

NOTE: 42 COVID-19

COVID–19 virus continues to spread across the globe including India, resulting in significant volatility in financial markets and a significant decrease in global and India's economic activities. On 11th March 2020, this outbreak was declared a global pandemic by the World Health Organisation. On 24th March 2020, the Indian Government announced a 21 – days lockdown which was further extended in phases up to 31st May 2020 across the nation to contain the spread of the virus. Though the restrictions were eased post the lockdown, the situation has again deteriorated in the recent past. The state governments have started placing restrictions in various parts.

In preparing the accompanying financial statements, the Company management has been required to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, equity, income and expenses. These estimates and associated assumptions, especially for determining the fair value of the Company security receipts investments, are based on historical experience and various other factors including the possible effects that may result from the pandemic, that are believed to be reasonable under the current circumstances. The Company has used internal and external sources of information including credit reports, economic forecasts and consensus estimates from market sources on the expected future performance of the underlying companies in developing the estimates and assumptions to assess, without undue cost and efforts, the fair value of the investments as at 31st March 2021.

Given the dynamic nature of the pandemic situation, in the event the impacts are more severe or prolonged than anticipated, this may have a corresponding impact on the carrying value of the security receipts investments, the financial position and performance of the Company.

NOTE: 43 CODE ON SOCIAL SECURITY

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

NOTE: 44 CONTINGENT LIABILITY

The Company has reviewed its pending litigations and proceedings, and on the basis of the same it has been concluded that there is no contingent liability as at 31st March 2021 and 31st March 2020.

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

NOTE: 45 CAPITAL COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Nil (31st March 2020: Nil)

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

NOTE: 46 LONG TERM CONTRACT

The Company doesn't have long term contract including Derivative contract as at 31st March 2021 and 31st March 2020.

NOTE: 47 EVENTS AFTER THE REPORTING DATE

There have been no events after the reporting date that require disclosure in these financial statements.

NOTE: 48 SEGMENT INFORMATION

The Directors of the Company have been identified as the chief operating decision maker (CODM) as defined by Indian Accounting Standard 108 Operating Segments. The CODM evaluates the Company's performance, allocates resources based on analysis of the various performance indicators of the Company as a single unit.

The principal business of the Company is of acquistion and managing Securitisation Trust. All other activities of the Company revolve around its principal business. Therefore, directors have concluded that there is only one operating reportable segment as per Indian Accounting Standard 108 Operating Segments.

NOTE: 49 ADDITIONAL DISCLOSURES AS REQUIRED BY RBI GUIDELINES

(A) Names and addresses of the bank/financial institution from whom the financial assets were acquired and the value at which the assets were acquired from each bank/financial institution:

₹ in Lakh

Seller wise acquisition details		31 Mar 21	31 Mar 20
Name of selling bank / financial institution	Address of selling bank / financial institution	Acquisition price	Acquisition price
Sponsors			
None	-	-	-
Sub Total (A)			
Non sponsors			
Dewan Housing Finance Limited	Western Express Highway, 19, Sahar Rd, Vile Parle East, Mumbai, Maharashtra- 400099	15.00	15.00
Power Finance Corporation Limited	'Urjanidhi' 1, Barakhamba Lane, Connaught Place, New Delhi-110001	75,584.11	75,584.11
State Bank of India	Corporate Centre, State Bank Bhavan, Madame Cama Road, Nariman Point, Mumbai- 400021	52,879.17	52,879.17
Rural Electrification Corporation Limited	Core 4, Scope Complex, 7, Lodhi Road, New Delhi-110003	29,761.07	29,761.07
Bank of India	Star House, C-5, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai- 400051	17,429.22	17,429.22
Axis Bank Limited	Trishul'' - 3rd Floor, Opp. Samartheswar Temple, Near Lawn Garden, Ellisbridge, Ahmedabad -380006	10,647.94	10,647.94
UCO Bank	10, BTM Sarani, Kolkata-700001, West Bengal	9,894.41	9,894.41
Life Insurance Corporation of India	'Yogakshema'' 6th Floor, West Wing, Project Section, Investment Department, Nariman Point, Mumbai- 400021	7,716.32	7,716.32
Central Bank of India	Chandra Mukhi opposite Oberoi Towers, Nariman Point, Mumbai- 400021, Maharashtra	8,414.85	8,414.85
Canara bank	Nos. 112, J C Road, Bengaluru- 560002	19,516.91	19,516.91
United Bank of India	11, Hemant Basu Sarani, Kolkata- 700001	7,461.31	7,461.31
Syndicate Bank	11 Cross, Gandhi Nagar, Bangalore- 560009, Karnataka	5,905.24	5,905.24
Punjab National Bank	Plot Nos. 4, Sector -10, Dwarka, New Delhi- 110075	32,180.17	32,180.17
Indian Overseas Bank	763, Anna Salai, Chennai- 600002	6,505.00	6,505.00
Export-Import Bank of India	Centre One Building, Floor 21, World Trade Centre Complex, Cuffe Parade, Mumbai- 400005	6,543.00	6,543.00
Jammu & Kashmir Bank	Maulana Azad Road, Srinagar, 190001, Jammu & Kashmir	6,529.00	6,529.00
Axis Bank Limited	Trishul'' - 3rd Floor, Opp. Samartheswar Temple, Near Lawn Garden, Ellisbridge, Ahmedabad -380006	42,500.00	-

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

NOTE: 49 ADDITIONAL DISCLOSURES AS REQUIRED BY RBI GUIDELINES (contd.)

₹ in Lakh

Seller wise acquisition details		31 Mar 21	31 Mar 20
Name of selling bank / financial institution	Address of selling bank / financial institution	Acquisition price	Acquisition price
Bank of Baroda	Baroda Bhavan, R.C. Dutt Road, Alkapuri, Baroda– 390007	13,050.00	-
Karnataka Bank	Mahaveera Circle, Kankanady, Mangaluru- 575002	3,395.00	-
Sub Total (B)		**3,55,927.72**	**2,96,982.72**
Total (A + B)		**3,55,927.72**	**2,96,982.72**

(B) Dispersion of financial assets acquired industry wise:

Industry wise acquisition of financial assets

₹ in Lakh

Industry	31 Mar 21		31 Mar 20	
	Acquisition price	% of total assets	Acquisition price	% of total assets
Retail (Housing Loan)	15.00	0.00%	15.00	0.01%
Infrastructure - Power	3,36,335.72	94.50%	2,77,390.72	93.40%
Infrastructure – Steel Manufacturing	19,577.00	5.50%	19,577.00	6.59%
Total	**3,55,927.72**	**100.00%**	**2,96,982.72**	**100.00%**

(C) Other additional disclosures:

₹ in Lakh

Particulars	31 Mar 21	31 Mar 20
Value of financial assets acquired during the financial year	58,945.00	2,96,967.72
Value of financial asset realised during the financial year	95,215.39	44,862.58
Value of financial assets outstanding for realisation at the end of the financial year	2,15,855.92	2,52,120.14
Value of security receipts redeemed partially and the security receipts redeemed fully during the financial year	1,02,882.68	20,698.27
Value of security receipts pending for redemption as at the end of the financial year	2,32,346.54	2,76,284.45
Value of security receipts which could not be redeemed as a result of non-realisation of financial assets as per the policy formulated by the Company	-	-
Value of land and/or building acquired in ordinary course of business of reconstruction of assets	-	-

(D)

- In terms of the requirements of RBI circular no. DNBS (PD) CC. No. 41/ SCRC / 26.03.001/ 2014-2015, w.e.f. 5th August 2014,
- the Company has not acquired any financial assets (own books or in trusts) where the acquisition value of the assets is more than the Book Value (the value of the assets as declared by the seller bank in the auction); Nil
- with respect to financial assets acquired (own books or in trusts), the Company has not disposed off assets (either by write off or by realisation) during the year at substantial discount (20% of valuation as on the previous year end); Nil and
- with respect to financial assets acquired (own books or in trusts), details of assets where the value of the security receipts has declined substantially (20% or more) below the acquisition value.

₹ In Lakh

Trust Name	Acquisition Value	Reduction in Value of SR
ABARC-AST 001 Trust	15.00	50%

Notes

forming part of Standalone Financial Statement for the year ended 31st March 2021

NOTE: 50 DISCLOSURE OF TEMPLATE IN NOTES AS PER RBI CIRCULAR DOR (NBFC).CC.PD. NO.109/22.10.106/2019-20 DATED 13th MARCH 2020 ON IMPLEMENTATION OF INDIAN ACCOUNTING STANDARDS

₹ In Lakh

Asset Classification as per RBI Norms	Asset Classification as per IND AS 109	Gross Carrying amount as per IND AS	Loss Allowances (Provisions) as required under IND AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between IND AS 109 provisions and IRACP norms
1	2	3	4	5=3-4	6	7=4-6
Performing Assets						
Standard	Stage 1	282.95	1.13	281.82	1.13	-
	Stage 2			-		-
Subtotal		**282.95**	**1.13**	**281.82**	**1.13**	**-**
Non Performing Assets (NPA)						
Substandard	Stage 3			-	-	-
Doubtful- upto 1 year	Stage 3			-		-
1 to 3 years	Stage 3	3.69	1.23	2.46	3.69	(2.46)
More than 3 years	Stage 3			-		-
Subtotal for doubtful		**3.69**	**1.23**	**2.46**	**3.69**	**(2.46)**
Loss	Stage 3			-		-
Subtotal for NPA		**3.69**	**1.23**	**2.46**	**3.69**	**(2.46)**
Other Items such as guarantees, loan commitments, etc. which are in the scope of IND AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) Norms	Stage 1			-		-
	Stage 2			-		-
	Stage 3			-		-
Subtotal		**-**	**-**	**-**	**-**	**-**
Total	**Stage 1**	**282.95**	**1.13**	**281.82**	**1.13**	**-**
	Stage 2	**-**	**-**	**-**	**-**	**-**
	Stage 3	**3.69**	**1.23**	**2.46**	**3.69**	**(2.46)**
	Total	**286.64**	**2.36**	**284.28**	**4.82**	**(2.46)**

NOTE: 51 PRIOR YEAR COMPARATIVES

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

In terms of the Company's report of even date attached

For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.:- 301003E/E300005
Chartered Accountants

per Shrawan Jalan
Partner
Membership No. 102102

Mumbai, 21st April 2021

For and on behalf of the Board of Directors
Aditya Birla ARC Limited

Tushar Shah
Director
DIN-00239762

Pinky Mehta
Director
DIN-00020429

Sandeep Somani
Chief Financial Officer

Sanjay Jain
Chief Executive Officer

Rajesh Gandhi
Company Secretary

Mumbai, 21st April 2021

Independent Auditor's Report

To the Members of Aditya Birla ARC Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated financial statements of Aditya Birla ARC Limited (hereinafter referred to as "the Company") and its Trusts (the Company and its Trusts together referred to as the "Group") comprising of the consolidated Balance sheet as at 31st March 2021, the consolidated Statement of Profit and Loss including the statement of Other Comprehensive Income, the consolidated Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

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

BASIS FOR OPINION

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

EMPHASIS OF MATTER

We draw attention to note 44 to the consolidated financial statements, which describes the increased uncertainty of estimates relating to the Group's investment valuation due to the continued outbreak of COVID-19 virus.

Our opinion is not modified in respect of this matter.

OTHER INFORMATION

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

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

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

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

In preparing the consolidated financial statements, management is responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the financial reporting process of the Group.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and

Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards (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 of the Company as on 31st March 2021 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Company and its Trusts incorporated in India, refer to our separate Report in "Annexure 1" to this report;

(g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Group for the year ended 31st March 2021;

(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 Group does not have any pending litigations which would impact its consolidated financial position;

ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended 31st March 2021;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group during the year ended 31st March 2021.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Shrawan Jalan
Partner
Membership Number: 102102
UDIN: 21102102AAAAFO4380

Place of Signature: Mumbai
Date: 21st April 2021

ANNEXURE 1 to the independent auditor's report of even date on consolidated financial statements of Aditya Birla ARC Limited

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

We have audited the internal financial controls over financial reporting of Aditya Birla ARC Limited ("the Company") as of 31st March 2021 in conjunction with our audit of the consolidated financial statements of the Company and its Trusts for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE CONSOLIDATED FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE CONSOLIDATED FINANCIAL STATEMENTS

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

OPINION

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

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Shrawan Jalan
Partner
Membership Number: 102102
UDIN: 21102102AAAAFO4380

Place of Signature: Mumbai
Date: 21st April 2021

Consolidated Balance Sheet

as at 31st March 2021

₹ in Lakh

		Note	As at 31 Mar 21	As at 31 Mar 20
I	**ASSETS**			
(1)	**Financial Assets**			
(a)	Cash and Cash Equivalents	7	1,048.81	91.67
(b)	Bank Balance other than (a) above	8	3,114.87	4,992.17
(c)	Trade Receivables	9	45.63	-
(d)	Loans	10	3,535.88	12.81
(e)	Investments			
	- Other Investments	11	39,632.54	44,793.01
(f)	Other Financial Assets	12	126.73	138.83
Sub-Total			**47,504.46**	**50,028.49**
(2)	**Non-Financial Assets**			
(a)	Current Tax Assets (Net)		631.70	380.80
(b)	Property, Plant and Equipment	13	21.02	58.40
(c)	Right to use of Assets	37	321.09	79.19
(d)	Other non-Financial assets	14	68.25	38.56
Sub-Total			**1,042.06**	**556.95**
Total assets			**48,546.52**	**50,585.44**
II	**LIABILITIES AND EQUITY**			
	LIABILITIES			
(1)	**Financial Liabilities**			
(a)	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		62.00	27.78
(b)	Debt Securities	15	28,223.19	36,205.27
(c)	Borrowings (Other than Debt Securities)	16	3,401.81	-
(d)	Subordinate Liabilities	17	1,600.00	1,600.00
(e)	Lease Liability	37	332.81	81.35
(f)	Other Financial Liabilities	18	330.56	325.29
Sub-Total			**33,950.37**	**38,239.69**
(2)	**Non Financial Liabilities**			
(a)	Current tax liabilities (net)		10.08	10.08
(b)	Provisions	19	36.30	31.61
(c)	Deferred tax liabilities (net)	36	953.62	144.79
(d)	Other Non Financial Liabilities	20	983.83	1,948.69
Sub-Total			**1,983.83**	**2,135.17**
(3)	**Equity**			
(a)	Equity Share capital	21	10,000.00	10,000.00
(b)	Other Equity	22	2,612.32	210.58
Total equity			**12,612.32**	**10,210.58**
Total Equity and Liabilities			**48,546.52**	**50,585.44**
Significant Accounting Policies		6		

The accompanying Notes are an integral part of the Financial Statements.
In terms of the Company's report of even date attached

For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.:- 301003E/E300005
Chartered Accountants

per Shrawan Jalan
Partner
Membership No. 102102

Mumbai, 21st April 2021

For and on behalf of the Board of Directors
Aditya Birla ARC Limited

Tushar Shah
Director
DIN-00239762

Pinky Mehta
Director
DIN-00020429

Sandeep Somani
Chief Financial Officer

Sanjay Jain
Chief Executive Officer

Rajesh Gandhi
Company Secretary

Mumbai, 21st April 2021

Consolidated Statement of Profit and Loss

for the year ended 31st March 2021

₹ in Lakh

	Note	Year Ended 31 Mar 21	Year Ended 31 Mar 20
REVENUE FROM OPERATIONS			
(a) Fee Income	23	2,970.63	954.89
(b) Net Gain on Fair Value Changes	24	4,470.17	1,491.71
Total Revenue from Operations		**7,440.80**	**2,446.60**
Other Income	25	273.31	443.78
Total Income		**7,714.11**	**2,890.38**
EXPENSES			
(a) Finance Costs	26	3,548.19	1,143.44
(b) Impairment on Financial Instruments	27	5.73	4.22
(c) Employee benefits expense	28	740.47	734.96
(d) Depreciation and amortisation expense	29	122.97	117.50
(e) Other expenses	30	88.90	88.17
Total Expenses		**4,506.26**	**2,088.29**
Profit before exceptional items and tax		**3,207.85**	**802.09**
Profit Before Tax		**3,207.85**	**802.09**
Tax Expenses			
Current Tax		-	-
Deferred Tax		808.15	144.79
Total Tax Expenses		**808.15**	**144.79**
Profit after tax		**2,399.70**	**657.30**
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss		2.72	(1.56)
Income tax relating to items that will not be reclassified to profit and loss		(0.68)	-
Other Comprehensive Income for the year		**2.04**	**(1.56)**
Total Comprehensive Income for the year		**2,401.74**	**655.74**
Earnings per share :			
Basic- (₹)	31	2.40	0.66
Diluted - (₹)		2.36	0.65
(Face Value of ₹ 10 each)			
Significant Accounting Policies	6		

The accompanying Notes are an integral part of the Financial Statements.
In terms of the Company's report of even date attached

For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.:- 301003E/E300005
Chartered Accountants

per Shrawan Jalan
Partner
Membership No. 102102

Mumbai, 21st April 2021

For and on behalf of the Board of Directors
Aditya Birla ARC Limited

Tushar Shah
Director
DIN-00239762

Pinky Mehta
Director
DIN-00020429

Sandeep Somani
Chief Financial Officer

Sanjay Jain
Chief Executive Officer

Rajesh Gandhi
Company Secretary

Mumbai, 21st April 2021

Consolidated Cash Flow Statement

for the year ended 31st March 2021

₹ in Lakh

Note	Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax	3,207.85	802.09
	Adjustments for :		
	Impairment on Financial Assets	5.73	4.22
	Net gain on Fair value changes	(4,470.17)	(1,491.71)
	Interest Income	(246.98)	(423.60)
	Finance Cost	3,524.84	1,134.20
	Notional Interest on Lease	23.35	9.23
	Depreciation and Amortisation	122.97	117.50
	Operating Profit Before Working Capital Changes	**2,167.59**	**151.93**
	Adjustments for:		
	Decrease/(Increase) in Loans	(3,400.11)	(2.71)
	Decrease/(Increase) in Other Financial Assets	14.50	(97.53)
	Decrease/(Increase) in Trade Receivables	(45.63)	-
	Decrease/(Increase) in Other Non-Financial Assets	(351.81)	(92.82)
	(Decrease)/Increase in Trade Payables	34.22	3.14
	(Decrease)/Increase in Provisions	7.41	22.43
	(Decrease)/Increase in other Financial Liabilities	300.64	293.13
	(Decrease)/Increase in other Non Financial Liabilities	(964.85)	1,944.82
	Cash (Used in) / From Operations	**(4,405.63)**	**2,070.46**
	Income Taxes Paid	(250.90)	(309.16)
	Net Cash Flow (Used in) / From Operating Activities	**(2,488.94)**	**1,913.23**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Addition to Property, Plant and Equipment	(5.37)	(21.62)
	Investment in Security Receipts	(8,332.08)	(46,608.67)
	Redemption of Security Receipts	17,962.71	3,307.36
	Interest Received	257.94	750.82
	Bank Deposits placed during the year	(9,693.89)	(15,430.94)
	Bank Deposits matured during the year	11,557.83	20,570.00
	Net Cash From / (Used in) Investing Activities	**11,747.14**	**(37,433.05)**

Consolidated Cash Flow Statement

for the year ended 31st March 2021

₹ in Lakh

Note	Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Loans & Advances to Trust	(128.69)	-
	Lease Liability - Principal Portion	(43.91)	(75.24)
	Lease Liability - Interest Portion	(23.35)	(9.23)
	Proceeds from Borrowings	7,000.00	37,819.00
	Repayment of Borrowings	(3,600.00)	-
	Repayment of Debt Securities	(7,982.08)	(2,240.00)
	Finance Cost on Debt Securities & Borrowings	(3,523.03)	(507.94)
	Proceeds from Compulsorily Convertible Preference Shares	-	500.00
	Net Cash (Used In)/From Financing Activities	**(8,301.06)**	**35,486.59**
	Net Increase / (Decrease) In Cash And Equivalents	957.14	(33.21)
	Cash And Cash Equivalents (Opening Balance)	91.67	124.88
	Cash And Cash Equivalents (Closing Balance)	1,048.81	91.67

Notes:

1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 'Statement of Cash Flow's prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

2 Cash and cash equivalents in the balance sheet comprise of Cash at bank.

The accompanying Notes are an integral part of the Financial Statements.
In terms of the Company's report of even date attached

For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.:- 301003E/E300005
Chartered Accountants

per Shrawan Jalan
Partner
Membership No. 102102

Mumbai, 21st April 2021

For and on behalf of the Board of Directors
Aditya Birla ARC Limited

Tushar Shah
Director
DIN-00239762

Pinky Mehta
Director
DIN-00020429

Sandeep Somani
Chief Financial Officer

Sanjay Jain
Chief Executive Officer

Rajesh Gandhi
Company Secretary

Mumbai, 21st April 2021

Statement of Changes in Equity

for the year ended 31st March 2021

(A) EQUITY SHARE CAPITAL

₹ in Lakh

Particulars	As at 31 Mar 21		As at 31 Mar 20	
	No. of Shares	Amount	No. of Shares	Amount
Equity shares of face value of ₹10/- each issued on subscribed and fully paid up				
Balance at the beginning of the year	10,00,00,000	10,000.00	10,00,00,000	10,000.00
Changes in Equity share capital during the year	-	-	-	-
Balance at the end of the year	**10,00,00,000**	**10,000.00**	**10,00,00,000**	**10,000.00**

(B) OTHER EQUITY

₹ in Lakh

Particulars	Reserve and Surplus	Total Other Equity
BALANCE AS AT 1st APRIL 2019	(438.88)	(438.88)
Profit for the year	657.30	657.30
Other Comprehensive loss for the year	(1.56)	(1.56)
Total Comprehensive income	**655.74**	**655.74**
Less: IND AS 116 adjustment during the year from opening Reserve	**(5.83)**	**(5.83)**
Less: Deemed Distribution	**(0.45)**	**(0.45)**
BALANCE AS AT 31st MARCH 2020	**210.58**	**210.58**
Equity attributable to Shareholders of Company	**210.58**	**210.58**
BALANCE AS AT 1st APRIL 2020	210.58	210.58
Profit for the year	2,399.70	2,399.70
Other Comprehensive Income for the year	2.04	2.04
Total Comprehensive income	**2,401.74**	**2,401.74**
BALANCE AS AT 31st MARCH 2021	**2,612.32**	**2,612.32**
Equity attributable to Shareholders of Company	**2,612.32**	**2,612.32**

The accompanying Notes are an integral part of the Financial Statements.
In terms of the Company's report of even date attached

For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.:- 301003E/E300005
Chartered Accountants

per Shrawan Jalan
Partner
Membership No. 102102

Mumbai, 21st April 2021

For and on behalf of the Board of Directors
Aditya Birla ARC Limited

Tushar Shah
Director
DIN-00239762

Pinky Mehta
Director
DIN-00020429

Sandeep Somani
Chief Financial Officer

Sanjay Jain
Chief Executive Officer

Rajesh Gandhi
Company Secretary

Mumbai, 21st April 2021

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

1. ABOUT THE GROUP

Aditya Birla ARC Limited (the Company) was incorporated as a public limited Company under the provisions of the Companies Act, 2013 on 10th March 2017.

The Company and its Trusts as at 31st March 2021 are together referred to as "Group". The principal activity of the Group is to carry on the business of securitisation and asset reconstruction as defined in section 2 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ('the SARFAESI Act'). The Group acts as a Manager / Trustee for trusts set up for securitisation pursuant to the SARFAESI Act. The financial assets are acquired under separate trusts set up for securitisation or directly for asset reconstruction.

Reserve Bank of India ('RBI') granted a Certificate of Registration to the Company on 13th March 2018 to carry on business of securitisation or asset reconstruction under section 3 of the SARFAESI Act.

The Group recognises its income through Trusteeship and Management Fee, which is recogniised on accrual basis in accordance with the terms of the respective trust deed / offer document / commitment agreement, wherever applicable.

The financial statements were authorised for issue by the Company's Board of Directors on 21st April 2021.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The financial statements have been prepared on a historical cost basis and accrual basis except for fair value through other comprehensive income (FVOCI) instruments, derivative financial instruments, other financial assets held for trading and financial assets and liabilities designated at fair value through profit or loss (FVTPL), all of which have been measured at fair value. The financial statements are presented in Indian Rupees (₹) and all values are rounded to the nearest lakh, except when otherwise indicated.

3. USE OF ESTIMATES

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

4. PRESENTATION OF FINANCIAL ESTIMATES

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business.
- The event of default.
- The event of insolvency or bankruptcy of the Group and/or its counterparties.

5. BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Company and its Trusts (hereinafter referred to as "structured entities") as at 31st March 2021 (together referred to as "Group"). The Group consolidates a structured entity when it controls it. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee.
- Rights arising from other contractual arrangements.
- The Group's voting rights and potential voting rights.
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a structured entity begins when the Group obtains control over the structured entity and ceases when the Group loses control of the structured entity. Assets, liabilities, income and expenses of a structured entity acquired during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the structured entity.

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Group, i.e., year ended on 31st March.

Consolidation Procedure: -

Structured Entities:

The consolidated financial statements comprise the financial statements of the Company and its structured Entities. Structured Entities are entities controlled by the Group. The Group controls an investee only if, the Group has:

Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)

Exposure, or rights, to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect its returns.

The Group combines the financial statement of the Parent and its structured entities line by line adding together like items. Inter- Group transactions, balances and unrealised gains on transactions between the Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred assets.

Profit or loss and each component of Other Comprehensive Income (OCI) are attributed to the equity holders of the Parent of the Group and to the non- controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of structured entities to bring their accounting policies into line with the Group's accounting policies. All inter-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a structured entity, without a loss of control, is accounted for as an equity transaction. When the Group loses control of a structured entity, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of consideration received and the fair value of any retained interest; and (ii) the carrying amount of the assets (including goodwill) and liabilities of the structured entity and any non-controlling interests. Amounts previously recognised in OCI in relation to the structured entities are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner, as would be required, if the relevant assets or liabilities were disposed of. The fair value of any investment retained in the former structured entity at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109 Financial Instruments or, when applicable, the cost on initial recognition of an investment in an associate or joint venture.

6. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

6.1 Revenue from contract with customer

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at transaction price i.e. the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to the customer, excluding amounts collected on behalf of third parties. The Group consider the terms of the contract and its customary business practices to determine the transaction price.

Where the consideration promised is variable, the Group excludes the estimates of variable consideration that are constrained. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Group recognises revenue from the following sources:

a. The fee income comprises of Trusteeship and Management Fee. The Group receives management fee from trusts declared by it for acquisition of financial assets and the same is accounted for on accrual basis as per terms of the relevant trust deeds and offer document issued by the Trust. Management fees are calculated and charged as a percentage of the Net Assets Value (NAV) at the lower end of the range of the NAV specified by the Credit Rating Agency.

b. Redemption incentive and recovery incentive is accounted over the period on cash basis, i.e. as and when received by the Group, based on terms of the relevant trust deeds and offer document issued by the Trust.

c. Any upside share in excess realisation over acquisition price of financial asset by trust is recognised at point in time basis as per terms of the relevant trust deed/ offer document.

d. The above receipts are recognised as revenue excluding GST.

Rental Income

Temporary arrangements were made to give unoccupied workstations to other businesses, rent were charged for the period on these workstations on basis of area wise cost allocation.

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

Interest Income

The Group calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Group calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the Group reverts to calculating interest income on a gross basis.

For interest income on Fixed Deposit, the Group recognises it on accrual basis

For purchased or originated credit-impaired (POCI) financial assets, the Group calculates interest income by calculating the credit-adjusted EIR and applying that rate to the amortised cost of the asset. The credit-adjusted EIR is the interest rate that, at original recognition, discounts the estimated future cash flows (including credit losses) to the amortised cost of the POCI assets. Interest income on all trading assets and financial assets mandatorily required to be measured at FVTPL is recognised using the contractual interest rate in net gain on fair value changes.

6.2 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

Date of Recognition

Financial assets and liabilities, debt securities, deposits and borrowings are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument

Initial Measurement

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from, this amount. Trade receivables are measured at the transaction price.

Measurement categories of financial assets and liabilities

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

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments, mutual funds at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b. The asset's contractual cash flows represent Solely Payments of Principal and Interest (SPPI).

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Group recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of profit and loss.

De-Recognition of Financial Assets

The Group de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises an associated liability.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit and loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial assets.

On derecognition of a financial asset other than in it's entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financials asset between the part it continues to recognise under continuing involvement, and the part is no longer recognises on the basis of relative fair values of those parts on the date of transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of consideration received for the part no longer recognised and and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Impairment of Financial Assets (ECL Policy)

In accordance with IND AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets & credit risk exposure.

The Group assesses at each reporting date whether a financial asset (or a group of financial assets) such as loans and advances held at amortised cost for impairment based on evidence or information that is available without undue cost or effort.

The Group applies a three-stage approach to measuring expected credit losses (ECLs) for financial assets.

Stage 1: 12-months ECL

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Group has assessed that all loans and advances with no default or upto 30 days default would fall under this category.

For these assets, 12-month ECL are recognised and interest revenue is calculated on the gross carrying amount of the asset (that is, without deduction for credit allowance).

Stage 2: Lifetime ECL – Significant increase in credit risk

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. Financial instruments that have had a significant increase in credit risk since initial recognition are classified under this stage. 30 Days Past Due is considered as significant increase in credit risk and classified under this category. For these assets, lifetime ECL are recognised, but interest revenue is calculated on the gross carrying amount of the asset less ECL already provided.

Stage 3: Lifetime ECL – Credit Impaired

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount.

Credit-impaired financial assets:

At each reporting date, the Group assesses whether financial assets carried at amortised cost is credit impaired. A financial asset is 'credit-impaired' when a breach of contract such as a default or past due event that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

ECL provisioning is being done on each reporting date basis probability of default and loss given default on outstanding financial asset.

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

Purchased or originated credit-impaired (POCI) financial assets:
POCI financial assets are treated differently because the asset is credit-impaired at initial recognition. For these assets, the Group recognises all changes in lifetime ECL since initial recognition as a loss allowance with any changes recognised in Statement of Profit and Loss. A favorable change for such assets creates an impairment gain.

Trade Receivables
Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of IND AS 115 are recognise.

Other Financial Assets
Other financial assets are tested for impairment based on significant change in credit risk since initial recognition and impairment is measured based on probability of default over the lifetime when there is significant increase in credit risk.

Financial Liabilities
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, debt securities and subordinated liabilities, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts. The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair- value through profit or loss:
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognised in OCI.

These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity.

All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Financial liabilities and equity instruments
Financial instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group entity are recognised at the proceeds received, net of direct issue costs.

Loans & Borrowings
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss

De-recognition of financial liabilities
A financial liability shall be de-recognised when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

6.3 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

6.4 Property, Plant & Equipment

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and arrangements arising from exchange rate variations attributable to the assets. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow the entity and the cost can be measured reliably. Depreciation on property, plant

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

and equipment is provided using straight line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Depreciation on Tangible Fixed Assets is provided on Straight Line using the rates arrived at based on the useful lives as specified in the Schedule II of the Companies Act, 2013 or estimated by the management. The Group has used the following useful life to provide depreciation on its fixed assets, which is in line with the useful life suggested by Schedule III.

Asset	Useful Life as Prescribed by Schedule II of the Companies Act, 2013
Computers (end user computers, Laptops)	3
Office Equipment	5
Furniture & Fixtures	10

Useful life of assets estimated by management supported by the Internal Technical assessment.

Asset	Estimated Useful Life
Leasehold Improvements *	3
Motor Vehicles^	4-5

**In case of Leasehold Improvements, Depreciation calculated based on lease period*

^ In case of Motor Vehicles, depreciation calculated on basis of its replacement.

Depreciation on the Fixed Assets added/disposed off/ discarded during the year is provided on pro-rata basis with reference to the date of addition/disposal/discarding.

6.5 Fair Value Measurement

The Group measures financial instruments at fair value at each balance sheet date. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or the liability; or in the absence of a principal market, in the most advantageous market for the asset or liability, the principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

Level-2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level-3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

6.6 Impairment of Non-Financial Assets

The Group assesses, at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists or when annual impairment testing for any asset is required, the Group estimates the assets recoverable amount. An assets recoverable amount is the higher of an assets fair value less cost of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflow that is largely independent of those from other assets or Group of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written-down to it recoverable amount.

6.7 Retirement and Other Employee Benefits

Employee benefits are accrued in the period in which the associated services are rendered by employees of the Group, as detailed below:

Defined contribution plan (Provident fund)
In accordance with Indian law, eligible employees receive benefits from provident fund, which is a defined contribution

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

plan. Both the employee and employer make monthly contributions to the plan, each equal to a specified percentage of employee's basic salary. The Group has no further obligations under the plan beyond its monthly contributions. The Group does not have any legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. Obligation for contributions to the plan is recognised as an employee benefit expense in the Statement of Profit and Loss when incurred.

Defined Benefit Plans (Gratuity)

In accordance with applicable Indian laws, the Group provides for gratuity, a defined benefit retirement plan (the Gratuity Plan) covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Group.

The Group's net obligation in respect of the gratuity plan is calculated by estimating the amount of future benefits that the employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service cost and the fair value of plan assets are deducted. The discount rate is the yield at the reporting date on risk free government bonds that have maturity dates approximating the terms of the Group's obligations. The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Group, the recognised asset is limited to the total of any unrecognised past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

The Group recognises all re-measurements of net defined benefit liability/asset directly in other comprehensive income and presented within equity. The Group has employees' gratuity fund under Grasim Industries Limited Employees Gratuity Trust managed by the ultimate parent Group.

Short Term Benefit

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Compensated Absences

The employees of the Group are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement.

The Group measures the expected cost of compensated absences as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period.

The Group recognises accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognised in the period in which the absences occur. The Group recognises actuarial gains and losses immediately in the Statement of Profit and Loss.

Other Benefits

Few employees transferred from other business of the Aditya Birla Capital Group were eligible under long term incentive plan (the "LTIP scheme") issued by that business in September 2017. The scheme is for 4 years and pay out under the scheme to employees will be made at end of 4 years, as per option opted by the employees. This is a one time option, which cannot be changed to the option of early vesting, hence liability has been equally spread over the tenure. In case these employees leave before the stipulated period of 4 years, the liability to pay under the aforesaid LTIP scheme ceases.

6.8 Leases

AS per IND AS 116

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (1) the contract involves the use of an identified asset (2) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises right – of – use ("ROU") asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the under lying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value – in – use) is determined on an individual asset basis unless the asset generates cash flows that are largely dependent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment on exercise of an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

6.9 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are not discounted to their present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

6.10 Taxes

Current Tax

Current income tax assets and liabilities 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, at the reporting date in the countries where the Group operates and generates taxable income. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised 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.

Deferred Tax

Deferred tax is recognised using the Balance Sheet approach on the temporary differences between the carrying amounts of assets and liabilities in the financial statements and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset, if there is a legally enforceable right to offset current tax liabilities and assets, and these relate to income taxes levied by the same tax authority and are intended to settle current tax liabilities and assets on a net basis or such tax assets and liabilities will be realised simultaneously.

In the event of unabsorbed depreciation or carry forward of losses under tax laws, deferred tax assets are recognised to the extent that it is probable that sufficient future taxable income will be available to realise such assets.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

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

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

Current and deferred tax are recognised in Statement of Profit and Loss, except when the same relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax relating to such items are also recognised in other comprehensive income or directly in equity respectively.

6.11 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split, if any.

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

6.12 Capital Management

The primary objective of the Group's capital management is to maximise the shareholder value. The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

6.13 Significant Accounting Judgements, Estimates and Assumptions:

The preparation of financial statements, in conformity, with the Ind AS requires management to make judgements, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial years.

Measurement of Defined Benefit Obligations

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

Provisions

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cashflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amount of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

Property plant and equipment and investment property

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful life and residual values of the Group's assets at the end of its useful life are estimated by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The useful life are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Impairment of trade receivables

Trade receivables are the trusts of which Group is a trustee and also holds investments in the trust through Security Receipts. The Group estimates the probability of collection of accounts receivable by analyzing the future cash flow in the trust. If the financial condition of the trust deteriorates, additional allowances may be required.

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.

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

ECL on financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different level of allowances.

The Group ECL calculation are outputs of models with a number of underlying assumptions regarding the choice of variable inputs ad their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates includes:

- Probabilities of Defaults (PDs) the calculations of which includes historical data, assumptions and expectations of future conditions.
- The Group's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life time expected credit loss model basis and the qualitative assessment
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Developments of ECL models, including the various formulas and choices of inputs
- Determination of associations between macroeconomic scenarios and economic inputs, such as unemployment levels and collateral values, and the effects of PDs, exposure at defaults and loss given defaults.

Critical judgements required in the application of Ind AS 116 may include, among others, the following:

- Identifying whether a contract (or part of a contract) includes a lease;
- Determining whether it is reasonably certain that an extension or termination option will be exercised;
- Determination of whether variable payments are in-substance fixed;
- Establishing whether there are multiple leases in an arrangement;
- Determining the stand-alone selling prices of lease and non-lease components.

Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:

- Estimation of the lease term;
- Determination of the appropriate rate to discount the lease payments;
- Assessment of whether a right-of-use asset is impaired.

Policy for sales out of amortised cost business model portfolios

Group existing business model focuses on acquisition of financial assets through trusts, with or without participation from external investors. Their existing resolution strategy is to right size the debt and restructure the debt with focus on improvement in operational performance of the acquired financial assets with existing sponsors or strategic investors.

At present Group has no amortised cost business model portfolio, therefore it has not prepared and adopted any such policy.

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

NOTE: 7 CASH AND CASH EQUIVALENTS

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Balances with Banks		
Current Accounts	73.74	91.67
Deposit Accounts (with original maturity period of 3 months or less)	975.07	-
	1,048.81	**91.67**

NOTE: 8 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Fixed Deposit Accounts (with original maturity period of more than 3 months)	3,114.87	4,992.17
	3,114.87	**4,992.17**

NOTE: 9 TRADE RECEIVABLES

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Receivables considered good, Unsecured	45.81	-
Less: Expected Credit Loss	(0.18)	-
	45.63	**-**

Reconciliation of ECL on Trade Receivables

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Opening Balance	-	-
Add/(Less): ECL allowance during the year	(0.18)	-
Closing Balance	**(0.18)**	**-**

NOTE: 10 LOANS

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Loans (Carried at amortised cost)*	3,545.39	16.67
Less: Impairment loss allowance*	(9.51)	(3.86)
	3,535.88	**12.81**

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

NOTE: 10.1*

₹ in Lakh

Sr. No.	Particulars	As at 31 Mar 21	As at 31 Mar 20
		At Amortised Cost	At Amortised Cost
(A)	(i) Retail (Housing Loan)	18.66	16.67
	(ii) Term Loan	3,398.04	-
	(iii) Other Advances	128.69	-
	Total Gross (A)	**3,545.39**	**16.67**
	Less: Impairment loss allowance	(9.51)	(3.86)
	Total Net (A)	**3,535.88**	**12.81**
(B)	(i) Secured by tangible assets	3,416.70	16.67
	(ii) Unsecured	128.69	0.00
	Total Gross (B)	**3,545.39**	**16.67**
	Less: Impairment loss allowance	(9.51)	(3.86)
	Total Net (B)	**3,535.88**	**12.81**
(C)(I)	Loans and Advances in India		
	(i) Public Sector	-	
	(ii) Others	3,545.39	16.67
	Total Gross (C)(I)	**3,545.39**	**16.67**
	Less: Impairment loss allowance	(9.51)	(3.86)
	Total Net (C)(I)	**3,535.88**	**12.81**
(C)(II)	Loans and Advances outside India	-	-
	Less: Impairment loss allowance	-	-
	Total Net (C)(II)	**-**	**-**
	Total (C)(I) and (II)	**3,535.88**	**12.81**

NOTE: 11 OTHER INVESTMENTS

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
(Carried at Fair value through Profit or Loss)		
Investments in Security Receipts	39,632.54	44,793.01
Less: Fair Value Loss	-	-
	39,632.54	**44,793.01**
In India	39,632.54	44,793.01
Outside India	-	-

NOTE: 12 OTHER FINANCIAL ASSETS

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
(Unsecured, considered good, unless stated otherwise)		
Security Deposits (carried at amortised cost)	38.50	45.52
Interest Accrued	0.19	0.19
Other Receivable	22.95	3.10
Other Advance	65.36	90.38
Less: Expected Credit Loss	(0.27)	(0.36)
	126.73	**138.83**

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

NOTE: 13 PROPERTY, PLANT AND EQUIPMENT

₹ in Lakh

Particulars	Computers	Leasehold Improvements	Office Equipments	Furniture & Fixtures	Vehicles	TOTAL
GROSS BLOCK						
As at 1st April 2019	0.62	85.31	11.65	2.29	-	99.87
Additions	2.73	2.29	0.01	-	16.60	21.63
Deletions	-	-	-	-	-	-
As at 31st March 2020	**3.35**	**87.60**	**11.66**	**2.29**	**16.60**	**121.50**
ACCUMULATED DEPRECIATION						
As at 1st April 2019	0.08	23.45	1.37	0.10	-	25.00
Depreciation for the year	1.05	32.12	2.33	0.23	2.37	38.10
Deletions						-
As at 31st March 2020	**1.13**	**55.57**	**3.70**	**0.33**	**2.37**	**63.10**
Net Carrying amount as at 31st March 2020	**2.22**	**32.03**	**7.96**	**1.96**	**14.23**	**58.40**
GROSS BLOCK						
As at 1st April 2020	3.35	87.60	11.66	2.29	16.60	121.50
Additions	4.37	-	0.99	-	-	5.36
Deletions	-	-	-	-	-	-
As at 31st March 2021	**7.72**	**87.60**	**12.65**	**2.29**	**16.60**	**126.86**
ACCUMULATED DEPRECIATION						
As at 1st April 2020	1.13	55.57	3.70	0.33	2.37	63.10
Depreciation for the year	1.91	32.03	2.46	0.23	6.11	42.75
Deletions	-	-	-	-	-	-
As at 31st March 2021	**3.04**	**87.60**	**6.16**	**0.56**	**8.48**	**105.84**
Net Carrying amount as at 31st March 2021	**4.68**	**-**	**6.49**	**1.73**	**8.12**	**21.02**

NOTE: 14 OTHER NON-FINANCIAL ASSETS

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
(Unsecured, considered good, unless stated otherwise)		
Dues Recievable from Government - GST	30.56	23.60
Advance to Vendor	6.71	5.66
Prepaid expenses	11.46	4.80
Gratuity Plan Assets	19.52	4.50
	68.25	**38.56**

NOTE: 15 DEBT SECURITIES

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
(Secured, carried at amortised cost)		
Non Convertible Debentures	28,223.19	36,205.27
	28,223.19	**36,205.27**
In India	28,223.19	36,205.27
Outside India	-	-

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

NOTE: 15 DEBT SECURITIES (contd.)

Following is the repayment terms of Debt Securities

Repayment clause	Coupon rate	Maturity period
Repayment is linked to the receipt of distribution amount from redemption of Security Receipts (SR), against which the debentures are issued.	11.50%	8 years

Notes:

1. Security over the SR distributions, debt service trust accounts and all rights, title, benefit and interest in the debt service trust account.
2. Company is also required to create pledge on SRs issued, however no pledge created on SRs till date. Further Company has executed a Non Disposal Undertaking in favour of Debenture Trustee. Subject to applicable law, as and when the Debenture Trustee instructs the Company to create pledge, Company will create the pledge.

NOTE: 16 BORROWINGS (OTHER THAN DEBT SECURITIES)

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
(Unsecured, Carried at amortised cost)		
Loans and Advances received (Unsecured)	3,401.81	-
	3,401.81	**-**
In India	3,401.81	-
Outside India	-	-

Following is the repayment terms of the Borrowings

Repayment clause	Interest rate	Maturity period
Repayable anytime after 7 days from the date of disbursement with 2 days advance notice. Interest payable on maturity.	10.50%	3 months

NOTE: 17 SUBORDINATE LIABILITIES

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
(Carried at amortised cost)		
Compulsorily Convertible Preference Shares	1,600.00	1,600.00
	1,600.00	**1,600.00**
In India	1,600.00	1,600.00
Outside India	-	-

0.01% compulsorily convertible preference shares

1. Compulsorily convertible preference shares on a non-cumulative basis
2. To be compulsorily converted into equity shares of ₹10/- each at higher of
   (a) Fair Market value determined as on the date of conversion or
   (b) ₹10/- per equity share (being the face value of equity shares)
3. Tenor of CCPS amounting to ₹1,100 Lakh is 20 years and ₹500 Lakh is 10 years

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

NOTE: 18 OTHER FINANCIAL LIABILITIES

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
(Carried at amortised cost)		
Accrued salaries and benefits	330.56	325.29
	330.56	**325.29**

NOTE: 19 PROVISIONS

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Provision for Employee Benefits		
Provision for Leave encashment	14.32	14.60
Provision for Gratuity	21.98	17.01
	36.30	**31.61**

NOTE: 20 OTHER NON FINANCIAL LIABILITIES

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Unearned Revenue	835.51	1,925.61
Statutory Dues	148.32	23.08
	983.83	**1,948.69**

NOTE: 21 SHARE CAPITAL

₹ in Lakh

Particulars	Numbers	As at 31 Mar 21	Numbers	As at 31 Mar 20
AUTHORISED:				
Equity Shares of ₹10/- each	13,00,00,000	13,000.00	13,00,00,000	13,000.00
	13,00,00,000	**13,000.00**	**13,00,00,000**	**13,000.00**
ISSUED:				
Equity Share Capital				
Equity Shares of ₹10/- each	10,00,00,000	10,000.00	10,00,00,000	10,000.00
	10,00,00,000	**10,000.00**	**10,00,00,000**	**10,000.00**
SUBSCRIBED AND PAID-UP:				
Equity Share Capital				
Equity Shares of ₹10/- each, fully paid-up	10,00,00,000	10,000.00	10,00,00,000	10,000.00
	10,00,00,000	**10,000.00**	**10,00,00,000**	**10,000.00**

1) Reconciliation of the number of shares authorised at the beginning and at the end of the year

₹ in Lakh

Sr. No.	Description	As at 31 Mar 21		As at 31 Mar 20	
		Equity Shares	Amount	Equity Shares	Amount
1	No of Shares Outstanding at the beginning of the year	13,00,00,000	13,000.00	10,20,00,000	10,200.00
2	Add increased during the year	-	-	2,80,00,000	2,800.00
3	No. of Shares Outstanding at the end of the year	**13,00,00,000**	**13,000.00**	**13,00,00,000**	**13,000.00**

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

NOTE: 21 SHARE CAPITAL (contd.)

2) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

₹ in Lakh

Sr. No.	Description	As at 31 Mar 21		As at 31 Mar 20	
		Equity Shares	Amount	Equity Shares	Amount
1	No of Shares Outstanding at the beginning of the year	10,00,00,000	10,000.00	10,00,00,000	10,000.00
2	Add increased during the year	-	-	-	-
3	No. of Shares Outstanding at the end of the year	**10,00,00,000**	**10,000.00**	**10,00,00,000**	**10,000.00**

Term/Right Attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.

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

Shares held by holding / ultimate holding Company and / or their subsidiaries / associates

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

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
	Amount	Amount
Parent - Aditya Birla Capital Limited		
10,00,00,000 (31st March 2020: 10,00,00,000) equity shares	10,000.00	10,000.00

NOTE: 22 OTHER EQUITY

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
RETAINED EARNINGS*		
Opening Balance	210.58	(438.88)
Addition:		
Profit/(Loss) for the Year	2,399.70	657.30
Other Comprehensive Income/(loss) for the year	2.04	(1.56)
Deduction:		
Impact of IND AS 116 on application	-	(5.83)
Deemed Distribution	-	(0.45)
Closing Balance	**2,612.32**	**210.58**
Total Other Equity	**2,612.32**	**210.58**

** Retained Earning comprises of Surplus in Profit & Loss Account of the Company*

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

NOTE: 23 FEE INCOME

₹ in Lakh

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Trusteeship and Management Fees	2,970.63	954.89
	2,970.63	**954.89**

NOTE: 24 NET GAIN ON FAIR VALUE CHANGES

₹ in Lakh

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Net gain / (loss) on financial instruments at fair value through profit or loss		
Net Gain from Investments in Security Receipts	4,470.17	1,491.71
	4,470.17	**1,491.71**
Fair Value changes :		
Realised	669.46	-
Unrealised	3,800.71	1,491.71
	4,470.17	**1,491.71**

NOTE: 25 OTHER INCOME

₹ in Lakh

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
INTEREST ON DEPOSITS WITH BANKS		
On Financial Assets carried at amortised cost	244.58	423.60
INTEREST ON OTHERS		
On Financial Assets carried at amortised cost	10.08	6.53
Rental Income	1.43	13.65
Miscellaneous Income	17.22	-
	273.31	**443.78**

NOTE: 26 FINANCE COST

₹ in Lakh

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Interest on Financial Liabilities carried at amortised cost		
Debt securities	3,497.50	1,134.21
Borrowing other than Debt securities	27.34	-
Finance Cost - Lease Liability	23.35	9.23
	3,548.19	**1,143.44**

NOTE: 27 IMPAIRMENT ON FINANCIAL INSTRUMENTS

₹ in Lakh

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
On Trade Receivables	0.18	-
On Loans	4.97	3.86
On Other Financial Assets held at Amortised Cost	0.58	0.36
	5.73	**4.22**

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

NOTE: 28 EMPLOYEE BENEFITS EXPENSES

₹ in Lakh

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Salaries and Wages	705.33	700.47
Contribution to Provident Fund (Refer Note no 34)	20.02	17.62
Contribution to Gratuity Fund (Refer Note no 34)	7.38	5.51
Staff Welfare Expenses	7.74	11.36
	740.47	**734.96**

NOTE: 29 DEPRECIATION AND AMORTISATION EXPENSES

₹ in Lakh

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Depreciation of Property, plant and equipment	42.75	38.10
Amortisation on Lease Assets	80.22	79.40
	122.97	**117.50**

NOTE: 30 OTHER EXPENSES

₹ in Lakh

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Rent	0.21	0.13
Repairs & Maintenance - Others	21.45	21.38
Insurance	0.32	0.11
Rates & Taxes	2.13	0.03
Legal & Professional Expenses (Refer Note 30.1)	27.11	36.28
Travelling & Conveyance	2.73	7.22
Printing and Stationery	0.63	1.34
Communication Expenses	0.15	0.47
Electricity Charges	1.80	2.97
Information Technology Expenses	17.95	7.02
Director Sitting Fees	1.40	1.50
Recruitment Charges	3.93	1.71
Miscellaneous Expenses	9.09	8.04
Total	**88.90**	**88.17**

NOTE: 30.1 INCLUDES AUDITORS REMUNERATION

₹ in Lakh

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Audit Fees	5.35	4.50
Tax Audit Fees	1.10	-
Other Certification Fees	0.50	0.50
Reimbursement of Expense	0.03	0.16
	6.98	**5.16**

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

NOTE: 31 DISCLOSURE AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 33 EARNINGS PER SHARE

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Earnings per Share (EPS) is calculated as under:		
Weighted-average Number of Equity Shares for calculation of Basic EPS	1,000	1,000
Weighted-average number of Equity Shares for calculation of Diluted EPS	1,016.00	1,011.01
Nominal Value of Shares (₹)	10.00	10.00
PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT:		
Continuing Operations	2,399.70	657.30
Basic EPS (₹)	2.40	0.66
Diluted EPS (₹)	2.36	0.65

Dilutive shares for computation of Earnings per share pertain to 16,00,000(Previous year: 11,00,000) 0.01% compulsorily convertible preference shares.

NOTE: 32 DISCLOSURE IN RESPECT OF RELATED PARTY PURSUANT TO INDIAN ACCOUNTING STANDARD (IND AS) 24: (AS IDENTIFIED BY MANAGEMENT AND RELIED UPON BY AUDITOR)

a. List of Related Parties:

A Holding Company

Aditya Birla Capital Limited (ABCL) (Formerly known as Aditya Birla Financial Services Limited)

B Directors and Key Management Personnel

Ajay Srinivasan- Director
Tushar Shah- Director
Pinky Mehta - Director (wef 15th May 2020)
Sharadkumar Bhatia - Director (wef 30th December 2020)
Sanjay Jain - Chief Executive Officer
Sandeep Somani - Chief Financial Officer (wef 1st September 2020)
Vijayalakshmi Iyer- Independent Director (upto 5th May 2020)
Sethurathnam Ravi - Independent Director (wef 20th January 2021)

C Fellow Subsidiary

Aditya Birla Finance Limited
Aditya Birla Money Limited
Aditya Birla Sunlife Insurance Company Limited
Aditya Birla Health Insurance Company Limited
Aditya Birla Stressed Asset AMC Private Limited
Aditya Birla Financial Shared Services Limited
Aditya Birla PE Advisors Private Limited
Aditya Birla Sun Life AMC Limited
Aditya Birla Wellness Private Limited
Grasim Industries Limited -Employee Gratuity Trust Fund

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

NOTE: 32 DISCLOSURE IN RESPECT OF RELATED PARTY PURSUANT TO INDIAN ACCOUNTING STANDARD (IND AS) 24: (AS IDENTIFIED BY MANAGEMENT AND RELIED UPON BY AUDITOR) (contd.)

b. Related Parties with whom the Group has entered into transactions during the year

₹ in Lakh

Sr. No.	Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
A	**HOLDING COMPANY**		
1	**Transactions during the year ***		
	Aditya Birla Capital Limited (Issue of Compulsorily Convertible Preference Shares)	-	500.00
	Aditya Birla Capital Limited (ICD taken)	3,600.00	-
	Aditya Birla Capital Limited (ICD redeemed)	3,600.00	-
	Aditya Birla Capital Limited (ICD interest)	25.38	-
	Aditya Birla Capital Limited (Other Expense paid)	-	0.01
2	**Balance Outstanding**		
	Aditya Birla Capital Limited (Equity Shares)	10,000.00	10,000.00
	Aditya Birla Capital Limited (CCPS)	500.00	500.00
	Aditya Birla Capital Limited (Other - Payables)	2.23	-
B	**FELLOW SUBSIDIARIES**		
1	**Transactions during the year***		
i	**Expenses Reimbursement**		
	Aditya Birla Finance Limited (Payroll Expense)	-	114.48
	Aditya Birla Stressed Asset AMC Private Limited (Payroll Expense)	134.62	31.28
	Aditya Birla Wellness Private Limited (Staff Welfare Expense)	0.02	-
ii	**Expense Recovery**		
	Aditya Birla Financial Shared Services (Recurring expense recovery)	0.22	0.27
	Aditya Birla Stressed Asset AMC Private Limited (Insurance expense)	1.27	-
	Aditya Birla Stressed Asset AMC Private Limited (Staff Welfare expense)	0.01	
	Aditya Birla Stressed Asset AMC Private Limited (Professional expense)	0.05	
	Aditya Birla Finance Limited (Payroll Expense)	19.67	-
	Aditya Birla Finance Limited (Received against reimbursement of expenses)	0.60	2.01
iii	**Expenses**		
	Aditya Birla Health Insurance Company Limited (Insurance expenses)	0.79	0.42
	Aditya Birla Money Limited (Custodian fees)	0.02	5.63
	Aditya Birla Sun Life Insurance Company Limited (Insurance expense)	0.84	1.04
iv	**Income**		
	Aditya Birla Finance Limited (Rental Income)	0.40	12.02
	Aditya Birla Financial Shared Services (Rental Income)	1.04	1.63
v	**Others**		
	Aditya Birla Money Limited (Received against employee transfer)	-	0.42
	Aditya Birla Finance Limited (Received against employee transfer)	-	9.36
	Aditya Birla Finance Limited (Purchase of Asset)	3.35	4.91
	Aditya Birla PE Advisors Pvt. Ltd. (Paid against asset transfer)	-	0.18
	Aditya Birla PE Advisors Pvt. Ltd. (Received against employee transfer)	-	2.24
	Aditya Birla Sun Life AMC Ltd. (Paid against Employee Transfer)	-	1.11
	Grasim Industries Limited -Employee Gratuity Trust Fund (Amount paid towards Gratuity)	12.52	4.03
vi	**Directors and Key Management Personnel**		
	Sanjay Jain (Remuneration)^	117.37	155.34
	Sandeep Somani (Remuneration)^	29.26	-
	Vijayalakshmi Iyer (Sitting Fees)	0.50	1.50
	Sharadkumar Bhatia (Sitting Fees)	0.90	-

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

NOTE: 32 DISCLOSURE IN RESPECT OF RELATED PARTY PURSUANT TO INDIAN ACCOUNTING STANDARD (IND AS) 24: (AS IDENTIFIED BY MANAGEMENT AND RELIED UPON BY AUDITOR) (contd.)

₹ in Lakh

Sr. No.	Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
vii	**Advance for Expenses**		
	Aditya Birla Health Insurance Company Limited (Advance Insurance Premium)	-	0.42
	Aditya Birla Sun Life Insurance Company Limited (Insurance premium deposit)	0.17	0.15
	Aditya Birla Health Insurance Company Limited (Insurance premium deposit)	0.13	0.13
2	**Balance Outstanding**		
i	**Receivable**		
	Aditya Birla Money Limited	-	0.42
	Aditya Birla Financial Shared Services Ltd	-	2.05
	Aditya Birla Finance Limited	19.92	0.63
	Grasim Industries Limited -Employee Gratuity Trust Fund (Amount paid towards Gratuity)	19.52	4.50
ii	**Payable**		
	Aditya Birla Wellness Private Limited	0.02	-
	Aditya Birla Stressed Asset AMC Private Limited	4.88	4.86

** All amounts are exclusive of GST*

^ Variable Pay & Retirement Benefits are not included

NOTE: 33

Maturity analysis of assets and liabilities

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

₹ in Lakh

Particulars	31 Mar 21			31 Mar 20		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	1,048.81	-	1,048.81	91.67	-	91.67
Bank Balance other than above	162.39	2,952.48	3,114.87	4,992.17	-	4,992.17
Trade receivables	45.63	-	45.63	-	-	-
Loans	376.84	3,159.04	3,535.88	12.81	-	12.81
Investments	11,826.92	27,805.62	39,632.54	13,630.74	31,162.27	44,793.01
Other financial assets	90.51	36.22	126.73	138.83	-	138.83
Non-financial Assets						
Current tax asset	-	631.70	631.70	-	380.80	380.80
Property, plant and equipment	-	21.02	21.02	-	58.40	58.40
Right to use of Assets	-	321.09	321.09	79.19	-	79.19
Other non financial assets	68.25	-	68.25	38.56	-	38.56
Total assets	**13,619.35**	**34,927.17**	**48,546.52**	**18,983.97**	**31,601.47**	**50,585.44**
LIABILITIES						
Financial Liabilities						
Trade payables						
total outstanding dues of creditors	62.00	-	62.00	27.78	-	27.78
other than micro enterprises and small enterprises	-	-	-	-	-	-

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

NOTE: 33 (contd.)

₹ in Lakh

Particulars	31 Mar 21 Within 12 months	31 Mar 21 After 12 months	31 Mar 21 Total	31 Mar 20 Within 12 months	31 Mar 20 After 12 months	31 Mar 20 Total
Debt Securities	6,632.12	21,591.07	28,223.19	8,728.23	27,477.05	36,205.28
Borrowings (Other than Debt Securities)	3,401.81	-	3,401.81			
Subordinate Liabilities	-	1,600.00	1,600.00	-	1,600.00	1,600.00
Lease Liabilities	86.35	246.46	332.81	81.35	-	81.35
Other Financial liabilities	330.56	-	330.56	233.29	92.00	325.29
Non-financial Liabilities						
Current tax liabilities (net)	10.08	-	10.08	10.08	-	10.08
Provisions	25.23	11.07	36.30	19.92	11.69	31.61
Deferred tax liabilities (net)	-	953.62	953.62	-	144.79	144.79
Other non-financial liabilities	983.83	-	983.83	1,948.69	-	1,948.69
Equity						
Equity Share Capital	-	10,000.00	10,000.00	-	10,000.00	10,000.00
Other Equity	-	2,612.32	2,612.32	-	210.58	210.58
Total Liabilities	**11,531.98**	**37,014.54**	**48,546.52**	**11,049.35**	**39,536.11**	**50,585.45**
Net			-			-

NOTE: 34 EMPLOYEE BENEFIT DISCLOSURES

Defined Contribution Plan

The amounts charged to the Statement of Profit and Loss during the year for Provident fund contribution aggregates to ₹20.02 lakh (Previous year – ₹17.62 lakh).

Defined Benefit Plan

General Description of the plan:
The Company operates gratuity plan through a trust wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service. In case of some employees, the Company's scheme is more favorable as compared to the obligation under Payment of Gratuity Act, 1972.

Nature of Benefits:
The Company operates a defined benefit final salary gratuity plan which is open to new entrants. The gratuity benefits payable to the employees are based on the employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the Company.

Inherent Risks:
The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Company that any adverse salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the balance sheet for the gratuity plan of the Company.

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

NOTE: 34 EMPLOYEE BENEFIT DISCLOSURES (contd.)

Amounts recognised in the Balance sheet in respect of Gratuity

₹ in Lakh

Particulars	31 Mar 21	31 Mar 20
Opening Defined Benefit Obligations	17.01	2.25
Current Service Cost	6.68	5.35
Interest Cost	0.95	0.16
Acturial changes arising from changes in demographic assumptions	-	(0.01)
Acturial changes arising from changes in financial assumptions	(0.07)	1.38
Acturial changes arising from changes in experience assumptions	(0.39)	0.65
Add: Benefits paid including transfer in/out	(2.20)	7.23
Present value of defined benefit obligation	21.98	17.01

Changes in Fair Value of Plan Assets

₹ in Lakh

Particulars	31 Mar 21	31 Mar 20
Opening Fair Value of the Plan Assets	4.50	-
Interest Income on the Plan Assets	0.24	-
Employers Contribution	12.52	4.03
Return on Plan Assets	2.26	0.47
Closing Fair Value of the Plan Assets	19.52	4.50

Amounts recognised in Employee Benefits Expenses in the Statement of Profit and Loss in respect of Gratuity

₹ in Lakh

Particulars	31 Mar 21	31 Mar 20
In Statement of Profit and Loss	7.38	5.51
Interest on net defined benefit liability/(assets)	(2.72)	1.56
Total Expenses Recognised for the period	**4.66**	**7.06**

Other Comprehensive Income:

₹ in Lakh

Particulars	31 Mar 21	31 Mar 20
Actuarial (gains)/ losses		
Actual Return on Plan Assets excluding amount recognised in net interest expense	(2.26)	(0.47)
Actuarial changes arises from change		
- Demographic Assumptions	-	(0.01)
- Financial Assumptions	(0.07)	1.39
- Experience Variance	(0.39)	0.65
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
Components of defined benefit costs recognised in OCI	(2.72)	1.56

b) Maturity Profile of Defined Benefit Obligation

₹ in Lakh

Weighted average duration (based on discounted cashflows)	6 years
Expected cash flows over the next (valued on undiscounted basis):	
1 years	1.57
2 to 5 years	11.28
6 to 10 years	12.84
More than 10 years	7.41

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

NOTE: 34 EMPLOYEE BENEFIT DISCLOSURES (contd.)

c) Expected Contribution during the next annual reporting period

₹ in Lakh

The company's best estimate of contribution during the next year	11.58

d) Funding Arrangements and Funding Policy

The Scheme is on funded basis.

e) Principal Actuarial Financial Assumptions

Particulars	31 Mar 21	31 Mar 20
Discount Rate (per anumn)	5.65%	5.60%
Salary Growth Rate (per anumn)	10%	10%
Decrement adjusted remaining working life (yrs)	4.04	4.40

The discount rate indicated above reflects the estimated timing and currency of benefit payments.It is based on the yields / rates available on applicable bonds as on the current valuation date.

The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, senority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

f) Demographic Assumptions

Particulars	31 Mar 21	31 Mar 20
Mortality Rate	100% of IALM 2012-24	100% of IALM 2012-24
Normal retirement age	60 yrs	60 yrs
Attrition/Withdrawal rate (per anumn)	20%	20%

Attrition rate indicated above represents the Company's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.

g) Major Categories of Plan Assets (as a percentage of Total Plan Assets)

Particulars	31 Mar 21	31 Mar 20
Government of India Securities	6.03%	4.36%
State Govt. Securities	6.22%	0.68%
High Quality Corporate Bonds	0.96%	0.28%
Fund Managed by Insurers	40.21%	39.63%
Other Investments	46.58%	55.05%
Total	**100.00%**	**100.00%**

Sensitivity Analysis

₹ in Lakh

Particulars	31 Mar 21		31 Mar 20	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 0.5%)	22.71	21.30	17.58	16.48
(% change compared to base due to sensitivity)	3.30%	-3.10%	3.30%	-3.20%
Salary Growth (-/+ 0.5%)	21.32	22.67	16.49	17.55
(% change compared to base due to sensitivity)	-3.00%	3.10%	-3.10%	3.20%
Attrition Rate (-/+ 50%)	33.67	16.51	25.78	13.49
(% change compared to base due to sensitivity)	53.20%	-24.90%	51.50%	-20.70%
Mortality Rate (-/+ 10%)	21.96	22.01	17.00	17.03
(% change compared to base due to sensitivity)	-0.10%	0.10%	-0.10%	0.10%

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

NOTE: 34 EMPLOYEE BENEFIT DISCLOSURES (contd.)

Sensitivity Analysis Method

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

NOTE: 35 TAXATION APPROACH

Pursuant to the Taxation Laws (Amendment) Act, 2019, a new Section 115BAA is inserted in the Income-tax Act, 1961 which provides an option to the domestic companies to pay income tax at lower rate, subject to the giving up of certain incentives and deductions. The Company has availed the option to pay income tax at the lower rate and accordingly have applied the lower income tax rate.

NOTE: 36 INCOME TAX DISCLOSURE

Current tax for the year of ₹NIL/- (Previous year ₹NIL).

The major components of income tax expense for the years ended

Statement of profit and loss:

₹ in Lakh

Profit or loss Section	31 Mar 21	31 Mar 20
Current tax	-	-
Deferred tax	808.15	144.79
Income tax expense reported in the statement of profit or loss	**808.15**	**144.79**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for years ended

₹ in Lakh

	31 Mar 21	31 Mar 20
A) Income before income tax	3,207.85	802.09
B) Enacted tax rate in India	25.17%	25.17%
C) Expected Tax Expense (A*B)	807.42	201.89
D) Other Adjustments*	0.73	(57.10)
Income tax expense reported in the statement of profit and loss	808.15	144.79

** Since the Company is creating defer tax liability (net) for the first time in the previous year, it includes impact of opening deferred tax items*

Note: Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised (capital in nature) amounts to ₹166.76 lakh relating to FY2018-19.

Deferred tax:

Deferred tax relates to the following:

₹ in Lakh

Balance Sheet	31 Mar 21	31 Mar 20
Deferred tax Liabilities		
Marked to Market Value of Investment	1,330.21	374.53
Subtotal A	**1,330.21**	**374.53**
Deferred tax Assets		
Leave Encashment	(3.60)	(3.67)
Difference in WDV between Companies Act and Income Tax Act	(15.02)	(9.87)
Temporary differences due to Lease accounting as per Ind AS 116	(9.14)	-
Impact of IND AS 116 on Reserve	(1.46)	(1.46)
Employee LTIP provision	(30.34)	(23.16)
Unfunded Gratuity	(0.62)	(3.15)
1/5th of preliminary expenses u/s 35D	(6.68)	(13.37)

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

NOTE: 36 INCOME TAX DISCLOSURE (contd.)

₹ in Lakh

Balance Sheet	31 Mar 21	31 Mar 20
ECL provisions	(0.60)	(0.08)
Carry forwarded losses	(309.13)	(174.98)
Subtotal B	**(376.59)**	**(229.74)**
Net deferred tax (assets)/liabilities	**953.62**	**144.79**

₹ in Lakh

Reflected in the balance sheet as follows:	31 Mar 21	31 Mar 20
Deferred tax assets	(376.59)	(229.74)
Deferred tax liabilities	1,330.21	374.53
Deferred tax (assets)/liabilities (net)	**953.62**	**144.79**

₹ in Lakh

Reconciliation of deferred tax (assets)/ liabilities (net)	31 Mar 21	31 Mar 20
Opening balance as of 1st April	**144.79**	**-**
Tax (income)/expense during the period recognised in profit and loss	808.15	144.79
Tax (income)/expense during the period recognised in OCI	0.68	-
Closing balance as at 31st March	**953.62**	**144.79**

NOTE: 37 LEASES

Effective 1st April 2019, the Group adopted IND AS 116 "Leases" and applied the standard to all lease contracts existing on 1st April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee's incremental borrowing rate at the date of initial application.

Following are the changes in the carrying value of right of use assets for the year ended 31st March 2021:

₹ in Lakh

Particulars	Category of ROU Asset Leasehold premises	
	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Balance as at 1st April 2020	79.19	150.78
Additions	-	7.81
Modification to lease terms	302.04	-
Deletions	-	-
Depreciation	(80.22)	(79.40)
Other adjustment	20.08	-
Balance as at 31st March 2021	**321.09**	**79.19**

Amounts recognised in profit and loss

₹ in Lakh

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Depreciation expense on right-of-use assets	80.22	79.40
Interest expense on lease liabilities	23.35	9.23

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

NOTE: 37 LEASES (contd.)

The following is the break-up of current and non-current lease liabilities as at 31st March 2021

₹ in Lakh

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Current Lease Liabilities	86.35	81.35
Non-Current Lease Liabilities	246.46	-
Total	**332.81**	**81.35**

The following is the movement in lease liabilities during the year ended 31st March 2020:

₹ in Lakh

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Balance as at 1st April	**81.35**	**-**
Additions	-	156.59
Modification to lease terms	302.04	-
Finance Cost accrued during the period	23.35	9.23
Deletions	-	-
Variable lease payment adjustments	(6.67)	-
Payment of Lease Liabilities	(67.26)	(84.47)
Balance as at 31st March	**332.81**	**81.35**

The table below provides details regarding the contractual maturities of lease liabilities as at 31st March 2021 on an undiscounted basis:

₹ in Lakh

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Less than one year	89.31	84.47
One to Five years	93.66	-
More than Five years	-	-
Total	**182.97**	**84.47**

The group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

NOTE: 38 FAIR VALUE

The following table provides the comparission of carrying value and fair value of the Company's Financial Assets and Liabilities as at 31st March 2021 & 31st March 2020.

As at 31st March 2020

₹ in Lakh

Financial Assets	Carrying Value	Fair Value
Loans	12.81	12.81
Investments Unquoted(FVTPL)	44,793.01	44,793.01
Others financial Asset	138.83	138.83
Total	**44,944.65**	**44,944.65**

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

NOTE: 38 FAIR VALUE (contd.)

₹ in Lakh

Financial Liabilities	Carrying Value	Fair Value
Compulsorily Convertible Preference Shares	1,600.00	1,600.00
Debt Securities	36,205.27	36,205.27
Trade payables	27.78	27.78
Lease liabilities	81.35	81.35
Others financial liabilities	325.29	325.29
Total	**38,239.69**	**38,239.69**

As at 31st March 2021

₹ in Lakh

Financial Assets	Carrying Value	Fair Value
Trade Reeceivables	45.63	45.63
Loans	3,535.88	3,535.88
Investments Unquoted(FVTPL)	39,632.54	39,632.54
Others financial Asset	126.73	126.73
Total	**43,340.78**	**43,340.78**

₹ in Lakh

Financial Liabilities	Carrying Value	Fair Value
Trade payables	62.00	62.00
Debt Securities	28,223.19	28,223.19
Borrowings (Other than Debt Securities)	3,401.81	3,401.81
Compulsorily Convertible Preference Shares	1,600.00	1,600.00
Lease liabilities	332.81	332.81
Others financial liabilities	330.56	330.56
Total	**33,950.37**	**33,950.37**

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

NOTE: 39 FAIR VALUE HIERARCHY

Following table provides the fair value measurement hierarchy of the Company's assets and liabilities as on 31st March 2021 & 31st March 2020

As at 31st March 2020

₹ in Lakh

Financial Assets	Date of Valuation	Total	Level 1	Level 2	Level 3
Investments Unquoted (FVTPL)	31-03-2020	44,793.01			44,793.01

Financial Assets & Financial Liabilities not measured at fair value, including their levels in the fair value heirarchy are presented below.

₹ in Lakh

Particulars	Date of Valuation	Total	Level 1	Level 2	Level 3
FINANCIAL ASSETS					
Loans	31-03-2020	12.81			12.81
Others financial Asset	31-03-2020	138.83			138.83
FINANCIAL LIABILITIES					
Compulsorily Convertible Preference Shares	31-03-2020	1,600.00			1,600.00
Debt Securities	31-03-2020	36,205.27			36,205.27
Trade payables	31-03-2020	27.78			27.78
Lease liabilities	31-03-2020	81.35			81.35
Others financial liabilities	31-03-2020	325.29			325.29

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

NOTE: 39 FAIR VALUE HIERARCHY (contd.)

As at 31st March 2021

₹ in Lakh

Financial Assets	Date of Valuation	Total	Level 1	Level 2	Level 3
Investments Unquoted (FVTPL)	31-03-2021	39,632.54			39,632.54

Financial Assets & Financial Liabilities not measured at fair value, including their levels in the fair value heirarchy are presented below.

₹ in Lakh

Particulars	Date of Valuation	Total	Level 1	Level 2	Level 3
FINANCIAL ASSETS					
Trade Reeceivables	31-03-2021	45.63			45.63
Loans	31-03-2021	3,535.88			3,535.88
Others financial Asset	31-03-2021	126.73			126.73
FINANCIAL LIABILITIES					
Trade payables	31-03-2021	62.00			62.00
Debt Securities	31-03-2021	28,223.19			28,223.19
Borrowings (Other than Debt Securities)	31-03-2021	3,401.81			3,401.81
Compulsorily Convertible Preference Shares	31-03-2021	1,600.00			1,600.00
Lease liabilities	31-03-2021	332.81			332.81
Others financial liabilities	31-03-2021	330.56			330.56

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

Level-2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level-3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. This means that fair values are determined in whole or in part part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. However, the fair value measurement objective remains the same, that is, to estimate an exit price.

There have been no transfers between levels during the year ended 31st March 2021 and year ended 31st March 2020.

Movement in Level 3 Financial Instruments measured at fair Value

₹ in Lakh

Financial Assets	Investments Unquoted (in SRs)	
Particulars	As at 31 Mar 21	As at 31 Mar 20
As at beginning of the year	44,793.01	-
Investments	8,332.51	46,608.63
Redemptions/write offs	(17,293.71)	(3,307.33)
Gains for the year (recognised) in profit or loss	3,800.71	1,491.71
At at end of the year	**39,632.52**	**44,793.01**
Unrealised gains related to balances held at the end of the year	3,800.71	1,491.71

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

NOTE: 39 FAIR VALUE HIERARCHY (contd.)

Unobservable inputs used in measuring fair value categorised within Level 3

₹ in Lakh

Type of Financial Instruments	Fair Value of Asset as on 31 Mar 20	Valuation Techniques	Significant Unobservable Input
Investments Unquoted (FVTPL)	44,793.01	Discounted Projected Cash Flow	Expected Gross Recoveries* & Discount Rates

₹ in Lakh

Type of Financial Instruments	Fair Value of Asset as on 31 Mar 21	Valuation Techniques	Significant Unobservable Input
Investments Unquoted (FVTPL)	39,632.54	Discounted Projected Cash Flow	Expected Gross Recoveries* & Discount Rates

** Expected Gross Recoveries are pertaining to the overall assets under management of the Company. The cash attributable to the Company's share in expected gross recoveries will be dependant on the Company's investment share and terms of the SR subscribed.*

Qualitative analysis of significant unobservable inputs

Discount margin/spreads

Discount margin/spreads represent the discount rates used when calculating the present value of future cash flows. In discounted cash flow models such spread are added to the benchmark rate when discounting the future expected cash flows. Hence these spreads are reduce the net present value of an asset or increase the value of liability. They generally reflect the premium an investor expects to achieve over the benchmark interest rate to compensate for the higher risk driven by the uncertainty of the cash flows caused by the credit quaity of the asset. They can be implied from the underlying deal documents and are usually unobservable for illiquid or complex instruments.

Cash Flow

Expected Cash flow levels including timing of cash flows are estimated by using quantitative and qualitative measures regarding the characteristics of the underlying assets including default rates, manner of resolution and other economic drivers. The manner of resolution is determined based on financial position and negotiaitions with counterparty.

NOTE: 40 RISK MANAGEMENT FRAMEWORK

a. Governance framework

The primary objective of the Company's risk and financial management framework is to protect the Company's shareholders from events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities. Key management recognises the critical importance of having efficient and effective risk management systems in place.

b. Approach to capital management

The Company seeks to optimise the structure and sources of capital to ensure that it consistently maximises returns to the shareholders.

The primary source of capital used by the Company is equity including CCPS, Debt Securities.

Available capital resources at 31st March 2021

₹in Lakh

Particulars	31 Mar 21	31 Mar 20
Compulsorily Convertible Preferences shares	1,600.00	1,600.00
Debt Securities	28,223.19	36,205.27
Borrowings (Other than Debt Securities)	3,401.81	-
Total Equity	10,000.00	10,000.00
Total Capital	**43,225.00**	**47,805.27**

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

NOTE: 40 RISK MANAGEMENT FRAMEWORK (contd.)

c. Regulatory framework

Regulators are primarily interested in protecting the rights of policyholders and monitor them closely to ensure that the Company is satisfactorily managing affairs for their benefit. At the same time, regulators are also interested in ensuring that the Company maintains an appropriate solvency position to meet unforeseeable liabilities arising from economic shocks or natural disasters. The operations of the Company are subject to regulatory requirements within the jurisdictions in which it operates.

Financial risks

1. Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, preference shares. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company manages its liquidity risk through temporary funding from its holding Company and availing bank overdraft as and when require.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

₹ in Lakh

Year ended 31st March 2020	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Compulsorily Convertible Preference Shares	-	-	-	-	1,600.00	1,600.00
Debt Securities*	-	-	8,728.22	27,477.05	-	36,205.27
Other financial liabilities	-	2.29	231.00	92.00	-	325.29
Lease Liabilities	-	21.10	60.25	-	-	81.35
Trade and other payables	-	-	27.78	-	-	27.78
	-	**23.39**	**9,047.25**	**27,569.05**	**1,600.00**	**38,239.69**

₹ in Lakh

Year ended 31st March 2021	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Trade and other payables	-	42.87	19.13	-	-	62.00
Compulsorily Convertible Preference Shares	-	-	-	-	1,600.00	1,600.00
Debt Securities*	-	1,746.17	4,885.95	21,591.07	-	28,223.19
Borrowings (Other than Debt Securities)	-	3,401.81	-	-	-	3,401.81
Lease Liabilities	-	16.77	69.58	246.46		332.81
Other financial liabilities	-	4.02	326.54	-	-	330.56
	-	**5,211.64**	**5,301.20**	**21,837.53**	**1,600.00**	**33,950.37**

** Term of Debt Securities is 8 years, repayment is dependent on distribution from Security Recipts which may stretch more than 5 years*

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

NOTE: 40 RISK MANAGEMENT FRAMEWORK (contd.)

The table below summarises the maturity profile of the Company's financial Assets based on contractual undiscounted payments.

₹ in Lakh

Year ended 31st March 2020	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Cash & Cash Equivalents	91.67	-	-	-	-	91.67
Fixed Deposit Accounts	-	294.58	4,697.59	-	-	4,992.17
Loans	-	-	12.81	-	-	12.81
Security Deposits	-	-	45.52	-	-	45.52
Investments	-	-	13,630.74	31,162.27	-	44,793.01
Other Financial Assets	-	-	93.31	-	-	93.31
	91.67	**294.58**	**18,479.97**	**31,162.27**	**-**	**50,028.49**

₹ in Lakh

Year ended 31st March 2021	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Cash & Cash Equivalents	1,048.81	-	-	-	-	1,048.81
Fixed Deposit Accounts	-	52.38	110.01	2,952.48	-	3,114.87
Trade Receivables	-	45.63	-	-	-	45.63
Loans	-	88.83	288.01	3,159.04	-	3,535.88
Investments	-	2,792.56	9,034.36	27,805.62	-	39,632.54
Other Financial Assets	-	22.95	67.56	36.22	-	126.73
	1,048.81	**3,002.35**	**9,499.94**	**33,953.36**	**-**	**47,504.46**

2. Operational risks

Operational risk is the risk of loss arising from system failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications or can lead to financial loss. The Company cannot expect to eliminate all operational risks, but by initiating a rigorous control framework and by monitoring and responding to potential risks, the Company is able to manage the risks. Controls include effective segregation of duties, access controls, authorisation and reconciliation procedures, staff education and assessment processes, including the use of internal audit. Business risks such as changes in environment, technology and the industry are monitored through the Company's strategic planning and budgeting process. Internal control deficiency are reviewed by management and audit committee on periodic basis.

3. Credit risks

Credit risk arises when a customer or counterparty does not meet its obligations under a customer contract or financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables and from its financing/ investing activities, including deposits with banks, investments in security Receipts. The carrying amount of following financial assets represent the maximum credit risk exposure:

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Trade Receivables	45.63	-
Loans	3,535.88	12.81
Investments Unquoted (FVTPL)	39,632.54	44,793.01
Others financial Asset	126.73	138.83
Total	**43,340.78**	**44,944.65**

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

NOTE: 41 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

₹ in Lakh

Particulars	01 April 19	Cash flows	Interest	31 Mar 20
Debt Securities	-	35,071.06	1,134.21	36,205.27
Subordinate Liabilities	1,100.00	500.00	-	1,600.00

₹ in Lakh

Particulars	01 April 20	Cash flows	Interest	31 Mar 21
Debt Securities	36,205.27	(11,479.58)	3,497.50	28,223.19
Borrowings (Other than Debt Securities)	-	3,374.47	27.34	3,401.81
Subordinate Liabilities	1,600.00	-	-	1,600.00

NOTE: 42 CREDIT QUALITY OF ASSETS FOR LOANS

Credit Quality of Assets

Following table that sets out the information about the Credit Quality of Financial Assets measured at amortised cost

₹ in Lakh

Particulars	As on 31 Mar 21	As on 31 Mar 20
Loans measured at amortised cost	Purchased or Originated as Credit impaired (POCI)	Purchased or Originated as Credit impaired (POCI)
Individually impaired	3,412.38	16.67
Total	**3,412.38**	**16.67**

Gross carrying amount reconciliation

₹ in Lakh

Particulars	As on 31 Mar 21	As on 31 Mar 20
Loans measured at amortised cost	Purchased or Originated as Credit impaired (POCI)	Purchased or Originated as Credit impaired (POCI)
Gross carrying amount opening balance	12.81	15.76
New Assets purchased	3,398.04	-
Interest income during the year	1.53	1.06
Less: Recovery	-	0.15
Less: ECL provision	4.97	3.86
Gross Carrying amount closing balance	**3,407.41**	**12.81**

Reconciliation of ECL Balances

₹ in Lakh

Particulars	As on 31 Mar 21	As on 31 Mar 20
Loans measured at amortised cost	Purchased or Originated as Credit impaired (POCI)	Purchased or Originated as Credit impaired (POCI)
ECL allowance opening balance	3.86	-
ECL provision for the year	4.97	3.86
ECL allowance closing balance	8.83	3.86

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

NOTE: 42 CREDIT QUALITY OF ASSETS FOR LOANS (contd.)

Collateral Held and concentration of Credit Risk

Collateral Held

The Company holds collateral and other credit enhancements against certain of its credit exposures. The following table set out the collateral held

Instrument Type	Percentage of exposure		Principal type of collateral held
	As on 31 Mar 21	As on 31 Mar 20	
Loan to Borrower	100%	100%	Movable and Immovable properties

Quantitative information of collateral -

Loan to Value (LTV) range - 75% to 100%

NOTE: 43 INVOLVEMENT WITH UNCONSOLIDATED STRUCTURED ENTITIES

The Company has concluded that the Assets Reconstruction trust in which it invests, but that it does not consolidate meet the definition of structured entities because –

- The voting rights in the Company are not dominant rights in deciding who controls them because the right relate to administrative tasks only.
- Each Trust activities are restricted by trust deed.
- Insufficient equity to permit the structured entity to finance its activities without substantial financial support, and
- The trust have well defined objective to provide recovery activities to investors.

The following table describes the type of structured entities that the Company does not consolidate but in which it holds an interest-

Type of Structures Entity	Nature and Purpose	Interest Held by the Company	As of 31 Mar 21	
		Investment in Security Receipts	SRs issued by Trust	SRs subscribed by Company
Asset Reconstruction Trust	To acquire stressed assets for the purpose of carrying on the activity of securitization and assets reconstruction	Acting as trustee to the Trusts	3,32,94,072	49,94,111

The following table sets out an analysis of the carrying amount of interest held by Company in unconsolidated structure entities. The maximum exposure to loss in carrying amount of the asset held –

₹ in Lakh

Carrying Amount	As at 31 Mar 21	As at 31 Mar 20
Investment in SR	39,632.54	44,793.01
Advance to Trusts	128.70	-
Reimbursement from Trusts	65.54	68.69
Fees Receivable	45.81	-

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

NOTE: 44 COVID-19

COVID–19 virus continues to spread across the globe including India, resulting in significant volatility in financial markets and a significant decrease in global and India's economic activities. On 11th March 2020, this outbreak was declared a global pandemic by the World Health Organisation. On 24th March 2020, the Indian Government announced a 21 – days lockdown which was further extended in phases up to 31st May 2020 across the nation to contain the spread of the virus. Though the restrictions were eased post the lockdown, the situation has again deteriorated in the recent past. The state governments have started placing restrictions in various parts.

In preparing the accompanying financial statements, the Company management has been required to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, equity, income and expenses. These estimates and associated assumptions, especially for determining the fair value of the Company security receipts investments, are based on historical experience and various other factors including the possible effects that may result from the pandemic, that are believed to be reasonable under the current circumstances. The Company has used internal and external sources of information including credit reports, economic forecasts and consensus estimates from market sources on the expected future performance of the underlying companies in developing the estimates and assumptions to assess, without undue cost and efforts, the fair value of the investments as at 31st March 2021.

Given the dynamic nature of the pandemic situation, in the event the impacts are more severe or prolonged than anticipated, this may have a corresponding impact on the carrying value of the security receipts investments, the financial position and performance of the Company.

NOTE: 45 CODE ON SOCIAL SECURITY

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

NOTE: 46 CONTINGENT LIABILITY

The Company has reviewed its pending litigations and proceedings, and on the basis of the same it has been concluded that there is no contingent liability as at 31st March 2021 and 31st March 2020.

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

NOTE: 47 CAPITAL COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Nil (Previous Year: Nil)

NOTE: 48 LONG TERM CONTRACT

The Company doesn't have long term contract including Derivative contract as at 31st March 2021 and 31st March 2020.

NOTE: 49 EVENTS AFTER THE REPORTING DATE

There have been no events after the reporting date that require disclosure in these financial statements.

Notes

forming part of Consolidated Financial Statement for the year ended 31st March 2021

NOTE: 50 SEGMENT INFORMATION

The Directors of the Company have been identified as the chief operating decision maker (CODM) as defined by Indian Accounting Standard 108 "Operating Segments". The CODM evaluates the Company's performance, allocates resources based on analysis of the various performance indicators of the Company as a single unit.

The principal business of the Company is of "acquistion and managing Securitisation Trust". All other activities of the Company revolve around its principal business. Therefore, directors have concluded that there is only one operating reportable segment as per Indian Accounting Standard 108 "Operating Segments".

NOTE: 51 PRIOR YEAR COMPARATIVES

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

In terms of the Company's report of even date attached

For S.R. Batliboi & Co. LLP
ICAI Firm Registration No.:- 301003E/E300005
Chartered Accountants

per Shrawan Jalan
Partner
Membership No. 102102

Mumbai, 21st April 2021

For and on behalf of the Board of Directors
Aditya Birla ARC Limited

Tushar Shah
Director
DIN-00239762

Pinky Mehta
Director
DIN-00020429

Sandeep Somani
Chief Financial Officer

Sanjay Jain
Chief Executive Officer

Rajesh Gandhi
Company Secretary

Mumbai, 21st April 2021

Aditya Birla Stressed Asset
AMC Private Limited

ADITYA BIRLA
CAPITAL

Independent Auditor's Report

To the members of
Aditya Birla Stressed Asset AMC Private Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of Aditya Birla Stressed Asset AMC Private Limited ("the Company"), which comprise the Balance sheet as at 31st March 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for opinion

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

Emphasis of matter

We draw attention to Note 42 to the financial statements, which describes the increased uncertainty of estimates relating to the Company's investment valuation due to the continued outbreak of COVID 19 virus.

Our opinion is not modified in respect of this matter.

Other information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board 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 such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of management 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, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report 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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
   (e) On the basis of the written representations received from the directors as on 31st March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
   (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
   (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended 31st March 2021;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Shrawan Jalan
Partner
Membership Number: 102102
UDIN: 21102102AAAAFZ5364

Date: 22nd April 2021
Place: Mumbai

Annexure 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Aditya Birla Stressed Asset AMC Private Limited

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

(ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Act are applicable and hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, goods and service tax, cess and other statutory dues applicable to it. As informed, the provisions of employees' state insurance, sales-tax, duty of custom, duty of excise and value added taxes are not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. As informed, the provisions of employees' state insurance, sales-tax, duty of custom, duty of excise and value added taxes are not applicable to the Company.

(c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, goods and service tax and cess which have not been deposited on account of any dispute. As informed, the provisions of employees' state insurance, sales-tax, duty of custom, duty of excise and value added taxes are not applicable to the Company.

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution or dues to debenture holders.

The Company did not have any loans or borrowing in respect of a bank or to government during the year.

(ix) The Company has not raised any money way of initial public offer / further public offer and term loans and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.

(xii) In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of sec 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Shrawan Jalan
Partner
Membership Number: 102102
UDIN: 21102102AAAAFZ5364

Date: 22nd April 2021
Place: Mumbai

Annexure 2 to the independent auditor's report of even date on financial statements of Aditya Birla Stressed Asset AMC Private Limited

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

We have audited the internal financial controls over financial reporting of Aditya Birla Stressed Asset AMC Private Limited ("the Company") as of 31st March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE FINANCIAL STATEMENTS

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

OPINION

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

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Shrawan Jalan
Partner
Membership Number: 102102
UDIN: 21102102AAAAFZ5364

Date: 22nd April 2021
Place: Mumbai

Balance Sheet

as at 31st March 2021

(₹ in Lakh)

Particulars	Note No.	As at 31 Mar 21	As at 31 Mar 20
I ASSETS			
(1) Financial Assets			
(a) Cash and Cash Equivalents	6	1,288.87	11.09
(b) Bank Balance other than (a) above	7	13.75	-
(c) Trade Receivables	8	26.87	41.33
(d) Investments			
- Other Investments	9	1,143.05	1,817.20
(e) Other Financial Assets	10	10.64	4.89
Sub-Total		**2,483.18**	**1,874.51**
(2) Non-Financial Assets			
(a) Current Tax Assets (Net)		20.32	12.54
(b) Property, Plant and Equipment	11	-	1.99
(c) Other Non-Financial assets	12	23.48	0.65
Sub-Total		**43.80**	**15.18**
Total assets		**2,526.98**	**1,889.69**
II LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial Liabilities			
(a) 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		4.09	2.81
(b) Borrowings (Other than Debt Securities)	13	450.00	-
(c) Other Financial Liabilities	14	13.51	19.23
Sub-Total		**467.60**	**22.04**
(2) Non Financial Liabilities			
(a) Provisions	15	26.73	25.09
(b) Deferred tax liabilities (net)	30	10.88	-
(c) Other Non Financial Liabilities	16	27.90	10.62
Sub-Total		**65.51**	**35.71**
(3) **Equity**			
(a) Equity Share capital	17	1,480.00	1,480.00
(b) Other Equity	18	513.87	351.94
Equity attributable to owners of the parents		**1,993.87**	**1,831.94**
Total equity		**1,993.87**	**1,831.94**
Total Equity and Liabilities		**2,526.98**	**1,889.69**
Significant Accounting Policies	5		

The accompanying Notes are an integral part of the Financial Statements.

In terms of the Company's report of even date attached

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

Chartered Accountants

ICAI Firm Registration No.:- 301003E/E300005

For and on behalf of the Board of Directors **Aditya Birla Stressed Asset AMC Private Limited**

per **Shrawan Jalan**
Partner
Membership No. 102102
Date: 22nd April 2021
Place: Mumbai

Tushar Shah
Director
DIN: 00239762
Date: 22nd April 2021
Place: Mumbai

Anantha Dhananjaya
Director
DIN: 1744569

Statement of Profit and Loss

for the year ended 31st March 2021

(₹ in Lakh)

	Note No.	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Revenue from operations			
(a) Fee and Commission Income	19	175.66	361.49
(b) Net Gain on Fair Value Changes	20	37.99	11.80
(c) Investment Income	21	6.20	170.12
Total Revenue from Operations		**219.85**	**543.41**
Other Income	22	55.70	15.62
Total Income		**275.55**	**559.03**
Expenses			
(a) Finance Costs	23	0.53	-
(b) Employee benefits expense	24	51.43	43.54
(c) Depreciation	25	1.99	1.54
(d) Other expenses	26	8.01	25.12
Total Expenses		**61.96**	**70.20**
Profit Before Tax		213.59	488.84
Tax Expenses			
Current Tax		45.27	119.81
Deferred Tax		9.75	-
Total Tax Expenses		**55.02**	**119.81**
Profit for the year		**158.57**	**369.02**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss		4.49	(2.93)
Income tax relating to items that will not be reclassified to profit and loss		(1.13)	0.74
Other Comprehensive Income for the year, net of tax		**3.36**	**(2.19)**
Total Comprehensive Income for the year, net of tax		**161.93**	**366.83**
Earnings per equity share :			
Basic- (₹)	27	1.07	3.41
Diluted - (₹)		1.07	3.41
(Face Value of ₹10 each)			
Significant Accounting Policies	5		

The accompanying Notes are an integral part of the Financial Statements.

In terms of the Company's report of even date attached

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

Chartered Accountants

ICAI Firm Registration No.:- 301003E/E300005

For and on behalf of the Board of Directors **Aditya Birla Stressed Asset AMC Private Limited**

per **Shrawan Jalan**
Partner
Membership No. 102102
Date: 22nd April 2021
Place: Mumbai

Tushar Shah
Director
DIN: 00239762
Date: 22nd April 2021
Place: Mumbai

Anantha Dhananjaya
Director
DIN: 1744569

Cash Flow Statement

for the year ended 31st March 2021

(₹ in Lakh)

Note	Particulars	As at 31 Mar 21	As at 31 Mar 20
A	**Cash Flow From Operating Activities**		
	Profit before tax	213.59	488.83
	Adjustments for :		
	FV Change on Investment	(37.99)	(11.80)
	Investment Income	(6.20)	(170.12)
	Net gain / (loss) on financial instruments	(52.90)	(15.28)
	Share Issue Expenses	-	18.57
	Interest Income	(2.80)	(0.04)
	Finance Charges	0.53	-
	Depreciation	1.99	1.54
	Operating Profit Before Working Capital Changes	**116.22**	**311.70**
	Adjustments for:		
	Decrease/(Increase) in Trade Receivables	14.46	(41.33)
	Decrease/(Increase) in Other Non-Financial Assets	(22.83)	(0.06)
	Decrease/(Increase) in Other Financial Assets	(5.75)	(4.85)
	(Decrease)/Increase in Trade Payables	1.28	2.37
	(Decrease)/Increase in Provisions	6.13	22.15
	(Decrease)/Increase in other Financial Liabilities	(5.72)	19.23
	(Decrease)/Increase in other Non-Financial Liabilities	17.28	10.57
		4.85	**8.08**
	Cash Generated from Operations	121.07	319.78
	Income Taxes Paid	(53.06)	(131.56)
	Net Cash Flow From Operating Activities	**68.01**	**188.22**
B	**Cash Flow from Investing Activities**		
	Addition to Property, Plant and Equipment and Intangibles	-	(3.53)
	Purchase of Investments	(803.37)	(1,499.93)
	Purchase of Investments in Mutual Fud Units	(1,494.91)	(1,565.00)
	Proceeds from sale of Mutual Fund Investments	2,922.15	205.93
	Proceeds from sale of Investments	147.37	1,238.97
	Interest Received	2.05	0.34
	Bank Deposits Placed	(80.00)	(5.00)
	Bank Deposits matured	67.00	14.15
	Net Cash From / (Used In) Investing Activities	**760.29**	**(1,614.07)**
	Cash Flow From Financing Activities		
	Share of Proceeds from Issue of Equity Shares (Net of Share issue expenses)	-	1,455.00
	Proceeds from loan taken	450.00	-
	Finance charges	(0.53)	-
	Share Issue Expenses	-	(18.57)
	Net Cash From Financing Activities	**449.47**	**1,436.43**
	Net Increase In Cash And Equivalents	**1,277.77**	**10.58**
	Cash And Cash Equivalents (Opening Balance)	**11.09**	**0.51**
	Cash And Cash Equivalents (Closing Balance)	**1,288.87**	**11.09**

Notes:

1. The above Cash Flow Statement has been prepared under the "Indirect Method " as set out in Indian Accounting Standard (Ind AS) - 7 'Statement of Cash Flows' prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015, the Companies (Indian Accounting Standards) Amendment Rules, 2016 and the Companies (Indian Accounting Standards) Amendment Rules, 2017.
2. Cash and cash equivalents in the balance sheet comprises of Cash at bank.
3. The accompanying notes are an integral part of the financial statements.
4. Previous year figures have been regrouped/reclassifed wherever applicable.

In terms of the Company's report of even date attached

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.:- 301003E/E300005

per **Shrawan Jalan**
Partner
Membership No. 102102
Date: 22nd April 2021
Place: Mumbai

For and on behalf of the Board of Directors **Aditya Birla Stressed Asset AMC Private Limited**

Tushar Shah
Director
DIN: 00239762
Date: 22nd April 2021
Place: Mumbai

Anantha Dhananjaya
Director
DIN: 1744569

Statement of Changes in Equity

for the year ended 31st March 2021

(A) EQUITY SHARE CAPITAL

(₹ in Lakh)

Particulars	As at 31 Mar 21 No. of Shares	As at 31 Mar 21 Amount	As at 31 Mar 20 No. of Shares	As at 31 Mar 20 Amount
Equity shares of face value of ₹10/- each issued on subscribed and fully paid up				
Balance at the beginning of the year	14,800,000	1,480.00	250,000	25.00
Issue of Equity share capital during the year	-	-	1,45,50,000	1,455.00
Balance at the end of the year	**14,800,000**	**1,480.00**	**1,48,00,000**	**1,480.00**

(B) OTHER EQUITY

(₹ in Lakh)

Particulars	Reserve and Surplus	Total Other Equity
Balance as at 1st April 2019	(14.89)	(14.89)
Profit for the year ended 31st March 2020	369.02	369.02
Other Comprehensive loss for the year	(2.19)	(2.19)
Total Comprehensive income	366.83	366.83
Balance as at 31st March 2020	**351.94**	**351.94**
Balance as at 1st April 2020	351.94	351.94
Profit for the year ended 31st March 2021	158.57	158.57
Other Comprehensive Income for the year	3.36	3.36
Total Comprehensive income	**161.93**	**161.93**
Balance as at 31st March 2021	**513.87**	**513.87**

In terms of the Company's report of even date attached

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

Chartered Accountants

ICAI Firm Registration No.:- 301003E/E300005

For and on behalf of the Board of Directors **Aditya Birla Stressed Asset AMC Private Limited**

per **Shrawan Jalan**
Partner
Membership No. 102102
Date: 22nd April 2021
Place: Mumbai

Tushar Shah
Director
DIN: 00239762
Date: 22nd April 2021
Place: Mumbai

Anantha Dhananjaya
Director
DIN: 1744569

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

1. ABOUT THE COMPANY

Aditya Birla Stressed Asset AMC Private Limited (the Company) was incorporated as a private limited Company under the provisions of the Companies Act, 2013 on 22nd May 2018. The primary activity of the Company is raising or acquiring all types of investment funds and to as act as a fund manager, consultant, advisor, administrators, attorneys, agents, or representatives carry on the activities of all types of investment funds.

The financial statements are authorised for issue by the Company's Board of Directors on 22nd April 2021.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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 (as amended from time to time).

The financial statements have been prepared on a historical cost basis and accrual basis except for fair value through other comprehensive income (FVOCI) instruments, derivative financial instruments, other financial assets held for trading and financial assets and liabilities designated at fair value through profit or loss (FVTPL), all of which have been measured at fair value.

3. USE OF ESTIMATES

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

4. PRESENTATION OF FINANCIAL ESTIMATES

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and/or its counterparties.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

5.1 Revenue recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind ASs. The Company recognises revenue from contracts with customers based on a five step model as set out in Ind 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

Management fee income
Revenue recognition for management fees can be divided into the following two categories:

i) **Management fees – over time**
Management fees is recognised on completion of the period and performance of the service.

ii) **Management fees – point in time**
Certain incomes are recognised only upon completion of the performance obligation of the Contract.

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

Interest income

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets.

When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

Interest income on all trading assets and financial assets mandatorily required to be measured at FVTPL is recognised using the contractual interest rate in net gain on fair value changes.

Disposal of investments

On disposal of an investment the difference between carrying amount and net disposal proceeds is charged or credited to the statement of Profit and Loss using weighted average cost.

5.2 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

Date of recognition

Financial assets and liabilities, debt securities, deposits and borrowings are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument

Initial measurement

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments.

Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from, this amount. Trade receivables are measured at the transaction price.

Measurement categories of financial assets and liabilities

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

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments, mutual funds at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b. The asset's contractual cash flows represent Solely Payments of Principal and Interest (SPPI).

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of profit and loss.

Equity investments and Mutual funds at FVTPL
Investments in Subsidiary/ Associate/ Joint Venture are out of the scope of Ind AS 109 & hence the Company has accounted for its investment in Subsidiary/ Associate/ Joint Venture at cost.

All other equity investments and Mutual fund in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For equity instruments other than held for trading, the Company has irrevocable option to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Where the Company classifies equity instruments as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Statement of profit & loss, even on sale of investment.

Equity instruments, Mutual fund included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

De-recognition of financial assets
The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises an associated liability.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit and loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial assets.

On derecognition of a financial asset other than in it's entirely (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financials asset between the part it continues to recognise under continuing involvement, and the part is no longer recognises on the basis of relative fair values of those parts on the date of transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Impairment of financial assets
In accordance with IND AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets & credit risk exposure.

Other financial assets
Other financial assets are tested for impairment based on significant change in credit risk since initial recognition and impairment is measured based on probability of default over the lifetime when there is significant increase in credit risk.

Financial liabilities
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts. The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair- value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied.

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognised in OCI.

These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity.

All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans & borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss

De-recognition of financial liabilities

A financial liability shall be de-recognised when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

5.3 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

5.4 Property, plant & equipment

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and arrangements arising from exchange rate variations attributable to the assets. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow the entity and the cost can be measured reliably. Depreciation on property, plant and equipment is provided using straight line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Depreciation on Tangible Fixed Assets is provided on Straight Line using the rates arrived at based on the useful lives as specified in the Schedule II of the Companies Act, 2013 or estimated by the management. The Company has used the following useful life to provide depreciation on its fixed assets, which is in line with the useful life suggested by Schedule III.

Asset	Useful Life as Prescribed by Schedule II of the Companies Act, 2013
Motor Vehicles	6

Useful life of assets estimated by management supported by the Internal Technical assessment.

Asset	Estimated Useful Life
Motor Vehicles^	4-5

^ In case of Motor Vehicles, depreciation calculated on basis of its replacement.

Depreciation on the Fixed Assets added/disposed off/ discarded during the year is provided on pro-rata basis with reference to the date of addition/disposal/discarding.

5.5 Retirement and other employee benefits

Employee benefits are accrued in the period in which the associated services are rendered by employees of the Company, as detailed below:

Defined contribution plan (Provident fund)

In accordance with Indian law, eligible employees receive benefits from provident fund, which is a defined contribution plan. Both the employee and employer make monthly contributions to the plan, each equal to a specified percentage of employee's basic salary. The Company has no further obligations under the plan beyond its monthly contributions. The Company does not have any legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. Obligation for contributions to the plan is recognised as an employee benefit expense in the Statement of Profit and Loss when incurred.

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

Defined benefit plans (gratuity)

In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (the Gratuity Plan) covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Company.

The Company's net obligation in respect of the gratuity plan is calculated by estimating the amount of future benefits that the employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service cost and the fair value of plan assets are deducted. The discount rate is the yield at the reporting date on risk free government bonds that have maturity dates approximating the terms of the Company's obligations. The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognised asset is limited to the total of any unrecognised past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

The Company recognises all re-measurements of net defined benefit liability/asset directly in other comprehensive income and presented within equity. The Company has employees' gratuity fund under Grasim Industries Limited Employees Gratuity Trust managed by the ultimate parent Company.

Short term benefit

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Compensated absences

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement.

The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period.

The Company recognises accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognised in the period in which the absences occur. The Company recognises actuarial gains and losses immediately in the Statement of Profit and Loss.

5.6 Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or the liability; or in the absence of a principal market, in the most advantageous market for the asset or liability, the principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

5.7 Impairment of non-financial assets

The Company assesses, at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists or when annual impairment

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

testing for any asset is required, the Company estimates the assets recoverable amount. An assets recoverable amount is the higher of an assets fair value less cost of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflow that is largely independent of those from other assets or Company of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written-down to it recoverable amount.

5.8 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are not discounted to their present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

5.9 Contingent liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

5.10 Taxes

Current tax

Current income tax assets and liabilities 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, at the reporting date in the countries where the Company operates and generates taxable income. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised 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.

Deferred tax

Deferred tax is recognised using the Balance Sheet approach on the temporary differences between the carrying amounts of assets and liabilities in the financial statements and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset, if there is a legally enforceable right to offset current tax liabilities and assets, and these relate to income taxes levied by the same tax authority and are intended to settle current tax liabilities and assets on a net basis or such tax assets and liabilities will be realised simultaneously.

In the event of unabsorbed depreciation or carry forward of losses under tax laws, deferred tax assets are recognised to the extent that it is probable that sufficient future taxable income will be available to realise such assets.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

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

Current and deferred tax are recognised in Statement of Profit and Loss, except when the same relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax relating to such items are also recognised in other comprehensive income or directly in equity respectively.

5.11 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split, if any.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

5.12 Capital management

The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

5.13 Significant accounting judgements, estimates and assumptions:

The preparation of financial statements, in conformity, with the Ind AS requires management to make judgements, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial years.

Provisions

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cashflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amount of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

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. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

NOTE: 6 BALANCES WITH BANKS

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Current Accounts	138.09	11.09
Deposit Accounts (with original maturity period of 3 months or less)	1,150.78	-
	1,288.87	**11.09**

NOTE: 7 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Fixed Deposit Accounts (with original maturity period of more than 3 months)	13.75	-
	13.75	**-**

NOTE: 8 TRADE RECEIVABLES (REFER NOTE 32)

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Unsecured, Considered Good	26.87	41.33
(less than 6 months)		
	26.87	**41.33**

NOTE: 9 OTHER INVESTMENTS

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Investment in units of AIF		
Aditya Birla Special Situations Fund I		
10,14,030.64 units of Class A (31st March 2020: 3,99,814.79 units)	1,060.22	410.76
79,221.15 units of Class B (31st March 2020: 31,235.53 units)	82.83	32.09
Investment in Mutual Fund		
Aditya Birla Sun Life Liquid Fund - Growth- Direct	-	56.82
[Nil units (31st March 2020: 17,781.697 units)]		
ICICI Prudential Liquid Fund - Growth- Direct	-	1,317.53
[Nil units (31st March 2020: 448,472.832 units)]		
	1,143.05	**1817.20**
In India	1,143.05	1817.20
Outside India	-	-

NOTE: 10 OTHER FINANCIAL ASSETS

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
(Unsecured,Carried at amortised Cost)		
Other Receivable (Refer Note 32)	10.64	4.89
	10.64	**4.89**

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

NOTE: 11 PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakh)

Particulars	Vehicles	TOTAL
Gross Block		
As at 1st April 2019	-	-
Additions	3.53	3.53
Deletions		-
As at 31st March 2020	**3.53**	**3.53**
Accumulated Depreciation		
As at 1st April 2019	-	-
For the year	1.54	1.54
Deletions		-
As at 31st March 2020	**1.54**	**1.54**
Net Carrying amount as at 31st March 2020	**1.99**	**1.99**
Gross Block		
As at 1st April 2020	3.53	3.53
Additions	0.00	0.00
Deletions		-
As at 31st March 2021	**3.53**	**3.53**
Accumulated Depreciation		
As at 1st April 2020	1.54	1.54
For the year	1.99	1.99
Deletions		-
As at 31st March 2021	**3.53**	**3.53**
Net Carrying amount as at 31st March 2021	**-**	**-**

NOTE: 12 OTHER NON-FINANCIAL ASSETS

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
(Unsecured, unless stated otherwise)		
Statutory Dues from Government - GST	1.15	0.65
Advance for Expenses	-	0.00
Prepaid expenses	0.06	-
Gratuity Plan Assets	22.27	-
	23.48	**0.65**

NOTE: 13 BORROWINGS (OTHER THAN DEBT SECURITIES)

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
(Unsecured, Carried at amortised cost)		
Loan from Related Party (Refer Note 32)	450.00	-
	450.00	**-**
In India	450.00	-
Outside India	-	-

Following is the repayment terms of the Borrowings

Repayment clause	Interest rate	Maturity period
Repayable within a maturity period of 12 months or on call from the date of disbursement. Interest payable at the end of each quarter of calendar year.	7.1% per annum	12 Months

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

NOTE: 14 OTHER FINANCIAL LIABILITIES

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
(Carried at amortised cost)		
Accrued salaries and benefits	13.51	19.23
	13.51	**19.23**

NOTE: 15 PROVISIONS

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Provision for Employee Benefits		
Provision for Leave encashment	5.58	5.77
Provision for Gratuity	21.15	19.32
	26.73	**25.09**

NOTE: 16 OTHER NON FINANCIAL LIABILITIES

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Statutory Dues	27.90	10.62
	27.90	**10.62**

NOTE: 17 SHARE CAPITAL

(₹ in Lakh)

Particulars	Numbers	As at 31 Mar 21	Numbers	As at 31 Mar 20
Authorised:				
Equity Shares of ₹10/- each	1,50,00,000	1,500.00	1,50,00,000	1,500.00
	1,50,00,000	**1,500.00**	**1,50,00,000**	**1,500.00**
Issued:				
Equity Share Capital				
Equity Shares of ₹10/- each	1,48,00,000	1,480.00	1,48,00,000	1,480.00
	1,48,00,000	**1,480.00**	**1,48,00,000**	**1,480.00**
Subscribed and Fully Paid-up:				
Equity Share Capital				
Equity Shares of ₹10/- each, fully paid-up	1,48,00,000	1,480.00	1,48,00,000	1,480.00
	1,48,00,000	**1,480.00**	**1,48,00,000**	**1,480.00**

1) Reconciliation of the number of shares authorised at the beginning and at the end of the year

(₹ in Lakh)

Sr. No.	Description	As at 31 Mar 21		As at 31 Mar 20	
		Equity Shares	Amount	Equity Shares	Amount
1	No of Shares Outstanding at the beginning of the year	1,50,00,000	1,500.00	250,000	25.00
2	Add: increased during the year	-	-	1,47,50,000.00	1,475.00
3	No. of Shares Outstanding at the end of the year	**1,50,00,000**	**1,500.00**	**1,50,00,000**	**1,500.00**

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

2) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

(₹ in Lakh)

Sr. No.	Description	31 Mar 21		31 Mar 20	
		Equity Shares	Amount	Equity Shares	Amount
1	No of Shares Outstanding at the beginning of the year	1,48,00,000	1,480.00	2,50,000	25.00
2	Add: Issued during the year	-	-	1,45,50,000	1,455.00
3	No. of Shares Outstanding at the end of the year	**1,48,00,000**	**1,480.00**	**1,48,00,000**	**1,480.00**

Term/Right attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.

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

Shares held by holding / ultimate holding Company and / or their subsidiaries / associates

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

(₹ in Lakh)

Particulars	31 Mar 21		31 Mar 20	
	Amount	% of Total paid up equity share capital	Amount	% of Total paid up equity share capital
Parent - Aditya Birla Capital Limited				
1,48,00,000 equity shares (March 31, 2020: 1,48,00,000 equity shares)	1,480.00	100%	1,480.00	100%

NOTE: 18 OTHER EQUITY

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Opening Balance	351.94	(14.89)
Addition:		
Profit for the year	158.57	369.02
Other Comprehensive Income/(loss) for the year	3.36	(2.19)
	513.87	351.94
Total Other Equity	**513.87**	**351.94**

NOTE: 19 FEE AND COMMISSION INCOME

(₹ in Lakh)

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Management Fees (Refer Note 32)	63.16	136.49
Arranger Fee	112.50	225.00
	175.66	**361.49**

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

NOTE: 20 NET GAIN ON FAIR VALUE CHANGES

(₹ in Lakh)

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Net gain / (loss) on financial instruments at fair value through profit or loss		
Net Gain from Investments in AIF	37.99	11.80
	37.99	**11.80**
Fair Value changes :		
Realised	-	-
Unrealised	37.99	11.80
	37.99	**11.80**

NOTE: 21 INVESTMENT INCOME* (REFER NOTE 32)

(₹ in Lakh)

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Interest Income	5.26	137.45
Premium Income	0.94	32.67
	6.20	**170.12**

* The Company has made investment in units of Alternative Investment Fund ('AIF'), Category II and income generated and distributed by AIF has been recognised in likewise nature.

NOTE: 22 OTHER INCOME

(₹ in Lakh)

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Interest on deposits with Banks		
On financial Assets Measured at Amortised Cost	2.80	0.34
Net gain / (loss) on financial instruments at fair value through profit or loss		
On Mutual Fund Units	52.90	15.28
Miscellaneous Income	-	0.00
	55.70	**15.62**
Fair Value changes:		
Realised*	52.90	4.85
Unrealised	-	10.43
	52.90	**15.28**

*Current year figure includes the reversal of an unrealised gain of ₹10.43 Lakh booked in the preceding year.

NOTE: 23 FINANCE COSTS

(₹ in Lakh)

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Interest on Financial Liability measured at Amortised Cost		
Borrowing other than Debt security (Refer Note 32)	0.53	-
	0.53	**-**

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

NOTE: 24 EMPLOYEE BENEFITS EXPENSES

(₹ in Lakh)

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Salaries and Wages	41.97	38.13
Contribution to Provident and Other Funds	4.28	2.55
Contribution to Gratuity Fund	4.16	2.79
Staff Welfare Expenses	1.02	0.07
	51.43	**43.54**

NOTE: 25 DEPRECIATION

(₹ in Lakh)

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Depreciation of Property, plant and equipment	1.99	1.54
	1.99	**1.54**

NOTE: 26 OTHER EXPENSES

(₹ in Lakh)

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Repairs & Maintenance - Others	0.64	0.13
Rates & Taxes	0.33	18.69
Legal & Professional Expenses (Refer Note 26.1)	6.28	6.10
Miscellaneous Expenses	0.76	0.20
	8.01	**25.12**

NOTE: 26.1 INCLUDES AUDITORS REMUNERATION

(₹ in Lakh)

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Audit Fees	1.65	1.50
Tax Audit Fees	0.55	-
Out of Pocket Expense	-	0.05
	2.20	**1.55**

NOTE: 27 DISCLOSURE AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 33 EARNINGS PER SHARE

(₹ in Lakh)

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Earnings per Share (EPS) is calculated as under:		
Weighted-average Number of Equity Shares for calculation of Basic EPS	1,48,00,000	1,08,25,137
Weighted-average number of Equity Shares for calculation of Diluted EPS	1,48,00,000	1,08,25,137
Nominal Value of Shares (₹)	10.00	10.00
Profit attributable to equity holders of the Parent:		
Continuing Operations	158.57	369.02
Basic EPS (₹)	1.07	3.41
Diluted EPS (₹)	1.07	3.41

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

NOTE: 28 EMPLOYEE BENEFIT DISCLOSURES

Defined contribution plan

The amounts charged to the Statement of Profit and Loss during the year for Provident fund contribution aggregates to ₹4.28 Lakh (Previous Year: ₹2.55 Lakh)

Defined benefit plan

General description of the plan:
The Company operates gratuity plan through a trust wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service. In case of some employees, the Company's scheme is more favorable as compared to the obligation under Payment of Gratuity Act, 1972.

Nature of benefits:
The Company operates a defined benefit final salary gratuity plan which is open to new entrants. The gratuity benefits payable to the employees are based on the employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the Company.

Inherent risks:
The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Company that any adverse salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the balance sheet for the gratuity plan of the Company.

a) Amounts recognised in the Balance sheet in respect of gratuity

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Opening Defined Benefit Obligations	19.32	-
Current Service Cost	2.08	2.22
Interest Cost	2.09	0.57
Acturial changes arising from changes in financial assumptions	0.39	-
Acturial changes arising from changes in experience assumptions	(1.93)	2.93
Acquisition adjustment	-	13.60
Add: Benefits paid including transfer in/out	(0.80)	-
Present value of defined benefit obligation	21.15	19.32

Changes in fair value of plan assets

(₹ in Lakh)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Opening Fair Value of the Plan Assets	-	-
Employers Contribution	19.32	-
Return on Plan Assets	2.95	-
Closing Fair Value of the Plan Assets	22.27	-

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

Amounts recognised in Employee Benefits Expenses in the Statement of Profit and Loss in respect of Gratuity

(₹ in Lakh)

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
In Statement of Profit and Loss	4.16	2.79
In Other Comprehensive Income	(4.49)	2.93
Total Expenses Recognised for the period	**(0.33)**	**5.72**

Other Comprehensive Income

(₹ in Lakh)

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Actuarial (gains)/ losses		
Actual Return on Plan Assets excluding amount recognised in net interest expense		-
Actuarial changes arises from change		
- Demographic Assumptions		-
- Financial Assumptions	0.39	-
- Experience Variance	(1.93)	2.93
Return on plan assets, excluding amount recognised in net interest expense	(2.95)	
Components of defined benefit costs recognised in OCI	(4.49)	2.93

b) Maturity Profile of Defined Benefit Obligation

(₹ in Lakh)

Weighted average duration (based on discounted cashflows)	7 years
Expected cash flows over the next (valued on undiscounted basis):	
1 years	2.63
2 to 5 years	8.93
6 to 10 years	8.28
More than 10 years	16.31

c) Expected Contribution during the next annual reporting period

(₹ in Lakh)

The Company's best estimate of contribution during the next year	0.85

d) Funding Arrangements and Funding Policy

The Scheme is managed on funded basis.

e) Principal Actuarial Financial Assumptions

(₹ in Lakh)

Particulars	31 Mar 21	31 Mar 20
Discount Rate (per anumn)	6.10%	6.35%
Salary Growth Rate (per anumn)	10.00%	10.00%

The discount rate indicated above reflects the estimated timing and currency of benefit payments.It is based on the yields / rates available on applicable bonds as on the current valuation date.

The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, senority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

f) Demographic assumptions

Particulars	31 Mar 21	31 Mar 20
Mortality Rate	100% of IALM 2012-14	100% of IALM 2012-14
Normal retirement age	60 yrs	60 yrs
Attrition/Withdrawal rate (per anumn)	15.00%	15.00%

Attrition rate indicated above represents the Company's best estimate of employee turnover in future (other than on account of retirement, death or disablement) determined considering various factors such as nature of business, retention policy, industry factors, past experience, etc.

g) Major categories of plan assets (as a percentage of total plan assets)

Particulars	31 Mar 21	31 Mar 20
Government of India Securities	6.33%	-
State Govt. Securities	6.60%	-
High Quality Corporate Bonds	1.44%	-
Fund Managed by Insurers	36.51%	-
Other Investments	49.12%	-
Total	**100.00%**	**-**

Sensitivity analysis

Particulars	31 Mar 21		31 Mar 20	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 0.5%)	21.96	20.39	20.06	18.63
(% change compared to base due to sensitivity)	3.8%	-3.6%	3.8%	-3.6%
Salary Growth (-/+ 0.5%)	20.41	21.93	18.65	20.03
(% change compared to base due to sensitivity)	-3.50%	3.70%	-3.50%	3.70%
Attrition Rate (-/+ 50%)	28.43	18.81	25.78	17.34
(% change compared to base due to sensitivity)	34.4%	-11.00%	33.4%	-10.20%
Mortality Rate (-/+ 10%)	21.13	21.16	19.31	19.33
(% change compared to base due to sensitivity)	-0.10%	0.10%	-0.10%	0.1%

Sensitivity analysis method

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

NOTE: 29 TAXATION APPROACH

Pursuant to the Taxation Laws (Amendment) Act, 2019, a new Section 115BAA is inserted in the Income-tax Act, 1961 which provides an option to the domestic companies to pay income tax at lower rate, subject to the giving up of certain incentives and deductions. The Company has availed the option to pay income tax at the lower rate and accordingly have applied the lower income tax rate.

NOTE: 30 INCOME TAX DISCLOSURE

Current tax for the year is ₹45.27 Lakh (31st March 2020: 119.81 Lakh).

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

The major components of income tax expense for the years ended 31st March 2021:

Statement of profit and loss

Particulars	31 Mar 21	31 Mar 20
Profit or loss Section		
Current tax expense	45.27	119.81
Deferred tax	9.75	-
Total tax expense reported in the statement of profit or loss	**55.02**	**119.81**

Reconciliation of effective tax rate

Particulars	31 Mar 21	31 Mar 20
A) Accounting Profit before tax from continuing operations	213.59	488.83
B) Enacted tax rates in India	25.17%	25.17%
C) Expected tax expense (A*B)	53.76	123.04
D) Other Adjustments		
Expense disallowed/(allowed)	4.92	5.90
Less: Setoff of C/F Losses	-	(3.53)
Less: Unrealised Gain on Investment	(6.94)	(5.60)
Other Adjustments	3.28	-
Total tax expense reported in the statement of profit or loss (C+D)	**55.02**	**119.81**

Deferred tax

Deferred tax relates to the following:

Balance Sheet	31 Mar 21	31 Mar 20
Deferred tax Liabilities		
Marked to Market Value of Investment in SR	12.53	2.97
Marked to Market Value of Investment in MF units	-	2.63
Subtotal A	**12.53**	**5.60**
Deferred tax Assets		
Leave Encashment	(1.41)	(1.45)
Difference in WDV between Companies Act and Income Tax Act	(0.53)	(0.25)
Unfunded Gratuity	0.28	(4.86)
Subtotal B	**(1.65)**	**(6.57)**
Subtotal B (restricted to the Deferred Tax Liabilities as given subtotal A)	-	(5.60)
Net deferred tax (assets)/liabilities	**10.88**	**-**
Reflected in the balance sheet as follows:		
Deferred tax assets	(1.65)	-
Deferred tax liabilities	12.53	-
Deferred tax (Assets)/liabilities (Net)	**10.88**	**-**

Reconciliation of deferred tax (assets)/ liabilities (net)	31 Mar 2021	31 Mar 2020
Opening balance as of 1st April	-	-
Tax (income)/expense during the period recognised in profit and loss	9.75	-
Tax (income)/expense during the period recognised in OCI	1.13	-
Closing balance as at 31st March	**10.88**	**-**

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

NOTE: 31 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

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

Particulars	31 Mar 21			31 Mar 20		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	1,288.87	-	1,288.87	11.09	-	11.09
Bank Balance other than above	13.75	-	13.75	-	-	-
Investments	-	1,143.05	1,143.05	1,374.35	442.85	1,817.20
Trade receivables	26.87	-	26.87	41.33	-	41.33
Other financial assets	10.64	-	10.64	4.89	-	4.89
Non-financial Assets						
Current tax asset	-	20.32	20.32	-	12.54	12.54
Property, plant and equipment	-	-	-	-	1.99	1.99
Other non financial assets	23.48	-	23.48	0.65	-	0.65
Total assets	**1,363.61**	**1,163.37**	**2,526.98**	**1,432.33**	**457.38**	**1,889.69**
Liabilities						
Financial Liabilities						
Trade payables						
Total outstanding dues of creditors	4.09	-	4.09	2.81	-	2.81
Other than micro enterprises and small enterprises	-	-	-	-	-	-
Borrowings (Other than Debt Securities)	450.00	-	450.00			
Other Financial liabilities	13.51	-	13.51	19.23	-	19.23
Non-financial Liabilities						
Provisions	22.03	4.70	26.73	20.24	4.85	25.09
Deferred tax liabilities (net)	-	10.88	10.88	-	-	-
Other non-financial liabilities	27.90	-	27.90	10.62	-	10.62
Equity						
Equity Share Capital	-	1,480.00	1,480.00	-	1,480.00	1,480.00
Other Equity	-	513.87	513.87	-	351.94	351.94
Total Liabilities	**517.53**	**2,009.45**	**2,526.98**	**52.90**	**1,836.79**	**1,889.69**
Net			-			-

NOTE: 32 RELATED PARTY TRANSACTIONS

As per Ind AS 24, the disclosures of transactions with the Related Parties are given below: (as certified by management and relied upon by Auditor)

List of Related Parties where control exists and also other Related Parties with whom transactions have taken place and relationships:

Name of the Related Party	Relationship
Aditya Birla Capital Limited	Holding Company
Aditya Birla Money Limited	Fellow Subsidiary
Aditya Birla Finance Limited	Fellow Subsidiary
Aditya Birla ARC Limited	Fellow Subsidiary
Aditya Birla Wellness Private Limited	Fellow Subsidiary
Aditya Birla Special Situations Fund I	Fellow Subsidiary

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

Directors and Key Management Personnel
Tushar Harendra Shah - Director
Anantha Subrahmanya Dhananjaya - Director
Sailesh Daga - Chief Financial Officer (Resigned wef 31st March 2021
Amit Kansal - Chief Investment Officer (Appointed wef 1st September 2019

Transactions and balances with related parties

(₹ in Lakh)

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
A] Holding Company		
Transaction during the year		
Aditya Birla Capital Limited (Issue of Equity Shares)	-	1,455.00
Aditya Birla Capital Limited (Loan Taken)	450.00	-
Aditya Birla Capital Limited (Interest on Loan Taken)	0.53	-
Balance Outstanding		
Aditya Birla Capital Limited (Equity Share Capital)	1,480.00	1,480.00
Aditya Birla Capital Limited (Borrowings)	450.00	-
B] Fellow Subsidiaries		
Transaction during the year		
Expenses recovery		
Aditya Birla ARC Limited (Payroll Expense)	134.62	31.28
Expenses reimbursement		
Aditya Birla ARC Limited (Staff Insurance Expense)	1.27	-
Aditya Birla ARC Limited (Staff Welfare Expense)	0.01	-
Aditya Birla ARC Limited (Professional Expense)	0.05	-
Aditya Birla Wellness Private Limited (Staff Welfare Expense)**	0.00	-
Income		
Aditya Birla Special Situations Fund I (Management Fee)*	63.16	136.49
Aditya Birla Special Situations Fund I (Interest Income)	5.26	137.45
Aditya Birla Special Situations Fund I (Premium)	0.94	32.67
Investments		
Investment made		
Investment in Aditya Birla Special Situations Fund I (Class A)	745.16	1,391.24
Investment in Aditya Birla Special Situations Fund I (Class B)	58.22	108.69
Investments Redeemed		
Investment in Aditya Birla Special Situations Fund I (Class A)	130.94	991.43
Investment in Aditya Birla Special Situations Fund I (Class B)	10.23	77.46
Others		
Aditya Birla Finance Limited (Receivable against employee transfer)	-	17.49
Aditya Birla Finance Limited (Payable against Asset Transfer)	-	3.53
Grasim Industries Limited Employee Gratuity Trust Fund (Amount paid towards Gratuity)	19.32	-
Directors and Key Management Personnel		
Amit Kansal (Remuneration)^	22.99	13.41
Balances outstanding:		
Trade Receivable		
Aditya Birla Special Situations Fund I (Management Fee)	26.87	41.33

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

(₹ in Lakh)

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Investments		
Balance Investment in Aditya Birla Special Situations Fund I (Class A)	1,014.03	399.81
FV Gain on Investment in ABSSFI (Class A)	46.19	10.95
Balance Investment in Aditya Birla Special Situations Fund I (Class B)	79.22	31.24
FV Gain on Investment in ABSSFI (Class B)	3.61	0.86
Other Payable		
Aditya Birla Wellness Private Limited (Staff welfare)**	0.00	-
Other Receivable		
Aditya Birla ARC Limited (Receivable against Payroll Expense)	4.88	4.86
Grasim Industries Limited Employee Gratuity Trust Fund (Amount paid towards Gratuity)	22.27	-
Aditya Birla Special Situations Fund I (Deemed Income)	5.76	0.03

* Amounts are exclusive of GST
**Figures rounded off to the nearest thousand
^ Variable Pay & Retirement Benefits are not included

NOTE: 33 FAIR VALUE

The following table provides the comparission of carrying value and fair value of the Company's Financial Assets and Liabilities as at 31st March 2021 & 31st March 2020.

As at 31st March 2021

(₹ in Lakh)

Financial Assets	Carrying Value	Fair Value
Trade Receivable	26.87	26.87
Investments Unquoted(FVTPL)	1,143.05	1,143.05
Other Financial Assets	10.64	10.64
Total	**1,180.56**	**1,180.56**

Financial Liabilities	Carrying Value	Fair Value
Trade Payable	4.09	4.09
Borrowings (Other than Debt Securities)	450.00	450.00
Other Financial Liabilities	13.51	13.51
Total	**467.60**	**467.60**

(₹ in Lakh)

Financial Assets	Carrying Value	Fair Value
Trade Receivable	41.33	41.33
Investments Unquoted(FVTPL)	1,817.20	1,817.20
Other Financial Assets	4.89	4.89
Total	**1,863.42**	**1,863.42**

Financial Liabilities	Carrying Value	Fair Value
Trade Payable	2.81	2.81
Other Financial Liabilities	19.23	19.23
Total	**22.04**	**22.04**

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

NOTE: 34 FAIR VALUE HIERARCHY

Following table provides the fair value measurement hierarchy of the Company's assets and liabilities as at 31st March 2021 & 31st March 2020

As at 31st March 2021 (₹ in Lakh)

Financial Assets	Date of Valuation	Total	Level 1	Level 2*	Level 3
Investments Unquoted(FVTPL)	31 Mar 21	1,143.05	-	1,143.05	-

As at 31st March 2020 (₹ in Lakh)

Financial Assets	Date of Valuation	Total	Level 1	Level 2*	Level 3
Investments Unquoted(FVTPL)	31 Mar 20	1,817.20	-	1,817.20	-

* Level 2 Investment is Fair value of investment in Unquoted Mutual Funds & Unquoted AIF units as per NAV declared on these units

There have been no transfers between levels during the year ended 31st March 2021 and year ended 31st March 2020.

NOTE: 35 RISK MANAGEMENT FAMEWORK

a. Governance framework

The primary objective of the Company's risk and financial management framework is to protect the Company's shareholders from events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities. Key management recognises the critical importance of having efficient and effective risk management systems in place.

b. Approach to capital management

The Company seeks to optimise the structure and sources of capital to ensure that it consistently maximises returns to the shareholders.

Available capital resources at 31st March 2021

(₹ in Lakh)

Particulars	31 Mar 21
Total Equity	1,480
Total Capital	**1,480**

c. Regulatory framework

Regulators are primarily interested in protecting the rights of policyholders and monitor them closely to ensure that the company is satisfactorily managing affairs for their benefit. At the same time, regulators are also interested in ensuring that the company maintains an appropriate solvency position to meet unforeseeable liabilities arising from economic shocks or natural disasters. The operations of the company are subject to regulatory requirements within the jurisdictions in which it operates.

NOTE: 36 FINANCIAL RISKS

1. Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, preference shares. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company manages its liquidity risk through temporary funding from its ultimate holding company and availing bank overdraft as and when required.

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(₹ in Lakh)

Year ended 31 Mar 21	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Trade and other payables	-	4.09	-	-	-	4.09
Borrowings (Other than Debt Securities)	-	-	450.00	-	-	450.00
Other financial liabilities	-	-	13.51	-	-	13.51
	-	4.09	463.51	-	-	467.60

(₹ in Lakh)

Year ended 31 Mar 20	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Trade and other payables	-	2.81	-	-	-	2.81
Other financial liabilities	-	-	19.23	-	-	19.23
	-	**2.81**	**19.23**	-	-	**22.04**

The table below summarises the maturity profile of the Company's financial assets based on contractual undiscounted payments.

(₹ in Lakh)

Year ended 31 Mar 21	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Cash and Cash Equivalents	138.09	1,150.78	-	-	-	1,288.87
Bank Balance other than Cash and Cash equivalents	-	13.75	-	-	-	13.75
Trade Receivables	-	26.87	-	-	-	26.87
Investments	-	-	-	1,143.05	-	1,143.05
Other Financial Assets	-	10.64	-	-	-	10.64
	138.09	1,202.04	-	1,143.05	-	2,483.18

(₹ in Lakh)

Year ended 31 Mar 20	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Cash and Cash Equivalents	11.09	-	-	-	-	11.09
Other financial assets	-	4.89	-	-	-	4.89
Trade Receivables	-	41.33	-	-	-	41.33
Investments	-	-	1,374.35	442.85	-	1,817.20
	11.09	**46.22**	**1,374.35**	**442.85**	-	**1,874.51**

2. Operational risks

Operational risk is the risk of loss arising from system failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications or can lead to financial loss. The Company cannot expect to eliminate all operational risks, but by initiating a rigorous control framework and by monitoring and responding to potential risks, the Company is able to manage the risks. Controls include effective segregation of duties, access controls, authorisation and reconciliation procedures, staff education and assessment processes, including the use of internal audit. Business risks such as changes in environment, technology and the industry are monitored through the Company's strategic planning and budgeting process. Internal control deficiency are reviewed by management and audit committee on periodic basis.

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

3. Credit risks

Credit risk arises when a customer or counterparty does not meet its obligations under a customer contract or financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables and from its financing/ investing activities, including deposits with banks, investments in Mutual Fund units. The Company has no significant concentration of credit risk with any counterparty.

NOTE: 37 CONTINGENT LIABILITY

The Company has reviewed its pending litigations and proceedings and on the basis of the same it has been concluded that there is no contingent liability as at 31st March 2021 (Previous Year - Nil).

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

NOTE: 38 CAPITAL COMMITMENTS

The Company is a sponsor and investment manager of Aditya Birla Special Situation Fund (Fund) and as per the SEBI (Alternative Investment Fund), 2012 read with SEBI Circular No. CIR/IMD/DF/14/2014 dated 19th June 2014, the Sponsor should have a continuing interest in the corpus of the Fund of not less than 2.5% of the corpus or ₹5 Crore; whichever is lower. As on 31st March 2021, remaining capital commitment to invest as on 31st March 2021 as Sponsor is ₹ 420.78 Lakh (Previous year: ₹468.76 Lakh) and as Investor is ₹5385.97 Lakh (Previous year: ₹6,000.19 Lakh).

NOTE: 39 LONG TERM CONTRACT

The Company doesn't have long term contract including derivate contract as at 31st March 2021. (Previous Year - Nil)

NOTE: 40 EVENTS AFTER THE REPORTING DATE

There have been no events after the reporting date that require disclosure in these financial statements.

NOTE: 41 SEGMENT REPORTING

The Board of Directors of the Company has been identified as the chief operating decision maker (CODM) as defined by Indian Accounting Standard 108 "Operating Segments". The CODM evaluates the Company's performance, allocates resources based on analysis of the various performance indicators of the Company as a single unit. The principal business of the Company is of "Investment Manager". All other activities of the Company revolve around its principal business. Therefore, directors have concluded that there is only one operating reportable segment as per Indian Accounting Standard 108 "Operating Segments".

Notes

Forming part of the standalone financial statements for the year ended 31st March 2021

NOTE: 42 NOTE ON COVID-19

COVID–19 virus continues to spread across the globe including India, resulting in significant volatility in financial markets and a significant decrease in global and India's economic activities. On 11th March 2020, this outbreak was declared a global pandemic by the World Health Organisation. On 24th March 2020, the Indian Government announced a 21 – days lockdown which was further extended in phases up to 31st May 2020 across the nation to contain the spread of the virus. Though the restrictions were eased post the lockdown, the situation has again in the recent past deteriorated. The state governments have started placing restrictions in various parts with the decision of an imminent stringent restriction looming.

In preparing the accompanying financial statements, the Company management has been required to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, equity, income and expenses. These estimates and associated assumptions, especially for determining the fair value of the Company security receipts investments, are based on historical experience and various other factors including the possible effects that may result from the pandemic, that are believed to be reasonable under the current circumstances. The Company has used internal and external sources of information including credit reports, economic forecasts and consensus estimates from market sources on the expected future performance of the underlying companies in developing the estimates and assumptions to assess, without undue cost and efforts, the fair value of the investments as at 31st March 2021.

Given the dynamic nature of the pandemic situation, in the event the impacts are more severe or prolonged than anticipated, this may have a corresponding impact on the carrying value of the security receipts investments, the financial position and performance of the Company.

NOTE: 43 CODE ON SOCIAL SECURITY

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

NOTE: 44 PRIOR YEAR COMPARATIVES

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

In terms of the Company's report of even date attached

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

Chartered Accountants

ICAI Firm Registration No.:- 301003E/E300005

For and on behalf of the Board of Directors **Aditya Birla Stressed Asset AMC Private Limited**

per **Shrawan Jalan**
Partner
Membership No. 102102
Date: 22nd April 2021
Place: Mumbai

Tushar Shah
Director
DIN: 00239762
Date: 22nd April 2021
Place: Mumbai

Anantha Dhananjaya
Director
DIN: 1744569

Aditya Birla Money Limited

ADITYA BIRLA CAPITAL

Independent Auditor's Report

To The Members of
Aditya Birla Money Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of Aditya Birla Money Limited (the "Company"), which comprise the Balance Sheet as at 31st March 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (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 31st March 2021, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
Information Technology and General Controls IT system is being used for critical operations, including revenue earned. Due to the complexity, large volume of transactions processed daily and reliance on automated and IT dependent manual controls, matter pertaining to adequacy and effectiveness of IT control environment is considered as Key Audit Matter. Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring, IT dependent and application-based controls are operating effectively.	We understood and assessed the overall IT control environment and the controls in place which included controls over access to systems and data, as well as system changes. We tailored our audit approach based on the financial significance of the system and whether there were automated procedures supported by that system. The procedures performed included testing the operating effectiveness of controls over appropriate access rights and validating users had the ability to create, modify or delete user accounts for the relevant in-scope applications. In addition, we tested the operating effectiveness of controls around system development and program changes to evaluate whether changes to the system were authorized. The reconciliation of transactions recorded in the System with the stock exchange trade files.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained 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.

Management's Responsibility 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, cash flows and changes in equity 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 statement 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.

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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 financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work;

and (ii) to evaluate the effect of any identified misstatements in the 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The comparative financial information of the Company for the year ended 31st March 2020 prepared in accordance with Ind AS included in these financial statements have been audited by the predecessor auditor. The report of the predecessor auditor on the comparative financial information dated 30th April 2020 expressed an unmodified opinion.

Our opinion on the financial statements is not modified in respect of the above matter on the comparative financial information.

Report on Other Legal and Regulatory Requirements

1. 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.

    c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

    d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors as on 31st March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021 from being appointed as a director in terms of Section 164(2) of the Act.

    f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". 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 to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of 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.

        ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Mukesh Jain
(Partner)
(Membership No. 108262)
(UDIN: 21108262AAAAHS3698)

Place: Mumbai
Date : 23rd April 2021

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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 Aditya Birla Money Limited (the "Company") as of 31st March 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 Companies Act, 2013.

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 Institute of Chartered Accountants of India 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.

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 31st March 2021, 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 Institute of Chartered Accountants of India.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Mukesh Jain
(Partner)
(Membership No. 108262)
(UDIN: 21108262AAAAHS3698)

Place: Mumbai
Date : 23rd April 2021

Annexure "B" to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.

b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c) According to the information and explanations given by the management, the title deeds of immovable properties are held in the name of the Company except for immovable property mentioned below for which the title is in dispute and the matter is subjudice.

Particulars of the land and building	Gross Block (as at the balance sheet date)	Net Block (as at the balance sheet date)	Remarks (give reasons for the exception)
10 acres of land comprised in S.No. 192 at Kollur Village, Ramachandrapuram Mandal, Medak District, Telengana.	₹15,00,000/-	₹15,00,000/-	The title is under dispute and the matter is in subjudice.

(ii) The Company does not hold any security in physical form. The securities held as stock in trade are verified with the confirmation statement received from the custodian by the management at regular intervals.

The Company is maintaining proper records of securities held as stock in trade and no discrepancies were noticed on comparing the statement from the custodian with book records/ books of account.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made investments, provided guarantees and security under provisions of Section 185 and 186 of the Companies Act, 2013 and hence reporting under clause (iv) of the CARO 2016 is not applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.

(vi) Having regard to the nature of the Company's business/ activities, reporting under clause (vi) of CARO 2016 is not applicable.

(vii) According to the information and explanations given to us, in respect of statutory dues:

a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, and Goods and Services Tax and other material statutory dues applicable to it to the appropriate authorities.

b) In respect of undisputed amounts payable in respect of Provident Fund, Income-tax, Goods and Services Tax, cess and other material statutory dues there were no such dues in arrears as at 31st March 2021 for a period more than 6 months from the date they became payable other than stamp duties collected by the Company in respect of States wherein the manner of making the payment has not been notified from July 2011 onwards and remaining unpaid as on 31st March 2021 amounting to ₹1,64,90,479/- as disclosed in Note 33 to the financial statements.

c) Details of dues of Income-tax, Sales Tax, Service Tax, Provident Fund, and Value Added Tax which have not been deposited as on 31st March 2021 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (₹)
Finance Act, 1994	Service tax	CESTAT	March-November 2009	2,48,952
Finance Act, 1994	Service tax	CESTAT	April 2006-May 2008	32,034
Employee's Provident Fund and Miscellaneous Provisions Act, 1952	Provident Fund	High Court, Chennai	April 2009-May 2011	*1,05,27,433
Income Tax Act, 1961	Income Tax	High Court, Chennai	AY 2010-11	7,41,885
Tamil Nadu Value Added Tax, 2006	Value Added Tax	Appellate Assistant Commissioner of Commercial Taxes	April 2006-March 2007	40,439
			April 2007-March 2008	10,20,586

*Net of payment of ₹35,09,145/- paid under protest

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders.

(ix) The Company has not raised moneys by way of initial public offer or further public offer of equity instruments or term loans during the year. In our opinion and according to the information and explanations given to us, money raised by way of debt instruments in the form of commercial paper have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the CARO 2016 is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, for all 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) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Mukesh Jain
(Partner)
(Membership No. 108262)
(UDIN: 21108262AAAAHS3698)

Place: Mumbai
Date : 23rd April 2021

Balance Sheet

as at 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

		Note No.	As at 31st March 2021	As at 31st March 2020
I	**ASSETS**			
(1)	**Financial Assets**			
	(a) Cash and Cash Equivalents	3	9,54,49,943	37,64,21,110
	(b) Bank Balance other than (a) above	4	395,58,81,545	245,23,10,801
	(c) Stock of Securities	5	256,49,00,890	90,47,79,343
	(d) Trade and Other Receivables	6	153,93,86,781	64,67,74,442
	(e) Loans	7	5,54,16,939	52,36,11,920
	(f) Other Financial Assets	8	15,62,81,716	12,37,92,039
	Sub-Total		**836,73,17,814**	**502,76,89,655**
(2)	Non-Financial Assets			
	(a) Current Tax Assets (Net)		2,14,05,709	3,29,86,804
	(b) Deferred Tax Assets (Net)	9	5,31,58,183	4,29,44,113
	(c) Property, Plant and Equipment	10	3,15,47,066	4,82,46,136
	(d) Right-of-use Assets	41	18,43,60,201	18,77,71,383
	(e) Other Intangible Assets	11	1,98,89,869	1,99,83,326
	(f) Intangible Assets under development		68,37,050	41,14,000
	(g) Other Non-Financial Assets	12	14,97,30,532	11,83,63,241
	Sub-Total		**46,69,28,610**	**45,44,09,003**
	Total Assets		**883,42,46,424**	**548,20,98,658**
II	**LIABILITIES AND EQUITY**			
	LIABILITIES			
(1)	**Financial Liabilities**			
	(a) Trade Payables			
	(i) total outstanding dues of micro enterprises and small enterprises	13	22,52,670	21,81,033
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		41,17,78,522	30,50,62,908
	(b) Debt Securities	14	322,07,94,575	173,05,73,604
	(c) Subordinated Liabilities	15	54,62,43,868	50,71,43,135
	(d) Lease Liability	41	19,86,91,888	20,05,41,558
	(e) Other Financial Liabilities	16	361,75,72,897	211,92,04,467
	Sub-Total		**799,73,34,420**	**486,47,06,705**
(2)	**Non-Financial Liabilities**			
	(a) Provisions	17	9,15,90,659	9,28,14,360
	(b) Other Non-Financial Liabilities	18	26,64,93,332	21,18,42,248
	Sub-Total		**35,80,83,991**	**30,46,56,608**
(3)	**Equity**			
	(a) Equity Share Capital	19	5,63,01,357	5,63,01,357
	(b) Other Equity	20	42,25,26,656	25,64,33,988
	Total Equity		**47,88,28,013**	**31,27,35,345**
	Total Equity and Liabilities		**883,42,46,424**	**548,20,98,658**
	Significant Accounting Policies	2		

The accompanying Notes are an integral part of the Financial Statements.
As per our report of even date
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
ICAI Firm Registration Number: 117366W/W-100018

Mukesh Jain
Partner
Membership No. 108262

Place: Mumbai
Date : 23rd April 2021

For and on behalf of the Board of Directors of
Aditya Birla Money Limited

Pinky A Mehta
Director
DIN : 00020429

Tushar Shah
Director
DIN: 00239762

Pradeep Sharma
Chief Financial Officer
PAN : AHRPS6339L

Sangeeta Shetty
Company Secretary
PAN : BAHPS9816E

Statement of Profit and Loss

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

Particulars	Note No.	Year Ended 31st March 2021	Year Ended 31st March 2020
Revenue from Operations			
(i) Interest Income	21	43,38,20,027	50,03,31,726
(ii) Fees and Commission Income	22	136,34,70,496	107,63,18,497
(iii) Net Gain on Fair Value Changes	23	10,87,89,508	8,99,70,924
Total Revenue from Operations		**190,60,80,031**	**166,66,21,147**
Other Income	24	2,78,06,451	7,07,45,502
Total Income		**193,38,86,482**	**173,73,66,649**
Expenses			
(i) Finance Costs	25	22,06,44,135	28,01,73,274
(ii) Business Partners Payout		50,54,58,616	37,70,54,877
(iii) Impairment on Financial Instruments	26	92,70,816	(18,20,303)
(iv) Employee Benefits Expense	27	59,99,15,863	55,88,45,118
(v) Depreciation and Amortisation Expenses	28	7,02,23,637	6,45,79,409
(vi) Other Expenses	29	30,43,76,759	29,35,19,438
Total Expenses		**170,98,89,826**	**157,23,51,813**
Profit Before Tax		**22,39,96,656**	**16,50,14,836**
Tax Expenses			
Current Tax		7,63,72,843	5,46,30,076
Deferred Tax		(1,02,14,070)	(94,80,107)
Total Tax Expenses		**6,61,58,773**	**4,51,49,969**
Profit for the Year		**15,78,37,883**	**11,98,64,867**
Other Comprehensive Income	30		
(i) Items that will not be reclassified to profit or loss			
Re-measurement of post-employment benefit obligations		1,10,31,089	(1,23,45,585)
(ii) Income tax relating to items that will not be reclassified to profit or loss			
Income tax relating to Re-measurement of post-employment benefit obligations		27,76,304	(31,07,137)
Other Comprehensive Income for the year, net of Tax: (i-ii)		**82,54,785**	**(92,38,448)**
Total Comprehensive Income for the year		**16,60,92,668**	**11,06,26,419**
Earnings per Equity Share :			
Basic		2.80	2.13
Diluted		2.80	2.13
(Face Value of ₹1/- each)			
Significant Accounting Policies	2		

The accompanying Notes are an integral part of the Financial Statements.
As per our report of even date
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
ICAI Firm Registration Number: 117366W/W-100018

Mukesh Jain
Partner
Membership No. 108262

Place: Mumbai
Date : 23rd April 2021

For and on behalf of the Board of Directors of
Aditya Birla Money Limited

Pinky A Mehta
Director
DIN : 00020429

Tushar Shah
Director
DIN: 00239762

Pradeep Sharma
Chief Financial Officer
PAN : AHRPS6339L

Sangeeta Shetty
Company Secretary
PAN : BAHPS9816E

Statement of changes in Equity

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

A) EQUITY SHARE CAPITAL

Particulars	As at 31st March 2021		As at 31st March 2020	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares of face value of ₹1/- each issued, subscribed and fully paid up				
Balance at the beginning of the year	5,63,01,357	5,63,01,357	5,63,01,357	5,63,01,357
Changes in Equity Share Capital during the year	-	-	-	-
Balance at the end of the year	**5,63,01,357**	**5,63,01,357**	**5,63,01,357**	**5,63,01,357**

B) OTHER EQUITY

Particulars	Reserve and Surplus					Total Other Equity
	Retained Earnings	Other Reserves				
	Surplus as per Statement of Profit and Loss	General Reserve	Capital Reserve	Securities Premium Reserve	Share Option Outstanding Account	
Balance as of 1st April 2020	(8,05,02,923)	26,95,97,476	1,15,38,863	4,56,56,264	1,01,44,309	25,64,33,988
Profit for the year	15,78,37,883	-	-	-	-	15,78,37,883
Other Comprehensive Income/(Loss) for the year (Refer Note 30)	82,54,785	-	-	-	-	82,54,785
Total Comprehensive Income	16,60,92,668	-	-	-	-	16,60,92,668
Balance as at 31st March 2021	**8,55,89,745**	**26,95,97,476**	**1,15,38,863**	**4,56,56,264**	**1,01,44,309**	**42,25,26,656**

For the year ended 31st March 2020

Particulars	Reserve and Surplus					Total Other Equity
	Retained Earnings	Other Reserves				
	Surplus as per Statement of Profit and Loss	General Reserve	Capital Reserve	Securities Premium Reserve	Share Option Outstanding Account	
Balance as at 1st April 2019	(17,84,56,640)	26,95,97,476	1,15,38,863	4,56,56,264	1,01,44,309	15,84,80,271
Profit for the year	11,98,64,867	-	-	-	-	11,98,64,867
Other Comprehensive Income/(Loss) for the year (Refer Note 30)	(92,38,448)	-	-	-	-	(92,38,448)
Total Comprehensive Income	11,06,26,419	-	-	-	-	11,06,26,419
Ind AS 116 Impact	(1,26,72,702)	-	-	-	-	(1,26,72,702)
Balance as at 31st March 2020	**(8,05,02,923)**	**26,95,97,476**	**1,15,38,863**	**4,56,56,264**	**1,01,44,309**	**25,64,33,988**

The accompanying Notes are an integral part of the Financial Statements.

As per our report of even date
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
ICAI Firm Registration Number: 117366W/W-100018

Mukesh Jain
Partner
Membership No. 108262

Place: Mumbai
Date : 23rd April 2021

For and on behalf of the Board of Directors of
Aditya Birla Money Limited

Pinky A Mehta
Director
DIN : 00020429

Tushar Shah
Director
DIN: 00239762

Pradeep Sharma
Chief Financial Officer
PAN : AHRPS6339L

Sangeeta Shetty
Company Secretary
PAN : BAHPS9816E

Cash Flow Statement

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

Particulars		Year Ended 31st March 2021	Year Ended 31st March 2020
CASH FLOW FROM OPERATING ACTIVITIES			
Profit / (Loss) before Tax		22,39,96,656	16,50,14,836
Non-cash adjustment to reconcile Profit Before Tax to Net Cash Flows			
Depreciation / Amortization		7,02,23,637	6,45,79,409
Loss / (Profit) on sale of Property, Plant and Equipment		(2,26,224)	(14,91,333)
Impairment on Financial Instruments		92,70,816	(18,20,303)
Net (Gain) / Loss on sale of Investments		(1,61,02,471)	(2,91,89,533)
Interest expense		22,06,44,135	28,01,73,274
Interest (income)		(17,78,84,892)	(16,49,97,596)
Operating Profit before working capital changes		**32,99,21,657**	**31,22,68,754**
Movements in working capital :			
Increase / (decrease) in Trade Payables		10,67,87,251	3,61,52,638
Increase / (decrease) in Provisions		98,07,388	98,14,379
Increase / (decrease) in other Financial Liabilities		149,83,68,430	18,47,77,352
Increase / (decrease) in other Non-Financial Liabilities		5,46,51,084	(4,83,27,511)
Decrease / (increase) in Trade Receivables		(89,46,05,985)	48,16,17,545
Decrease / (increase) in Loans and Advances		46,81,94,981	(32,84,62,474)
Decrease / (increase) in Stock in Trade		(166,01,21,547)	190,09,87,029
Decrease / (increase) in other Bank Balance		(132,56,85,852)	6,50,26,102
Decrease / (increase) in other Financial Assets		(3,97,66,847)	(2,30,73,703)
Decrease / (increase) in other Non-Financial Assets		(3,13,67,291)	3,66,03,785
Cash generated from / (used in) operations		**(148,38,16,731)**	**262,73,83,896**
Direct taxes paid (net of refunds)		6,75,68,052	5,97,78,645
Net Cash Flow from / (used in) Operating activities	**(A)**	**(155,13,84,783)**	**256,76,05,251**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment, including CWIP and Capital Advances		(1,57,50,958)	(2,13,82,101)
Proceeds from sale of Property, Plant and Equipment		12,56,066	17,25,986
Net Proceeds from Mutual Fund transactions		1,61,02,471	2,91,89,533
Net Cash Flow from / (used in) Investing activities	**(B)**	**16,07,579**	**95,33,418**
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease liability - Principal portion		(3,98,71,531)	(4,35,60,548)
Lease liability - Interest portion		(1,58,01,729)	(1,07,30,552)
Net Short-term Borrowings		149,99,86,568	(198,72,19,579)
Interest paid		(17,55,07,271)	(21,87,23,712)
Net Cash Flow from / (used in) in Financing activities	**(C)**	**126,88,06,037**	**(226,02,34,391)**
Net increase / (decrease) in Cash and Cash Equivalents	**(A +B+C)**	**(28,09,71,167)**	**31,69,04,277**
Cash and Cash Equivalents at the beginning of the year		37,64,21,110	5,95,16,833
Cash and Cash Equivalents as at the end of the year		9,54,49,943	37,64,21,110
Components of Cash and Cash Equivalents			
Cash on Hand		-	-
With Banks - Current Accounts		9,54,49,943	37,64,21,110
Total Cash and Cash Equivalents (Note 3)		**9,54,49,943**	**37,64,21,110**

The accompanying Notes are an integral part of the Financial Statements.
As per our report of even date
For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
ICAI Firm Registration Number: 117366W/W-100018

Mukesh Jain
Partner
Membership No. 108262

Place: Mumbai
Date : 23rd April 2021

For and on behalf of the Board of Directors of
Aditya Birla Money Limited

Pinky A Mehta
Director
DIN : 00020429

Tushar Shah
Director
DIN: 00239762

Pradeep Sharma
Chief Financial Officer
PAN : AHRPS6339L

Sangeeta Shetty
Company Secretary
PAN : BAHPS9816E

Notes forming part of the Financial Statements

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

1. GENERAL INFORMATION

M/s. Aditya Birla Money Limited ('ABML' or 'the Company') is a public company domiciled in India and is incorporated on 4th July 1995 in Chennai, Tamil Nadu under the provisions of erstwhile Companies Act, 1956 (now Companies Act, 2013).

Company's shares are listed in two recognized stock exchanges in India. The Company is a stock broking and capital market products distributor, offering Equity and Derivative trading through NSE and BSE and Currency Derivative on MCX-SX and Commodities Trading through MCX and NCDEX. It is registered as a Depository Participant with both NSDL and CDSL in terms of the Securities and Exchange Board of India (Depository Participants) Regulations, 1996. It also provides Portfolio Management Services and involved in trading in securities.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of Compliance

These financial statements are prepared and presented in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under Section 133 of the Companies Act, 2013, the relevant provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable. The financial statements are approved by the Board of Directors of the Company at their meeting held on 23rd April 2021.

2.2.1 Basis of Preparation

The financial statements are prepared and presented on the going concern basis and at historical cost, except for the following assets and liabilities which have been measured at fair value:

- certain financial assets and liabilities at fair value (refer accounting policy 2.9 on financial Instruments).
- employee's Defined Benefit Plan as per actuarial valuation

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The Company presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date 31st March 2021 and more than 12 months after the reporting date 31st March 2021 is presented in Note 31.

Financial assets and liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognized amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default

2.2.2 Basis of Accounting

To provide more reliable and relevant information about the effect of certain items in the Balance Sheet and Statement of Profit and Loss, the Company has changed the classification of certain items. Previous year figures have been re-grouped or reclassified, to confirm to such current year's grouping / classifications. There is no impact on Equity or Net Loss due to these regrouping / reclassifications.

2.3 Functional and Presentation Currency

The financial statements are presented in Indian Rupees, which are the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

2.4 Property, Plant and Equipment (PPE) and Depreciation

Property, plant and equipment are stated at acquisition or construction cost less accumulated depreciation and

Notes forming part of the Financial Statements

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

impairment loss. Cost comprises the purchase price and any attributable cost of bringing the asset to its location and working condition for its intended use, including relevant borrowing costs and any expected costs of decommissioning. If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery.

When significant parts of fixed assets are required to be replaced at intervals, the company recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the fixed assets as a replacement if the recognition criteria are satisfied. Any trade discounts and rebates are deducted in arriving at the purchase price.

Depreciation on Tangible Fixed Assets is provided on Straight Line using the rates arrived at based on the useful lives as specified in the Schedule II of the Companies Act, 2013 or estimated by the management.

The company has used the following useful life to provide depreciation on its fixed assets.

Assets where useful life is same as Schedule II:

Asset	Useful Life as Prescribed by Schedule II of the Companies Act, 2013
Computers (end user Computers, Laptops)	3 years
Servers	6 years
Office Equipment (AC, UPS, Generator and Invertors)	5 years
Vehicles	6 years

Useful life of assets different from prescribed in Schedule II has been estimated by management supported by the Internal Technical assessment.

Asset	Useful Life as Prescribed by Schedule II of the Companies Act, 2013	Estimated Useful Life
Batteries (included under office equipments)	5 Years	4 Years
Furniture and Fixtures*	10 Years	7 years

**In case of Furniture and Fixtures fitted with premises, Depreciation calculated based on lease period taking into account the secondary lease period or 7 years whichever is less.*

Fixed Assets, individually costing less than Rupees five thousands are fully depreciated in the year of purchase.

Depreciation on the Fixed Assets added / disposed off / discarded during the year is provided on pro-rata basis with reference to the month of addition / disposal / discarding.

2.5 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Capitalized costs include direct costs of implementation and expenses directly attributable to the development of the software. All other expenses on existing intangible assets, including day-to-day maintenance expenditure are charged to the statement of profit and loss for the period during which such expenses are incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Computer software cost capitalized is amortized over the estimated useful life of 6 years on a straight line basis.

2.6 Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

Notes forming part of the Financial Statements

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

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

2.7 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the assets. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.8 Leases

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the under lying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset generates cash flows that are largely dependent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment on exercise of an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.9 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 to another entity.

2.9.1 Financial Asset

2.9.1.1 Initial Recognition and Measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognized on the trade date .i.e. the date that the Company commits to purchase or sell the asset.

2.9.1.2 Subsequent Measurement

For the purpose of subsequent measurement, financial assets are classified as below:

i) Financial instruments at amortized cost

ii) Financial instruments at fair value through other comprehensive income (FVTOCI)

iii) Financial instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)

iv) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

i) Financial Assets Measured at Amortized Cost

A 'Financial instrument' is measured at the amortized cost if both the following conditions are met:

Notes forming part of the Financial Statements

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

ii) **Financial Assets at Fair Value Through Other Comprehensive Income (FVTOCI):**

A 'Financial Instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Financial Instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the P&L. Financial instruments held as Investments are fair valued through FVTOCI. On de-recognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI Financial Instrument is reported as interest income using the EIR method.

iii) **Financial Instrument at FVTPL**

FVTPL is a residual category for Financial Instruments. Any Financial Instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a Financial Instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has classified the current investments held as stock in trade.

Financial Instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

iv) **Equity Investments**

All equity investments in scope of Ind AS 109 are measured at fair value and the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FCTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amount from OCI to P&L, even on sale of investment. However, the group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

2.9.1.3 De-Recognition of Financial Assets

Financial assets are de-recognized when the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred and the transfer qualifies for de-recognition. On de-recognition of a financial asset in its entirety the difference between the carrying amount (measured at the date of de-recognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in Statement of profit and loss.

2.9.1.4 Impairment of Financial Assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments - for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk of trade receivable.

The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

In this approach, assets are grouped on the basis of similar credit characteristics such as industry, customer segment, past due status and other factors which are relevant to estimate the expected cash loss from these assets.

2.9.1.5 Other Financial Assets

Other financial assets are tested for impairment based on significant change in credit risk since initial recognition and impairment is measured based on probability of default over the lifetime when there is significant increase in credit risk.

Notes forming part of the Financial Statements

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

2.9.2 Financial Liabilities

Financial liabilities are classified, at initial recognition,

- as financial liabilities at fair value through profit or loss,
- loans and borrowings,
- payables.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

2.9.2.1 Subsequent Measurement:

The measurement of financial liabilities depends on their classification, as described below:

2.9.2.1.1 Financial Liabilities at FVTPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI.

These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity.

All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

2.9.2.1.2 Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

2.9.2.1.3 De-recognition of Financial Liabilities

A financial liability shall be de-recognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

2.10 Stock In Trade

Securities acquired with the intention to trade are classified as stock-in-trade. Stock-in-trade is valued at market/ fair value. The profit or loss on sale of securities is recognised on trade date in the Statement of Profit and Loss.

2.11 Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.12 Fair Value Measurement

The Company measures financial instruments at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or the liability; or In the absence of a principal market, in the most advantageous market for the asset or liability, the principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Notes forming part of the Financial Statements

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

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

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for disposal in discontinued operations.

2.13 Impairment of Non-Financial Assets

The Company assesses, at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists or when annual impairment testing for any asset is required, the Company estimates the assets recoverable amount. An assets recoverable amount is the higher of an assets fair value less cost of disposal and its value in use.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflow that is largely independent of those from other assets or group of assets. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written-down to it recoverable amount.

2.14 Revenue Recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind AS 115.

The company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the company satisfies a performance obligation.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliability measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received and receivable taking into account contractually defined terms of payment and excluding taxes and duties collected on behalf of the government.

Revenue shall be measured at the fair value of the consideration received or receivable. When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction shall be recognized.

The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred for the transaction or to be incurred in respect of the transaction can be measured reliably.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue shall be recognized only to the extent of the expenses recognized that are recoverable. The revenue

Notes forming part of the Financial Statements

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

recognition in respect of the various streams of revenue is described below:

Brokerage Income, Portfolio Management Services income and transaction charges are recognized on the trade date of the transaction upon confirmation of the transactions by the exchanges. Account opening charges are recognized when right to receive the income is established.

Income from depository services, interest and finance charges are recognized on the basis of agreements entered into with clients and when the right to receive the income is established.

Interest bearing instruments are measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future receipts over the expected life of the financial instrument, to the gross carrying amount of the financial asset.

Interest earned from income bearing instruments are allocated between pre-acquisition and post-acquisition period and the accrued portion of the pre-acquisition portion is deducted from cost. The post-acquisition portion of interest is considered as revenue. The Profit/ Loss earned from sale of securities are recognized on trade date basis.

Other interest incomes are recognized on a time proportion basis taking into account the amount outstanding and the applicable rate of interest.

Portfolio management fees are recognized on an accrual basis in accordance with the Portfolio Management Agreements entered into with the respective clients.

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

2.15 Retirement and Other Employee Benefits

2.15.1 Employee Benefits

Employee benefits are accrued in the period in which the associated services are rendered by employees of the Company, as detailed below:

2.15.1.1 Defined Contribution Plan (Provident Fund)

In accordance with Indian law, eligible employees receive benefits from provident fund, which is a defined contribution plan. Both the employee and employer make monthly contributions to the plan, each equal to a specified percentage of employee's basic salary.

The Company has no further obligations under the plan beyond its monthly contributions. The Company does not have any legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. Obligation for contributions to the plan is recognized as an employee benefit expense in the Statement of Profit and Loss when incurred.

2.15.1.2 Defined Benefit Plans (Gratuity)

In accordance with applicable Indian laws, the company provides for gratuity, a defined benefit retirement plan (the Gratuity Plan) covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Company.

The Company's net obligation in respect of the gratuity plan is calculated by estimating the amount of future benefits that the employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service cost and the fair value of plan assets are deducted.

The discount rate is the yield at the reporting date on risk free government bonds that have maturity dates approximating the terms of the Company's obligations. The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognized asset is limited to the total of any unrecognized past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

The Company recognizes all re-measurements of net defined benefit liability/asset directly in other comprehensive income and presented within equity. The Company has employees' gratuity fund under Grasim Industries Limited Employees Gratuity Trust managed by the ultimate parent company.

2.15.1.3 Short Term Benefit

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2.15.1.4 Compensated Absences

The employees of the Company are entitled to Leave encashment benefit. The employees can carry forward a portion of the unutilized accrued absence and utilize it in future periods or receive cash compensation at retirement or termination of employment for the unutilized accrued compensated absence. The Company recognizes an obligation for compensated absences in the period in which the employee renders the services.

Notes forming part of the Financial Statements

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

The Company provides for the expected cost of compensated absence in the Statement of Profit and Loss as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated based on actuarial valuations carried out by an independent actuary at the balance sheet date.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through Statement of Profit and Loss in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

2.15.1.5 Share-Based Payment Transactions

Employees (including senior executives) of the company receive remuneration in the form of share-based payments whereby employees render services as consideration for equity instruments (equity-settled transactions).

2.15.1.6 Equity – Settled Transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognized, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense.

The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognized for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognized is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

2.16 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

2.17 Taxes

2.17.1 Current Income Tax

Current tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961, and the rules framed thereunder.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

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

Notes forming part of the Financial Statements

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

2.17.2 Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Sales / Value added taxes paid on acquisition of Assets or on incurring expenses are recognized net of the amount of sale / value and taxes paid, except when the tax incurred on a purchase of assets or services are not recoverable from the taxation authority, in which case, the tax paid is recognized as part of the cost of the acquisition of the asset or as part of the expense item, as applicable. When receivables and payable are stated with the amount of tax included, the net amount of tax recoverable from or payable to the taxation authority is included as part of receivables or payables in the balance sheet.

2.18 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split, if any.

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

2.19 Use of Estimates

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

2.20Segment Reporting

The Company's business is to provide Brokerage service, further, the company also trades in security as a part of the business activity and portfolio management services ('PMS') to its clients within India and the reportable segment is basis the above business segments.

Segment Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the Business segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated expenses/income". Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

Notes forming part of the Financial Statements

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

	As at 31st March 2021	As at 31st March 2020
NOTE: 3		
Cash and Cash Equivalents		
Cash on Hand	-	-
Balances with Banks - Current Accounts	9,54,49,943	37,64,21,110
	9,54,49,943	**37,64,21,110**
NOTE: 4		
Bank Balance other than Cash and Cash Equivalents		
Fixed Deposit Accounts (with original maturity period of more than 3 months) *	395,58,81,545	245,23,10,801
	395,58,81,545	**245,23,10,801**
* Fixed Deposits Placed with Bank towards:		
a) Margin with Exchange	3,11,64,75,000	193,08,75,000
b) Issue of Bank Guarantee	60,34,22,032	34,60,09,019
c) Others	6,59,25,308	7,85,79,463
	378,58,22,340	**235,54,63,482**
Interest Accrued on Fixed Deposits	17,00,59,205	9,68,47,319
Total	**395,58,81,545**	**245,23,10,801**
NOTE: 5		
Stock of Securities		
(Carried at Fair Value through Profit or Loss)		
(a) Opening	90,47,79,343	280,57,66,372
(b) Purchases	90,50,59,78,099	85,41,02,87,065
(c) Cost of Sales	88,81,70,33,603	87,30,39,16,365
(d) Fair Value Changes	(2,88,22,950)	(73,57,729)
Closing (a+b+c+d)	**256,49,00,890**	**90,47,79,343**
NOTE: 6		
Trade Receivables ^		
Secured, Considered Good	153,50,34,945	64,09,73,498
Unsecured, Considered Good	43,51,836	58,00,944
Unsecured, Considered doubtful	7,50,73,525	7,30,79,879
	161,44,60,306	**71,98,54,321**
Less: Provision for Impairment	(7,50,73,525)	(7,30,79,879)
	153,93,86,781	**64,67,74,442**

^Trade Receivables includes pass through amounts representing dues from clients and exchange towards transactions not fully settled as at the reporting date.

^Trade Receivables includes amount receivable from customers pertaining to amount funded to them for settlement of trade as part of normal business activity.

	As at 31st March 2021	As at 31st March 2020
NOTE: 7		
Loans		
(Unsecured, except otherwise stated)		
(carried at amortised cost)		
Loans and Advances to Employees	17,91,983	17,21,514
Margin with Exchanges	3,06,18,054	50,81,18,054
Less: Impairment Loss allowances	(18,75,000)	(18,75,000)
Others	3,21,59,072	1,56,47,352
Less: Impairment Loss allowances	(72,77,170)	-
	5,54,16,939	**52,36,11,920**

Notes forming part of the Financial Statements

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

	As at 31st March 2021	As at 31st March 2020
NOTE: 8		
Other Financial Assets		
(Carried at amortised Cost, except otherwise stated)		
Interest Accrued on Stock of Securities	4,57,88,743	1,51,38,234
Security Deposits	4,54,77,863	4,36,38,695
Receivable from Exchange	6,50,15,110	6,50,15,110
	15,62,81,716	**12,37,92,039**
NOTE: 9		
Deferred Tax Assets		
Opening Deferred Tax Assets	4,29,44,113	3,34,64,006
(a) Property, Plant and Equipment & Other Intangible Assets	9,63,750	79,68,579
(b) Other Current Assets and Non-current Assets	87,19,098	86,55,514
(c) Trade Receivables - Provision for Doubtful Debts	5,31,222	(26,02,442)
(d) Impact of Tax Rate Change	-	(45,41,544)
Deferred Tax Asset / (Deferred Tax Liability)	**5,31,58,183**	**4,29,44,113**

NOTE: 10 - PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold Land *	Furniture & Fixtures	Office Equipment	Computers	Vehicles	TOTAL
Gross Block						
As at 1st April 2019	**15,00,000**	**56,56,539**	**28,08,988**	**4,45,55,001**	**86,03,541**	**6,31,24,069**
Additions	-	1,04,110	10,97,491	2,07,84,416	-	2,19,86,017
Deletions	-	26,57,977	7,99,508	51,202	-	35,08,686
As at 31st March 2020	**15,00,000**	**31,02,672**	**31,06,971**	**6,52,88,215**	**86,03,541**	**8,16,01,400**
Additions	-	2,39,153	17,92,246	33,92,735	-	54,24,134
Deletions	-	1,61,643	5,67,778	6,11,449	17,36,184	30,77,054
As at 31st March 2021	**15,00,000**	**31,80,182**	**43,31,439**	**6,80,69,501**	**68,67,357**	**8,39,48,480**
Accumulated Depreciation						
As at 1st April 2019	**-**	**39,55,535**	**5,12,365**	**1,21,71,625**	**17,89,899**	**1,84,29,424**
Additions	-	3,70,979	18,26,563	1,45,25,288	14,81,774	1,82,04,604
Deletions	-	26,22,322	6,05,185	51,258	-	32,78,764
As at 31st March 2020	**-**	**17,04,192**	**17,33,744**	**2,66,45,655**	**32,71,673**	**3,33,55,264**
Additions	-	3,75,369	12,51,320	1,82,88,836	12,08,567	2,11,24,093
Deletions	-	1,49,376	4,88,640	6,11,449	8,28,479	20,77,943
As at 31st March 2021	**-**	**19,30,186**	**24,96,425**	**4,43,23,042**	**36,51,761**	**5,24,01,414**
Net Block as at 1st April 2019	**15,00,000**	**17,01,004**	**22,96,623**	**3,23,83,377**	**68,13,642**	**4,46,94,645**
Net Block as at 31st March 2020	**15,00,000**	**13,98,480**	**13,73,228**	**3,86,42,561**	**53,31,868**	**4,82,46,136**
Net Block as at 31st March 2021	**15,00,000**	**12,49,996**	**18,35,014**	**2,37,46,460**	**32,15,596**	**3,15,47,066**

** The company is in the process of getting the lands registered in its name which is currently under dispute but management expects a favourable outcome in this matter*

Notes forming part of the Financial Statements

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

NOTE: 11 - OTHER INTANGIBLE ASSETS

Particulars	Computer Software
Gross Block	
As at 1st April 2019	**4,05,92,352**
Additions	20,56,750
Deletions	-
As at 31st March 2020	**4,26,49,102**
Additions	76,03,774
Deletions	-
As at 31st March 2021	**5,02,52,876**
Accumulated Amortization	
As at 1st April 2019	**1,54,81,601**
Additions	71,84,175
Deletions	-
As at 31st March 2020	**2,26,65,776**
Additions	76,97,231
Deletions	-
As at 31st March 2021	**3,03,63,007**
Net Block as at 1st April 2019	**2,51,10,751**
Net Block as at 31st March 2020	**1,99,83,326**
Net Block as at 31st March 2021	**1,98,89,869**

	As at 31st March 2021	As at 31st March 2020
NOTE: 12		
Other Non-Financial Assets		
(Unsecured, Except otherwise stated)		
Unbilled Revenue	9,79,133	7,67,449
VAT, Other Taxes Recoverable, Statutory Deposits and Dues from Government	1,94,38,035	93,60,085
Advance for Expenses	2,22,36,503	2,04,66,648
Prepaid Expenses	2,19,03,972	1,93,18,216
Gratuity Assets Receivables	8,38,54,192	6,66,88,766
Others	13,18,697	17,62,077
	14,97,30,532	**11,83,63,241**
NOTE: 13		
Trade Payables		
(Carried at Amortised Cost, except otherwise stated)		
(i) total outstanding dues of micro enterprises and small enterprises	22,52,670	21,81,033
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	41,17,78,522	30,50,62,908
	41,40,31,192	**30,72,43,941**

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March 2021 and no interest payment made during the year to any Micro, Small and Medium Enterprises. (Previous year MSME/Interest: Nil). This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

Notes forming part of the Financial Statements

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

	As at 31st March 2021	As at 31st March 2020
NOTE: 14		
Debt Securities		
(At Amortised Cost)		
Unsecured		
Commercial Papers	322,07,94,575	173,05,73,604
TOTAL	**322,07,94,575**	**173,05,73,604**
* Maximum balance outstanding during the year	350,00,00,000	500,00,00,000

** Commercial Papers are shown net of unamortized discounting charges*

^ Repayable in 38 to 119 days from the date of draw down. The interest on this loan ranges from 4.60% to 8.75% and interest on this loan in the previous year ranged from 6.16 % to 9.30 %

	As at 31st March 2021	As at 31st March 2020
NOTE: 15		
Subordinated Liabilities		
(At Amortised Cost)		
Preference Shares - 8% Redeemable Non-Convertible Non-Cumulative of ₹100/- each fully paid	54,62,43,868	50,71,43,135
TOTAL	**54,62,43,868**	**50,71,43,135**

Reconciliation of the number of Preference shares outstanding at the beginning and at the end of the period

Description	As at 31st March 2021		As at 31st March 2020	
	Number of Shares	Amount in ₹	Number of Shares	Amount in ₹
At the beginning of the year	10,00,000	10,00,00,000	10,00,000	10,00,00,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	10,00,000	10,00,00,000	10,00,000	10,00,00,000

Terms/Rights attached to Preference Shares

Preference Shares carry a non-cumulative dividend of 8% per annum. Dividend amounts, declared if any, will be paid in Indian Rupees. On 31st March 2011, the Company had issued 8,00,000 8% Redeemable Non-Convertible Non-Cumulative Preference Shares of ₹100/- each, fully paid-up at a premium of ₹150/- per share to Aditya Birla Capital Limited (Formerly known as Aditya Birla Financial Services Limited), the Holding Company. The Preference Shares were redeemable at the end of 5 years from the date of issue at a price of ₹320/- per share. With the consent of the preference share holder, the period of redemption was extended by 39 months from March 2016 to June 2019 and the redemption price was varied from ₹320/- to ₹411/- (Face Value ₹100/- and Premium of ₹311/- per share). The period of redemption was again extended by 42 months from June 2019 to December 2022 with the written consent of the preference share holder and the redemption price was varied from ₹411/- to ₹533.75 (Face Value ₹100/- and Premium of ₹433.75 per share).

During the year ended 31st March 2014, the Company had issued 2,00,000 8% Redeemable Non-Convertible Non-Cumulative Preference Shares of ₹100/- each, fully paid-up at a premium of ₹400/- per share to Aditya Birla Capital Limited (formerly known as Aditya Birla Financial Services Limited), the Holding Company. The Preference Shares were redeemable at the end of 5 years from the date of issue at a price of ₹725/- per share. With the consent of the preference share holder, the period of redemption was extended by 42 months from September 2018 to March 2022 and from March 2019 to September 2022 for 1,00,000 each 8% Redeemable Non-Convertible Non-Cumulative Preference Shares originally issued on 30th September 2013 and 29th March 2014 respectively and the redemption price was varied from ₹725/- to ₹941/- (Face value ₹100/- and Premium of ₹841/- per share).

Notes forming part of the Financial Statements

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

Shares held by Holding Company

10,00,000 (Previous Year : 10,00,000) 8% Redeemable Non-Convertible Non-Cumulative Preference Shares of ₹100/- each fully paid-up are held by Aditya Birla Capital Limited (Formerly known as Aditya Birla Financial Services Limited), the Holding Company.

	As at 31st March 2021	As at 31st March 2020
NOTE: 16		
Other Financial Liabilities		
(Carried at amortised cost, except otherwise stated)		
Amount Payable to Customers	333,77,92,206	190,84,19,812
Other Payables		
Deposits	6,72,34,006	5,75,08,753
Payable Related to Employees	21,25,46,685	15,32,75,902
	361,75,72,897	**211,92,04,467**
NOTE: 17		
Provisions		
Provision for Employee Benefits		
Provision for Compensated absences	2,07,08,410	1,89,21,151
Provision for Gratuity	7,08,82,249	7,38,93,209
	9,15,90,659	**9,28,14,360**
NOTE: 18		
Other Non-Financial Liabilities		
Income received in advance	1,99,13,917	1,56,81,209
Others		
Statutory Dues	2,88,65,048	3,42,44,045
Others	21,77,14,367	16,19,16,994
	26,64,93,332	**21,18,42,248**
NOTE: 19		
SHARE CAPITAL		
Authorised:		
15,00,00,000 (Previous year 15,00,00,000) Equity Shares of ₹1/- each	15,00,00,000	15,00,00,000
	15,00,00,000	**15,00,00,000**
Issued, Subscribed and Paid-up:		
EQUITY SHARE CAPITAL		
5,63,01,357 Equity Shares of ₹1/- each fully paid as on 31st March 2021	5,63,01,357	
5,63,01,357 Equity Shares of ₹1/- each fully paid as on 31st March 2020		5,63,01,357
	5,63,01,357	**5,63,01,357**

1) Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Sr. No.	Description	As at 31st March 2021		As at 31st March 2020	
		Number of Shares	Amount	Number of Shares	Amount
1	At the beginning of the year	5,63,01,357	5,63,01,357	5,63,01,357	5,63,01,357
2	Issued during the year	-	-	-	-
3	Outstanding at the end of the year	5,63,01,357	5,63,01,357	5,63,01,357	5,63,01,357

2) Term/Right Attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹1/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

Notes forming part of the Financial Statements

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

3) Shares held by Holding Company

4,15,50,000 (Previous Year: 4,15,50,000) Equity Shares of ₹1/- each fully paid-up are held by Aditya Birla Capital Limited (Formerly known as Aditya Birla Financial Services Limited), the Holding Company.

4) Equity Shares in the Company held by each shareholder holding more than 5 per cent shares and the number of equity shares held are as under:

Sr. No.	Name of Shareholder	As at 31st March 2021		As at 31st March 2020	
		No. of Shares Held	% of Total Paid-up Equity Share Capital	No. of Shares Held	% of Total Paid-up Equity Share Capital
1	Aditya Birla Capital Limited (Formerly known as Aditya Birla Financial Services Limited)	4,15,50,000	73.80%	4,15,50,000	73.80%

	As at 31st March 2021	As at 31st March 2020
NOTE: 20		
OTHER EQUITY		
1) Capital Reserve		
Opening Balance	1,15,38,863	1,15,38,863
Adjustments:	-	-
Closing Balance	**1,15,38,863**	**1,15,38,863**
2) Securities Premium		
Opening Balance	4,56,56,264	4,56,56,264
Adjustments:	-	-
Closing Balance	**4,56,56,264**	**4,56,56,264**
3) Share Option Outstanding Account		
Opening Balance	1,01,44,309	1,01,44,309
Adjustments:	-	-
Closing Balance	**1,01,44,309**	**1,01,44,309**
4) General Reserve		
Opening Balance	26,95,97,476	26,95,97,476
Adjustments:	-	-
Closing Balance	**26,95,97,476**	**26,95,97,476**
5) Surplus in Profit and loss accounts		
Opening Balance	(8,05,02,924)	(17,84,56,641)
Addition:		
Profit for the Year	15,78,37,883	11,98,64,867
Other Comprehensive Income/(loss) for the year arising from re-measurement gains/(loss) on defined benefit plans	82,54,785	(92,38,448)
Ind AS 116 Adjustment	-	(1,26,72,702)
Closing Balance	**8,55,89,744**	**(8,05,02,924)**
Total Other Equity	**42,25,26,656**	**25,64,33,988**

Notes forming part of the Financial Statements

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

	Year Ended 31st March 2021	Year Ended 31st March 2020
NOTE: 21		
Interest Income		
Other Interest Income		
On Financial Assets Measured at Amortised Cost	13,75,06,223	17,10,09,399
On Financial Assets classified at Fair Value through Profit or Loss	11,84,28,912	16,43,24,731
Interest on Deposits with Banks		
On Financial Assets Measured at Amortised Cost	17,78,84,892	16,49,97,596
	43,38,20,027	**50,03,31,726**
NOTE: 22		
Fees and Commission Income		
Brokerage Income	123,93,46,521	93,70,79,889
Account Opening Charges	29,04,703	22,51,412
Income from Depository Services	5,48,65,345	3,67,93,388
Setup and Management Fee	6,13,22,064	8,72,16,295
Referral Fee Income	12,87,612	31,26,399
Miscellaneous other Operating Income	37,44,251	98,51,114
	136,34,70,496	**107,63,18,497**
NOTE: 23		
Net Gain on Fair Value Changes		
Net Gain/(Loss) on Financial Instruments at Fair Value through Profit or Loss		
On Trading Portfolio		
Debt Instrument at FVTPL	10,87,89,508	8,99,70,924
	10,87,89,508	**8,99,70,924**
Fair Value changes :		
Realised	13,76,12,458	9,73,28,655
Unrealised	(2,88,22,950)	(73,57,731)
	10,87,89,508	**8,99,70,924**
NOTE: 24		
Other Income		
Interest Income on Financial Assets held at Amortised Cost	21,25,178	1,13,89,139
Net Gain/(Loss) on Financial Instruments at FVTPL	1,61,02,471	2,91,89,533
Profit on Sale of Property, Plant and Equipment	2,26,224	14,91,333
Provision write back	-	85,78,496
Miscellaneous Income (Net)	93,52,578	2,00,97,001
	2,78,06,451	**7,07,45,502**
Fair Value changes on Financial Instruments at FVTPL		
Realised	1,61,02,471	2,91,89,533
Unrealised	-	-
	1,61,02,471	**2,91,89,533**
NOTE: 25		
Finance Cost		
Interest on Fair Value measured at Amortised Cost		
Debt Securities	14,75,75,403	22,45,41,865
Borrowing other than Debt security	1,70,76,838	59,85,315
Subordinated Liabilities	3,91,00,733	3,55,47,395
Other Borrowing Costs	10,89,432	33,68,147
Finance Cost - Lease Liabilities	1,58,01,729	1,07,30,552
	22,06,44,135	**28,01,73,274**

Notes forming part of the Financial Statements

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

	Year Ended 31st March 2021	Year Ended 31st March 2020
NOTE: 26		
Impairment on Financial Instruments		
On Trade Receivable	19,93,646	(18,20,303)
On Loans and Advances	72,77,170	-
	92,70,816	**(18,20,303)**
NOTE: 27		
Employee Benefits Expenses		
Salaries and Wages	54,79,89,829	50,54,71,171
Contribution to Provident and Other Funds (Refer Note 42)	2,39,54,425	2,32,97,745
Contribution to Gratuity Fund (Refer Note 42)	72,31,479	63,30,519
Expense on Employee Stock Options Scheme (Refer Note 43)	9,38,024	18,44,828
Staff Welfare Expenses	1,98,02,106	2,19,00,855
	59,99,15,863	**55,88,45,118**
NOTE: 28		
Depreciation And Amortisation Expenses		
Depreciation of Property, Plant and Equipment	2,10,93,363	1,82,04,207
Amortisation of Intangible Assets	76,97,231	71,84,175
Depreciation and Amortisation on Lease Assets	4,14,33,043	3,91,91,027
	7,02,23,637	**6,45,79,409**
NOTE: 29		
Other Expenses		
Rent	17,57,411	19,66,603
Repairs and Maintenance – Building	11,71,587	12,69,249
Repairs and Maintenance – Others	3,20,56,620	3,61,41,039
Insurance	1,70,52,631	1,54,14,522
Rates and Taxes	1,70,28,289	75,55,880
Advertisement and Sales Promotion Expenses	20,33,848	20,76,265
Legal and Professional Expenses	6,62,78,584	6,21,62,580
Audit Remuneration *	20,11,988	37,28,843
Travelling and Conveyance	1,27,60,962	2,21,06,035
Printing and Stationery	38,52,047	38,02,152
Communication Expenses	3,01,61,557	2,60,25,100
Electricity Charges	1,11,65,968	1,22,11,452
Information Technology Expenses	7,28,55,261	7,29,78,686
Corporate Social Responsibility (CSR) Expenses	30,81,814	30,92,872
Director's Fees	7,20,000	7,20,000
Postage Expenses	58,48,757	51,71,553
Bank Charges	1,44,67,205	1,25,14,744
Miscellaneous Expenses	1,00,72,230	45,81,863
Total	**30,43,76,759**	**29,35,19,438**
*Auditor's Remuneration includes payment to Auditors as under		
As Auditor		
Audit Fee	11,50,000	16,00,000
Limited Reviews	4,50,000	13,50,000
Tax Audit Fee	2,00,000	2,00,000
Certification Fee	50,000	50,000
Reimbursement of Expenses	1,61,988	5,28,843
	20,11,988	**37,28,843**

Notes forming part of the Financial Statements

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

		Year Ended 31st March 2021	Year Ended 31st March 2020
NOTE: 30			
Other Comprehensive Income			
(i)	**Items that will not be reclassified to profit or loss**		
	Re-measurement of post-employment benefit obligations	1,10,31,089	(1,23,45,585)
(ii)	**Income tax relating to items that will not be reclassified to profit or loss**		
	Income tax relating to Re-measurement of post-employment benefit obligations	27,76,304	(31,07,137)
Other Comprehensive Income (i-ii)		**82,54,785**	**(92,38,448)**

NOTE: 31

Maturity Analysis of Assets and Liabilities

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

Particulars			31st March 2021			31st March 2020		
			Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
I	**ASSETS**							
(1)	**Financial Assets**							
	(a)	Cash and Cash Equivalents	9,54,49,943	-	9,54,49,943	37,64,21,110	-	37,64,21,110
	(b)	Bank Balance other than (a) above	395,58,81,545	-	395,58,81,545	245,23,10,801	-	245,23,10,801
	(c)	Stock of Securities	256,49,00,890	-	256,49,00,890	90,47,79,343	-	90,47,79,343
	(d)	Trade and Other Receivables	153,93,86,781	-	153,93,86,781	64,13,92,022	-	64,13,92,022
	(e)	Loans	2,50,47,271	3,03,69,668	5,54,16,939	45,48,05,469	6,88,06,451	52,36,11,920
	(f)	Other Financial Assets	7,50,70,865	8,12,10,851	15,62,81,716	4,23,08,946	8,14,83,093	12,37,92,039
	Sub-Total		**825,57,37,294**	**11,15,80,519**	**836,73,17,814**	**487,20,17,691**	**15,02,89,544**	**502,23,07,235**
(2)	**Non-Financial Assets**							
	(a)	Tax Assets (Net)	-	2,14,05,709	2,14,05,709	-	3,29,86,804	3,29,86,804
	(b)	Deferred Tax Assets (Net)	-	5,31,58,183	5,31,58,183	-	4,29,44,113	4,29,44,113
	(c)	Property, Plant and Equipment	-	3,15,47,066	3,15,47,066	-	4,82,46,136	4,82,46,136
	(d)	Right to use of Assets	-	18,43,60,201	18,43,60,201	-	18,77,71,383	18,77,71,383
	(e)	Other Intangible Assets	-	1,98,89,869	1,98,89,869	-	1,99,83,326	1,99,83,326
	(f)	Intangible Assets under Development	-	68,37,050	68,37,050	-	41,14,000	41,14,000
	(g)	Other Non-Financial Assets	6,53,32,257	8,43,98,275	14,97,30,532	5,63,98,238	6,73,47,423	12,37,45,661
	Sub-Total		**6,53,32,257**	**40,15,96,352**	**46,69,28,609**	**5,63,98,238**	**40,33,93,185**	**45,97,91,423**
	Total Assets		**832,10,69,552**	**51,31,76,871**	**883,42,46,424**	**492,84,15,929**	**55,36,82,729**	**548,20,98,658**

Notes forming part of the Financial Statements

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

Particulars	31st March 2021			31st March 2020		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
II LIABILITIES AND EQUITY						
LIABILITIES						
(1) Financial Liabilities						
(a) Trade Payables						
(i) total outstanding dues of micro enterprises and small enterprises	22,52,670	-	22,52,670	21,81,033	-	21,81,033
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	41,17,78,522	-	41,17,78,522	30,50,62,908	-	30,50,62,908
(b) Debt Securities	322,07,94,575	-	322,07,94,575	173,05,73,604	-	173,05,73,604
(c) Subordinated Liabilities	8,73,61,175	45,88,82,693	54,62,43,868	-	50,71,43,135	50,71,43,135
(d) Lease Liability	3,97,04,740	15,89,87,148	19,86,91,888	3,56,97,318	16,48,44,240	20,05,41,558
(e) Other Financial Liabilities	355,03,38,891	6,72,34,006	361,75,72,897	206,16,95,714	5,75,08,753	211,92,04,467
Sub-Total	**731,22,30,573**	**68,51,03,847**	**799,73,34,420**	**413,52,10,577**	**72,94,96,128**	**486,47,06,705**
(2) Non-Financial Liabilities						
(a) Provisions	2,07,08,410	7,08,82,249	9,15,90,659	1,89,21,151	7,38,93,209	9,28,14,360
(b) Other Non-Financial Liabilities	20,14,95,819	6,49,97,513	26,64,93,332	14,68,44,735	6,49,97,513	21,18,42,248
Sub-Total	**22,22,04,229**	**13,58,79,762**	**35,80,83,991**	**16,57,65,886**	**13,88,90,722**	**30,46,56,608**
(3) Equity						
(a) Equity Share Capital	-	5,63,01,357	5,63,01,357	-	5,63,01,357	5,63,01,357
(b) Other Equity	-	42,25,26,656	42,25,26,656	-	25,64,33,988	25,64,33,988
Total Equity	**-**	**47,88,28,013**	**47,88,28,013**	**-**	**31,27,35,345**	**31,27,35,345**
Total Equity and Liabilities	**753,44,34,802**	**129,98,11,622**	**883,42,46,424**	**430,09,76,463**	**118,11,22,195**	**548,20,98,658**

32.A FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

The management assessed that the fair value of cash and cash equivalents, security deposits, staff advances, subordinate liabilities, debt securities, trade receivables, margin with exchanges, trade payables, bank balances and other current liabilities approximate their carrying amount.

With respect to stock in securities refer Note 5 are fair valued based on quoted price available in the active market (Level 1).

32.B FINANCIAL RISK

Following table provides the Liquidity risk of Company's Liabilities as on 31st March 2021 and 31st March 2020 and the Liquidity risk of Company's financial assets are analyzed and disclosed under Note 31 of maturity analysis of Assets.

Liquidity Risk	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	>5 years	Total
Year ended 31st March 2021						
(a) Trade Payable	-	41,40,31,192	-	-	-	41,40,31,192
(b) Debt Securities	-	322,10,02,938	-	-	-	322,10,02,938
(c) Subordinated Liabilities	-	-	8,73,61,175	45,88,82,693	-	54,62,43,868
(d) Other Financial Liabilities	333,77,92,206	-	21,25,46,685	6,72,34,006	-	361,75,72,897
TOTAL						**779,88,50,895**

Notes forming part of the Financial Statements

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

Liquidity Risk	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	>5 years	Total
Year ended 31st March 2020						
(a) Trade Payable	-	30,72,43,941	-	-	-	30,72,43,941
(b) Debt Securities	-	173,07,68,535	-	-	-	173,07,68,535
(c) Subordinated Liabilities	-	-	-	50,71,43,135	-	50,71,43,135
(d) Other Financial Liabilities	190,84,19,812	-	15,32,75,902	5,75,08,753	-	211,92,04,467
TOTAL						**466,43,60,078**

33. STAMP DUTY

Hitherto, the Company had been collecting and remitting stamp duties with respect to states wherein the manner of payment of the same has been prescribed by the respective state governments. From July 2011, the Company had started collecting stamp duty on contract notes for all states, including the states wherein the manner of payment has not yet been notified. The Company is evaluating various options of remitting the same, including remitting those amounts in the State of Tamil Nadu, as all the contract notes are executed at Tamil Nadu. Pending, the final determination of the manner of remittance, amount of ₹1,64,90,479/- (Previous Year: ₹1,58,64,478/-) collected till 30th June 2020 has been disclosed under statutory dues in other Non-Financial liabilities.

34. CONTINGENT LIABILITIES

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

The Company does not recognize a contingent liability in the financial statements except when the management decides to recognize basis the probability of the contingent liability devolving on the Company.

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

Particulars	31st March 2021	31st March 2020
Disputed tax and other statutory liabilities not provided for:		
Income tax and interest on tax - for various assessment years in respect of which Company has gone on appeal. Based on judicial pronouncements, the claim of the Company is likely to be accepted by the judicial authorities.	7,41,885	7,41,885
Claims against the Company not acknowledged as debts and not provided for:		
Claims made on the Company by various customers alleging unauthorized trades, loss of profits etc. The Company has been advised by its legal counsel that it is possible, but not probable, the action will succeed and accordingly no provision for any liability has been made in these financial statements.	-	63,31,705

35. MANAGERIAL REMUNERATION

During an earlier year the Company had made an application to the Central Government under Section 309 (5B) of the Companies Act, 1956 for seeking waiver of excess managerial remuneration amounting to ₹30,94,634/- (Previous Year: ₹30,94,634/-) (excluding statutory contribution to provident fund, gratuity and leave encashment which are exempted under Schedule VI) paid to Mr. P. B. Subramaniyan, the erstwhile whole-time director ('Erstwhile Director') of the Company for the period from 1st April 2008 to 6th March 2009.

During the earlier years, the Company has received an order from the Central Government (CG) whereby the CG has rejected excess remuneration of ₹16,26,614/- (Previous year: ₹16,26,614/-) and directed the Company to collect the same from the Erstwhile Director. Further the Company has filed a civil suit in the High Court of Judicature at Madras vide C.S. No. 53/2016 seeking recovery of the excess remuneration paid to Mr. P. B. Subramaniyan. Pending the recovery of the same, it has been shown as advances recoverable by the Company in the Balance Sheet.

Notes forming part of the Financial Statements

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

36. INCOME TAX

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

Deferred Tax:

Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognized in correlation to the underlying transaction either in retained earnings or a separate component of equity.

Reconciliation of Tax expense and the accounting profit multiplied by India's domestic tax rate

	31st March 2021	31st March 2020
Current Tax		
Current Income Tax expense	7,63,72,843	5,46,30,076
Deferred Tax		
Relating to origination and reversal of temporary differences	(1,02,14,070)	(94,80,107)
Income Tax expense reported in the statement of profit or loss	**6,61,58,773**	**4,51,49,969**

Reconciliation of Tax expense and the accounting profit multiplied by India's domestic tax rate

	31st March 2021	31st March 2020
Accounting profit before Income Tax	22,39,96,656	16,50,14,836
At India's statutory Income Tax rate	5,63,75,478	4,15,30,934
%	25.17%	25.17%
Income (Ind AS) not considered for Tax purpose	(4,54,750)	(15,22,948)
Expense (Ind AS) not considered for Tax purpose	93,40,958	89,46,568
Expenses not allowed for Tax purpose	8,84,693	7,94,532
Deductible temporary differences and Tax difference in PPE	(8,79,590)	(86,68,321)
Deductible temporary differences and Tax difference in current and non-current assets	8,91,984	(4,72,340)
Income Tax impact due to reduced Tax rate on opening DTA	-	45,41,544
At the effective Income Tax rate	29.54%	27.36%
Income Tax expense reported in the statement of profit and loss	**6,61,58,773**	**4,51,49,969**

37. FOREIGN CURRENCY TRANSACTIONS

The Company did not enter into any foreign currency transactions in the current year and previous year.

38. EARNINGS PER SHARE

Particulars		31st March 2021	31st March 2020
Net profit (after tax) as per Statement of Profit and Loss	A	15,78,37,883	11,98,64,867
Weighted average number of equity shares			
Basic	B	5,63,01,357	5,63,01,357
Diluted	C	5,63,60,153	5,63,53,077
Earnings / (Loss) per Share			
Basic	A/B	2.80	2.13
Diluted	A/C	2.80	2.13
Nominal Value of Equity Share (in ₹)		₹1/-	₹1/-

Notes forming part of the Financial Statements

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

39. CAPITAL MANAGEMENT

For the purpose of the Company's Capital management, Capital includes issued equity capital, Long- term borrowings and other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximize the shareholder value, comply to the regulatory requirements and maintain an optimal capital structure to reduce the cost of capital to the company. The Company makes adjustments in light of changes in economic conditions and the requirements of the applicable financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

Particulars	31st March 2021	31st March 2020
Debt		
Short Term Borrowings	330,81,55,749	173,05,73,604
Long Term Borrowings	45,88,82,694	50,71,43,135
Trade Payable	41,40,31,192	30,72,43,941
Other Financial Liabilities	361,75,72,897	211,92,04,467
Less : Stock of Securities, Investments, Cash and Cash Equivalents (Net of Amount payable to customer)	341,73,46,027	185,87,79,352
Net Debt (A)	**438,12,96,505**	**280,53,85,795**
Reserves	42,25,26,656	25,64,33,988
Equity Capital	5,63,01,357	5,63,01,357
Total Capital (B)	**47,88,28,013**	**31,27,35,346**
Capital + Net Debt C = (A+B)	**486,01,24,518**	**311,81,21,141**
Gearing Ratio (A/C)	**90%**	**90%**

In order to achieve the overall objective, the Company's Capital Management amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the current period.

40. CREDIT RISK

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract leading to a financial loss. The Company's exposure to credit risk is very minimal as the trade receivables are covered by collateral.

Trade receivables are consisting of a large number of customers. The Company has credit evaluation policy for each customer and based on the evaluation, credit limit of each customer is defined. Wherever the Company assesses the credit risk as high, the exposure is backed by either stocks comfort or margin money.

Total Trade Receivables as on 31st March 2021 is ₹153,93,86,781/- (Previous year ₹64,13,92,022/-).

	Neither past due nor impaired	Past due but not impaired				Total
		< 30 Days	30-90 Days	90-180 Days	> 180 Days	
Trade Receivables	101,74,47,606	36,74,02,246	12,84,75,712	13,95,286	2,46,65,931	153,93,86,781

As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default in payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

Movement of Loss Allowance:

Particulars	31st March 2021	31st March 2020
Opening Provision	7,30,79,879	8,34,78,678
Add: Provided during the year	19,93,646	
Less: Reversed during the year	-	1,03,98,799
Closing Provision	**7,50,73,525**	**7,30,79,879**

Notes forming part of the Financial Statements

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

41. LEASE DISCLOSURES

Disclosure Pursuant to Indian Accounting Standard 116 - Leases is as under:

Transition:

Effective 1st April 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1st April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee's incremental borrowing rate at the date of initial application.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly for all contracts as on 1st April 2019, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The weighted average incremental borrowing rate applied to lease liabilities as at 1st April 2021 is between the ranges of 8.00% to 8.50% for a period varying from 1 to 10 years.

Critical accounting judgments and key sources of estimation uncertainty

Critical judgments required in the application of Ind AS 116 may include, among others, the following:

- Identifying whether a contract (or part of a contract) includes a lease;
- Determining whether it is reasonably certain that an extension or termination option will be exercised;
- Classification of lease agreements (when the entity is a lessor);
- Determination of whether variable payments are in-substance fixed;
- Establishing whether there are multiple leases in an arrangement;
- Determining the stand-alone selling prices of lease and non-lease components.

Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:

- Estimation of the lease term;
- Determination of the appropriate rate to discount the lease payments;
- Assessment of whether a right-of-use asset is impaired.

Notes forming part of the Financial Statements

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

Following are the changes in the carrying value of right of use assets for the year ended 31st March 2021:

Particulars	Category of ROU Asset Leasehold premises
Gross Carrying Value	
Balance as at 1st April 2019	**11,29,47,878**
Additions	12,48,24,164
Deletions	(1,08,09,632)
Balance as at 31st March 2020	**22,69,62,410**
Additions	5,92,85,543
Deletions	(2,12,63,682)
Balance as at 31st March 2021	**26,49,84,271**
Accumulated Amortisation	
As at 1st April 2019	**-**
Additions	(3,91,91,027)
Balance as at 31st March 2020	**(3,91,91,027)**
Additions	(4,14,33,043)
Balance as at 31st March 2021	**(8,06,24,070)**
Net Carrying Value as at 31st March 2020	**18,77,71,383**
Net Carrying Value as at 31st March 2021	**18,43,60,201**

Amounts recognised in Profit and Loss

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Depreciation expense on right-of-use assets	4,14,33,043	3,91,91,027
Interest expense on lease liabilities	1,58,01,729	1,07,30,552
Expense relating to short-term leases	12,57,533	10,50,770
Expense relating to leases of low value assets	4,99,878	9,15,833
Gains or losses arising from sale and leaseback transactions	-	-
Gains or losses arising from modification of Lease Agreements	49,79,100	41,76,097

The following is the break-up of current and non-current lease liabilities as at 31st March 2021:

Particulars	31st March 2021	31st March 2020
Current Lease Liabilities	3,97,04,741	3,56,97,318
Non-Current Lease Liabilities	15,89,87,148	16,48,44,241
Total	**19,86,91,888**	**20,05,41,558**

The following is the movement in lease liabilities during the year ended 31st March 2021:

Particulars	Amount
Balance as at 1st April 2020	20,05,41,558
Additions	5,92,05,138
Deletions	(2,60,95,146)
Finance Cost accrued during the period	1,58,01,729
Payment of Lease Liabilities	(4,72,35,777)
Rent waiver Reduction	(35,25,611)
Balance as at 31st March 2021	**19,86,91,888**

Notes forming part of the Financial Statements

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

The following is the movement in lease liabilities during the year ended 31st March 2020:

Particulars	Amount
Balance as at 1st April 2019	-
Additions	25,49,11,739
Deletions	(1,49,85,728)
Finance Cost accrued during the period	1,07,30,552
Payment of Lease Liabilities	(5,01,15,005)
Balance as at 31st March 2020	**20,05,41,558**

The table below provides details regarding the contractual maturities of lease liabilities as at 31st March 2021 on an undiscounted basis:

Particulars	31st March 2021	31st March 2020
Less than one year	4,77,08,044	4,98,24,351
One to Five years	17,58,37,870	15,04,90,007
More than Five years	8,04,64,459	6,26,58,532
Total	**30,40,10,374**	**26,29,72,890**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due. The Company has applied the practical expedient as given in para 46B of Ind AS 116 in relation to Rent concessions being given due to Covid-19 pandemic by the lessor.

42. EMPLOYMENT BENEFIT DISCLOSURES

Defined Contribution Plan

The amounts charged to the Statement of Profit and Loss during the year for Provident fund contribution aggregates to ₹2,28,81,029/- (Previous year – ₹2,24,31,091/-), NPS contribution fund contribution aggregates to ₹7,67,269/- (Previous year – ₹4,37,670/-) and employees' state insurance contribution aggregates to ₹3,06,127/- (Previous year – ₹4,28,984/-).

Defined Benefit Plan

General Description of the plan

The Company operates gratuity plan through a trust wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service. In case of some employees, the Company's scheme is more favorable as compared to the obligation under Payment of Gratuity Act, 1972.

Nature of Benefits

The Company operates a defined benefit final salary gratuity plan which is open to new entrants. The gratuity benefits payable to the employees are based on the employee's service and last drawn salary at the time of leaving. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the Company.

Regulatory Framework

There are no minimum funding requirements for a gratuity plan in India. The trustees of the gratuity fund have a fiduciary responsibility to act according to the provisions of the trust deed and rules. Since the fund is income tax approved, the Company and the trustees have to ensure that they are at all times fully compliant with the relevant provisions of the income tax and rules. Besides this if the Company is covered by the Payment of Gratuity Act, 1972 then the Company is bound to pay the statutory minimum gratuity as prescribed under this Act.

Governance of the Plan

The Company has setup an income tax approved irrevocable trust fund to finance the plan liability. The trustees of the trust fund are responsible for the overall governance of the plan.

Inherent Risks

The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Company that any adverse salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.

Notes forming part of the Financial Statements

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

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

Amounts recognized in the Balance Sheet in respect of Gratuity

Particulars	31st March 2021	31st March 2020
Present value of Defined Benefit Obligation	7,08,82,249	7,38,93,209
Fair value of Plan Assets	8,38,54,192	6,66,88,766

Amounts recognized in Employee Benefits Expenses in the Statement of Profit and Loss in respect of Gratuity

Particulars	31st March 2021	31st March 2020
In Statement of Profit and Loss	72,31,479	63,30,519
In Other Comprehensive Income	(1,10,31,089)	1,23,45,585
Total Expenses Recognized for the period	**(37,99,610)**	**1,86,76,104**

The above note is a disclosure that covers both the obligation value and employee benefit expense debited to P&L.

Other Comprehensive Income:

Particulars	31st March 2021	31st March 2020
Actuarial (gains)/ losses		
- change in demographic assumptions	23,41,948	(7,422)
- change in financial assumptions	(22,51,173)	59,05,017
- experience variance	(44,92,980)	52,04,078
Return on plan assets, excluding amount recognized in net interest expense	(66,28,884)	12,43,912
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling	-	-
Components of defined benefit costs recognized in OCI	(1,10,31,089)	1,23,45,585

Reconciliation of Present Value of the Obligation and the Fair Value of Plan Assets:

Particulars	31st March 2021	31st March 2020
Present Value of Obligation as at the beginning	7,38,93,209	5,60,95,629
Current Service Cost	68,71,509	68,34,686
Interest Expense or Cost	36,92,069	37,10,159
Re-measurement (or Actuarial) (gain)/loss arising from :		
- change in demographic assumptions	23,41,948	(7,422)
- change in financial assumptions	(22,51,173)	59,05,017
- experience variance	(44,92,980)	52,04,078
- others		
Past Service Cost		
Benefits Paid including Transfer In / (Out)	(91,72,333)	(38,48,938)
Present Value of Obligation as at the end	7,08,82,249	7,38,93,209

Change in Fair Value of Plan Assets

Particulars	31st March 2021	31st March 2020
Opening fair value of plan assets	6,66,88,766	6,37,18,352
Expected return	66,28,884	(12,43,912)
Actuarial gains/(losses) on plan assets	33,32,099	42,14,326
Contributions by employer	1,63,76,776	38,48,938
Benefits paid	(91,72,333)	(38,48,938)
Closing fair value of plan assets	8,38,54,192	6,66,88,766

Notes forming part of the Financial Statements

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

Funding Arrangement and Policy

The money contributed by the Company to the fund to finance the liabilities of the plan has to be invested.

The trustees of the plan are required to invest the funds as per the prescribed pattern of investments laid out in the income tax rules for such approved schemes. Due to the restrictions in the type of investments that can be held by the fund, it is not possible to explicitly follow an asset-liability matching strategy to manage risk actively.

There is no compulsion on the part of the Company to fully pre fund the liability of the Plan. The Company's philosophy is to fund the benefits based on its own liquidity and tax position as well as level of underfunding of the plan.

Effect of Plan on Entity's Future Cash Flows:

a) Expected Contribution during the next annual reporting period

b) The Company's best estimate of Contribution during the next year - Nil

c) Maturity Profile of Defined Benefit Obligation

Weighted Average Duration (based on discounted cash flows)	5 years
Expected Cash Flows over the next (valued on undiscounted basis):	in Rupees
1 years	1,32,63,258
2 to 5 years	3,55,52,633
6 to 10 years	2,78,20,564
More than 10 years	2,31,09,772

Sensitivity Analysis

Particulars	31st March 2021		31st March 2020	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 0.5%)	7,28,00,160	6,90,55,591	7,60,04,421	7,19,13,627
(% change compared to base due to sensitivity)	2.7%	(2.6)%	2.9%	(2.7)%
Salary Growth (-/+ 0.5%)	6,91,13,595	7,27,18,927	7,19,84,973	7,59,03,945
(% change compared to base due to sensitivity)	(2.5)%	2.6%	(2.6)%	2.7%
Attrition Rate (-/+ 50%)	9,29,49,298	6,37,20,506	8,91,19,307	6,69,11,054
(% change compared to base due to sensitivity)	31.1%	(10.1)%	20.6%	(9.4)%
Mortality Rate (-/+ 10%)	7,08,33,651	7,09,30,661	7,38,83,713	7,39,02,699
(% change compared to base due to sensitivity)	(0.1)%	0.1%	0.00%	0.00%

Sensitivity Analysis Method

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.

Details of Plan Assets

The plan assets represent Company's proportionate share in the Grasim Industries Limited Employees Gratuity Trust managed by the ultimate parent company for the employees of the Company. The details of plan assets are as under:

Particulars	31st March 2021	31st March 2020
Government of India Securities	6.03%	4.36%
State Government Securities	6.22%	0.68%
Corporate Bonds	0.96%	0.28%
Insurer Managed Funds	40.21%	39.63%
Deposit Scheme	0%	0%
Others	46.58%	55.05%
	100.00%	100.00%

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The Company does not expect to contribute additional amount to the fund in the next year.

Notes forming part of the Financial Statements

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

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

	31st March 2021	31st March 2020
Discount Rate (per annum)	5.65%	5.00%
Salary Growth Rate (per annum)	10.00%	10.00%

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

Note: Salaries and Wages includes share of ABFSSL allocation of Salaries, PF, Gratuity of ₹60,86,307/- of FY 2020-21 and ₹86,63,831/- of FY 2019-20.

43. 1 STOCK OPTIONS GRANTED

i) ABML – EMPLOYEE STOCK OPTION SCHEME – 2014

The objective of the Employee Stock Option Scheme is to attract and retain talent and align the interest of employees with the Company as well as to motivate them to contribute to its growth and profitability.

The Company adopts Senior Executive Plan in granting Stock options to its Senior Employees. (Employee Stock Option Scheme – 2014).

During 2014 the Company had formulated the ABML Employee Stock Option Scheme – 2014 (ABML ESOP Scheme – 2014) with the approval of the shareholders at the Annual General Meeting dated 9th September 2014. The Scheme provides that the total number of options granted there under will be 27,70,000 and to follow the Market Value Method (Intrinsic Value) for valuation of the Options.

Each option, on exercise, is convertible into one equity share of the Company having face value of ₹1 each. Subsequently, the Nomination and Remuneration Committee of the Board of Directors on 2nd December, 2014 has granted 25,09,341 stock options to its eligible employees under the ABML ESOP Scheme – 2014 at an exercise price of ₹34.25. The Exercise Price was based on the latest available closing price, prior to the 2nd December, 2014 (the date of grant by the Nomination and Remuneration Committee) on the recognized stock exchanges on which the shares of the Company are listed with the highest trading volume.

Summary of Stock Options granted under ABML ESOP Scheme – 2014 is as under:

The vesting period in respect of the options granted under ABML ESOP Scheme – 2014 is as follows:

Sr. No.	Vesting Dates	% of options that shall vest
1.	12 months from the date of grant	25% of the grant
2.	24 months from the date of grant	25% of the grant
3.	36 months from the date of grant	25% of the grant
4.	48 months from the date of grant	25% of the grant

	As on 31st March 2021
Options granted on 2nd December, 2015	25,09,341
Options outstanding as on 1st April 2020	5,20,312
No. of options granted during the year	NIL
Method of Accounting	Intrinsic Value
Vesting Plan	25% every year
Exercise period	Within 5 years from the date of vesting of respective options
Grant/Exercise price (₹ per share)	34.25
Market price as on the date of the grant	34.25 (previous day closing price on the recognized stock exchange)
Options forfeited/lapsed during the year	NIL
Options exercised during the year	NIL
Options outstanding as on 31st March 2021	5,20,312

Notes forming part of the Financial Statements

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

	As on 31st March 2020
Options granted on 2nd December, 2015	25,09,341
Options outstanding as on 1st April 2019	5,20,312
No. of options granted during the year	NIL
Method of Accounting	Intrinsic Value
Vesting Plan	25% every year
Exercise period	Within 5 years from the date of vesting of respective options
Grant/Exercise price (₹ per share)	34.25
Market price as on the date of the grant	34.25 (previous day closing price on the recognized stock exchange)
Options forfeited/lapsed during the year	NIL
Options exercised during the year	NIL
Options outstanding as on 31st March 2020	5,20,312

The Company has granted options to the eligible employees at an exercise price of ₹34.25 per share being the latest market price as per SEBI ESOP Regulations. In view of this, there being no intrinsic value (being the excess of the market price of share under ESOP over the exercise price of the option), on the date of grant, the Company is not required to account the accounting value of option as per SEBI ESOP Regulations.

ii) **ABCL – Employee Stock Option Scheme – 2017**

Pursuant to ESOP Plan being established by the holding company (i.e. Aditya Birla Capital Limited), stock options were granted to the employees of the Company during the financial year. Total cost incurred by the holding company till date is being recovered from the Company over the period of vesting. Accordingly, a sum of ₹9,38,024/- has been recovered from the Company during the year, which has been charged to the Statement of Profit and Loss.

43.2 FAIR VALUATION

The fair value of the options on the date of grant has been done by an independent valuer using Black-Scholes Formula. The key assumptions are as under:

Risk-free interest rate (%)	8.13%
Expected life (No. of years)	5
Expected volatility (%)	54.26%
Dividend yield (%)	0.00
The price of the underlying share in market at the time of option grant	₹34.25

44. The Company has a process whereby periodically all long term contracts, if any, are assessed for material foreseeable losses. As at the balance sheet date, there were no long term contracts (including derivative contracts).

45. The Company's pending litigations comprise of claims against the Company primarily by the customers and proceedings pending with Income Tax and other statutory authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results. Refer Note 34 for details on contingent liabilities.

46. COVID-19 IMPACT ASSESSMENT

Stock markets were functioning without any closure during the lock-down period and the entire operating division of the Organisation is provided with remote connectivity and necessary infra-structure support to carry out business from remote locations. There is no temporary cessation of operations and revenue did not see a down-trend during the lock-down period up to the record date and subsequently. The Business and Operations functions have drawn up a plan to ensure continuity of Business without dilution of controls and remained 100% up in connectivity to the underlying systems to operate.

The management has, at the time of approving the financial statements, assessed the potential impact of the Covid-19 on the Company. Barring any future Covid-19 related escalations, based on the current assessment, the management is of the view that impact of Covid-19 on the operations of the Company and the carrying value of its assets and liabilities is not likely to be material.

Notes forming part of the Financial Statements

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

47. RELATED PARTY TRANSACTIONS

Ultimate Holding Company	Grasim Industries Limited
Holding Company	Aditya Birla Capital Limited
Related Parties under Ind AS 24 with whom transactions have taken place during the year	
Fellow Subsidiary	Aditya Birla Finance Limited
	Aditya Birla Financial Shared Services Limited
	Aditya Birla Sun Life Insurance Company Limited
	Aditya Birla Insurance Brokers Limited
	Aditya Birla Capital Technology Services Limited (ABMU)
	Aditya Birla Housing Finance Limited
	Aditya Birla ARC Limited
	Aditya Birla Health Insurance Company Limited
	Aditya Birla Stressed Asset AMC Private Limited
	Aditya Birla Idea Payment Banking Limited
	Aditya Birla Sun Life AMC Limited
	Aditya Birla Wellness Private Limited

Sr. No.	Particulars	Closing balance as on 31st March 2021	Transactions 2020-21*	Closing balance as on 31st March 2020	Transactions 2019-20*
	Holding Company / Ultimate Holding Company				
	Brief description Company & item wise				
I	**Grasim Industries Limited**				
1	Brokerage Income		-		36,28,980
2	Custodian Fee - Recoverable		555		-
3	Outstanding Balances				
	- Payable (Trade Payable)	(656)		(21)	
	Grasim Industries Limited Employees Gratuity Trust				
	- Gratuity Fund Paid	72,04,443		-	
	- Gratuity Fund Valuation	8,38,54,192		6,66,88,766	
II	**Aditya Birla Capital Limited**				
1	Reimbursement of Cost - Rent and other Expenses		-		62,862
2	Ind AS - Interest on Preference Shares		3,91,00,728		3,55,47,395
3	ESOP Expenses		9,38,024		76,33,150
4	ESOP Credit Note against exit employee		-		(57,88,322)
5	Recovery of DP AMC Charges		-		10,500
6	Custodian Fee - Recoverable		-		4,372
7	Outstanding Balances				
	- Ind AS - Interest Payable on Preference Shares	(24,62,37,010)		(20,71,36,278)	
	- Payables	(5,62,605)		(12,41,257)	
III	**Aditya Birla Finance Limited**				
1	Recovery of Manpower Cost		1,92,47,420		2,41,10,722
2	Recovery of Cost - Rent and other Expenses		61,180		3,78,900
3	Custodian - Fee Recoverable		5,81,358		11,46,855
4	Brokerage Income (Trading)		29,76,280		98,90,758
5	Reimbursement of Cost - Salary Expenses		28,62,671		-
6	Referral Fee Expense		17,50,114		45,45,368
7	Referral Fee Income		12,678		21,41,260
8	Expenses - Commission, Management Fees		3,83,65,744		2,20,34,060
9	Other transaction - Liability Transfer In		1,73,896		5,032
10	IT Support Recovery		37,836		9,459
11	KRA Service Charges		2,085		1,535
12	Client Balance Transfer		7,63,163		-

Notes forming part of the Financial Statements

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

Sr. No.	Particulars	Closing balance as on 31st March 2021	Transactions 2020-21*	Closing balance as on 31st March 2020	Transactions 2019-20*
13	Recovery of Cost – LTIP		19,31,400		-
14	Outstanding Balances				
	- Payables (Trade Payable)	(2,67,03,572)		(48,29,069)	
	- Payables (Advances from Customer)	(10,000)		(9,335)	
	- Receivables (Advances from Customer)	2,01,486		4,19,097	
IV	**Aditya Birla Financial Shared Services Limited**				
1	Reimbursement of Cost - Manpower Expenses		60,86,307		86,63,829
2	Reimbursement of Cost - Electricity, Staff Welfare and other Expenses		1,16,45,864		2,03,07,119
3	Prepaid Expenses		31,94,433		57,77,539
4	Contribution to Fund				
	- Expenses recognised in Income Statement		6,20,399		5,91,904
	- Other Comprehensive Income		(8,48,999)		1,72,273
5	Recovery of Cost - Other Expenses		-		5,11,575
6	Recovery of Cost - Manpower Expenses		-		35,20,500
7	Liability Transfer		19,81,299		2,68,695
8	Recovery of Cost – Bonus		9,23,931		-
9	Provision for Expenses		40,26,121		-
10	Outstanding Balances				
	- Payables	(40,43,595)		(28,52,286)	
	- Prepaid Expense Balance	(5,95,156)		6,18,025	
V	**Aditya Birla Sun Life Insurance Company Limited**				
1	Brokerage Income		70,97,006		43,76,858
2	Other Transaction - Liability Transfer In		-		24,35,902
3	Other Transaction - Liability Transfer		-		20,441
4	Other Transaction - WDM		10,07,60,416		9,97,27,366
5	Recovery of Rent and other Expenses		1,77,704		13,93,742
6	Reimbursement of Rent Expenses		5,80,122		-
7	Asset Transfer In		2,335		-
8	Outstanding Balances				
	- Receivables	-		2,01,260	
	- Payables	(1,75,894)		-	
VI	**Aditya Birla Insurance Brokers Limited**				
1	Recovery of Cost - Rent and other Expenses		1,35,319		3,46,440
2	Reimbursement of Rent Expenses and other Expenses		9,08,175		-
3	Outstanding Balances				
	- Payables	(6,89,508)		-	
	- Receivables	-		3,37,589	
VII	**Aditya Birla Capital Technology Services Limited (formerly known as Aditya Birla My Universe Services Limited)**				
1	Reimbursement of Cost - IT other Expenses		28,55,157		28,377
2	Expenses - IT Support Charges, Management Fees		-		22,09,559
3	Recovery of Cost - IT Support Recovery		-		-
4	KRA Service Recovery		-		13,890
5	Prepaid Expense		9,63,657		-
6	Recovery of Cost - Bonus		50,374		-
7	Outstanding Balances				
	- Payables (Trade Payable)	2,17,895		-	
	- Prepaid Expense Balance	(36,127)		-	

Notes forming part of the Financial Statements

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

Sr. No.	Particulars	Closing balance as on 31st March 2021	Transactions 2020-21*	Closing balance as on 31st March 2020	Transactions 2019-20*
VIII	**Aditya Birla Housing Finance Limited**				
1	Asset Transfer		8,38,961		-
2	Referral Fee Income		21,939		74,248
3	Liability Transfer		-		3,40,805
4	Recovery of Expenses		15,772		-
5	Outstanding Balances				
	- Receivables	25,063		3,40,805	
IX	**Aditya Birla ARC Limited**				
1	Liability Transfer		-		41,711
2	Custodian - Fee Recoverable		2,076		1,450
3	Other Transaction - NDC request		-		5,61,092
4	Outstanding Balances				
	- Trade Payable	-		(41,530)	
	- Receivable (Advances from Customer)	-		-	
X	**Aditya Birla Health Insurance Company Limited**				
1	Reimbursement of Electricity Charges		23,161		2,85,320
2	Outstanding Balances				
	- Payable	-		(84,521)	
XI	**Aditya Birla Stressed Asset AMC Private Limited**				
1	Custodian - Fee Recoverable		-		98,747
2	Liability Transfer		-		-
3	Outstanding Balances				
	- Trade Payable	-		-	
	- Payable (Advances from Customer)	-		-	
XII	**Aditya Birla Idea Payment Banking Limited**				
1	Other Transaction - Purchase of Computers		-		3,40,139
2	Outstanding Balances				
	- Trade Payable	-		(4,01,363)	
XIII	**Aditya Birla Sun Life AMC Limited**				
1	Liability Transfer		7,49,832		-
2	Outstanding Balances				
	- Trade Payable	-		-	
XIV	**Aditya Birla Wellness Private Limited**				
1	Reimbursement of Electricity Charges		20,230		-
2	Outstanding Balances				
	- Trade Payable	23,872		-	
XV	**Mr. P. Sudhir Rao**				
1	Director Sitting Fee	-	3,60,000	-	3,80,000
2	Reimbursement of Cost	-	-	-	-
XVI	**Mr. G. Vijayaraghavan**				
1	Director Sitting Fee	-	3,60,000	-	3,40,000
2	Reimbursement of Cost	-	-	-	-
XVII	**Mr. Tushar Harendra Shah**				
1	PMS Management Fees	-	1,29,631	-	40,751
2	Brokerage Income	-	480	-	-
XVIII	**Mr. Ajay Srinivasan**				
1	PMS Management Fees	-	-	-	30,663
2	Brokerage Income	-	-	-	-

** Amounts excluding GST*

Notes forming part of the Financial Statements

for the year ended 31st March 2021

(All amounts are in Indian Rupees, unless otherwise stated)

48. SEGMENT REPORTING

The Company's business is to provide Brokerage Service, Trading in Securities and Portfolio Management Services ('PMS') to its clients in the Capital Markets within India. All other activities of the Company revolve around these activities.

Particulars		31st March 2021	31st March 2020
1	Segment Revenue		
	Broking	161,64,20,540	132,30,24,278
	Trading in Securities	22,72,18,420	25,49,20,655
	Others	6,24,41,070	8,86,76,214
	Total Segment Revenue from Operations (Net)	**190,60,80,030**	**166,66,21,147**

Particulars		31st March 2021	31st March 2020
2	Segment Results		
	Broking	15,89,02,590	3,30,66,648
	Trading in Securities	10,45,31,599	10,19,85,010
	Others	(82,86,048)	1,04,91,343
	Total Segment Result	**25,51,48,141**	**14,55,43,002**
	Less: Finance Costs	5,89,58,937	5,12,73,668
	Add: Other Un-allocable (Expenditure) / Income - Net	2,78,06,450	7,07,45,502
	Profit Before Tax	**22,39,95,654**	**16,50,14,836**

Particulars		31st March 2021	31st March 2020
3	Segment Assets		
	Broking	619,43,89,738	455,40,45,240
	Trading in Securities	263,36,57,988	92,04,02,168
	Others	61,97,698	76,51,249
	Total Segment Assets	**883,42,46,424**	**548,20,98,658**
	Add: Unallocated Corporate Assets	-	-
	Total Assets	**883,42,46,424**	**548,20,98,658**

Particulars		31st March 2021	31st March 2020
4	**Segment Liabilities**		
	Broking	519,72,97,143	374,79,06,636
	Trading in Securities	259,37,23,840	91,21,37,072
	Others	181,52,563	21,76,470
	Total Segment Liabilities	**780,91,73,545**	**466,22,20,178**
	Add: Unallocated Corporate Liabilities	54,62,43,868	50,71,43,135
	Total Liabilities	**835,54,18,413**	**516,93,63,313**

For and on behalf of the Board of Directors of
Aditya Birla Money Limited

Pinky A Mehta
Director
DIN : 00020429

Tushar Shah
Director
DIN: 00239762

Pradeep Sharma
Chief Financial Officer
PAN : AHRPS6339L

Sangeeta Shetty
Company Secretary
PAN : BAHPS9816E

Place: Mumbai
Date : 23rd April 2021

Aditya Birla Insurance
Brokers Limited

ADITYA BIRLA
CAPITAL

Independent Auditor's Report

To the members of

Aditya Birla Insurance Brokers Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of Aditya Birla Insurance Brokers Limited (the "Company"), which comprise the Balance Sheet as at 31st March 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (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 31st March 2021, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditors' Responsibility 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 auditors' report thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report but does not include the financial statements and our Auditors' report thereon ("Other Information").
- Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained 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.

Management's responsibility 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, cash flows and changes in equity 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 statement 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.

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

Auditors' responsibility for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 auditors' 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 auditors' 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 financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the 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 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 Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

    d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

    e. On the basis of the written representations received from the directors as on 31st March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021 from being appointed as a director in terms of Section 164(2) of the Act.

    f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". 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 Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended,

- In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- With respect to the other matters to be included in the Auditors' 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;
  - 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.

2. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **S.B.BILLIMORIA & Co.**
Chartered Accountants
(Firm's Registration No. 101496W)

Mukesh Jain
(Partner)
(Membership No. 108262)
(UDIN: 21108262AAAAIG9204)

Place: Mumbai
Date: 30th April 2021

Annexure A to the Independent Auditors' Report

(REFERRED TO IN PARAGRAPH 1(F) UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT OF EVEN DATE)

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 Aditya Birla Insurance Brokers Limited (the "Company") as of 31st March 2021, in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the "internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". 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 Companies Act, 2013.

Auditors'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 Institute of Chartered Accountants of India 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 Auditors' 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.

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 31st March 2021, 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".

For **S.B.BILLIMORIA & Co.**
Chartered Accountants
(Firm's Registration No. 101496W)

Mukesh Jain
(Partner)
(Membership No. 108262)
(UDIN: 21108262AAAAIG9204)

Place: Mumbai
Date: 30th April 2021

Annexure B to the Independent Auditors' Report

(REFERRED TO IN PARAGRAPH 2 UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT OF EVEN DATE)

(i) In respect of fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Some of the fixed assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.

(c) The Company does not have any immovable properties of freehold or leasehold land and building and hence reporting under clause (i)(c) of the CARO 2016 is not applicable.

(ii) The Company does not have any inventory and hence reporting under clause (ii) of the CARO 2016 is not applicable.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.

(vi) Having regard to the nature of the Company's business / activities, reporting under clause (vi) of CARO 2016 is not applicable.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at 31st March 2021 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax and Service Tax which have not been deposited as on 31st March 2021 on account of disputes are given below:

Name of the statute	Nature of dues	Amount Involved (₹)	Amount Unpaid (₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	12,21,834	12,21,834	AY 2017-18	Commissioner of Income-tax (Appeal)
Income Tax Act, 1961	Income Tax	15,50,664	15,50,664	AY 2006-07	Deputy Commissioner of Income-tax (Assessing Officer)
Income Tax Act, 1961	Income Tax	4,86,620	4,86,620	AY 2018-19	Deputy Commissioner of Income-tax (Assessing Officer)
Finance Act, 1994	Service Tax	25,17,41,853*	13,55,88,680	June 2012- June 2017	Custom, Excise and Service Tax Appellate Tribunal, Mumbai

*Service Tax amount has been paid by the company under protest.

(viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of CARO 2016 is not applicable to the Company.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For **S.B.BILLIMORIA & Co.**
Chartered Accountants
(Firm's Registration No. 101496W)

Mukesh Jain
(Partner)
(Membership No. 108262)
(UDIN: 21108262AAAAIG9204)

Place: Mumbai
Date: 30th April 2021

Balance Sheet

as at 31st March 2021

₹ in Lakh

Particulars	Note	As at 31 Mar 21	As at 31 Mar 20
ASSETS			
(1) Non current assets			
(a) Property, plant and equipment	2A	366.22	521.35
(b) Right-of-use assets	17	899.72	505.16
(c) Other intangible assets	2B	457.83	395.21
(d) Intangible assets under development		49.36	116.38
(e) Financial assets			
(i) Loans	3	177.18	186.35
(ii) Others	4	149.52	140.89
(f) Deferred tax assets (net)	5	478.94	429.37
(g) Income tax assets (net)	6	4,077.50	6,310.27
(h) Other non current assets	7	1,043.97	860.88
Total Non Current Assets		**7,700.24**	**9,465.86**
(2) Current assets			
(a) Financial assets			
(i) Investments	8	4,815.00	2,009.73
(ii) Trade and other receivables	9	5,970.02	4,056.34
(iii) Cash and cash equivalents	10	78.93	70.04
(iv) Bank Balance other than (iii) above	11	275.36	463.92
(v) Loans	12	4,080.05	1,823.33
(vi) Others	13	2.86	4.32
(b) Other current assets	14	1,919.30	1,564.83
Total Current Assets		**17,141.52**	**9,992.51**
Total assets		**24,841.76**	**19,458.37**
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	15	513.00	513.00
(b) Other equity	16	9,623.27	6,609.61
Total equity		**10,136.27**	**7,122.61**
(2) Liabilities			
(2.1) Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	17	638.99	297.58
(b) Long term provision	18	1,044.62	509.63
Total Non Current Liabilities		**1,683.61**	**807.21**
(2.2) Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	17	298.88	258.97
(ii) Trade and other payables	19		
- Micro and small enterprises		384.47	48.15
- Other than micro and small enterprises		8,157.26	7,413.02
(iii) Other financial liabilities	20	2,601.11	2,775.26
(b) Other current liabilities	21	1,324.09	748.77
(c) Short term provisions	22	256.07	284.38
Total Current Liabilities		**13,021.88**	**11,528.55**
Total Liabilities		**14,705.49**	**12,335.76**
Total Equity and Liabilities		**24,841.76**	**19,458.37**
Significant accounting policies	1		

The accompanying notes are an integral part of the financial statements

As per the Company's report of even date

For **S. B. Billimoria & Co.**
ICAI Firm Registration No. : 101496W
Chartered Accountants

For and on behalf of the Board of Directors of
Aditya Birla Insurance Brokers Limited

Mukesh Jain
Partner
Membership No: 108262

Vijay Agarwal
Director
DIN:00058548

Anantha Dhananjaya
Director
DIN:01744569

Sandeep Dadia
Chief Executive Officer

Vikashh Agarwal
Chief Financial Officer

Deepak Modi
Company Secretary

Place: Mumbai
Date: 30th April 2021

Place: Mumbai
Date: 30th April 2021

Statement of Profit & Loss

for the year ended 31st March 2021

₹ in Lakh

Sr no	Particulars	Note	Year ended 31 Mar 21	Year ended 31 Mar 20
1	**Revenue from operations:**			
	Revenue from operations	23	58,694.78	51,105.38
	Other Income:			
	Interest income	24	429.73	188.45
	Net gain on fair value changes	25	212.26	169.37
	Others	26	191.56	44.88
			833.55	**402.70**
	Total income		**59,528.33**	**51,508.08**
2	**Expenses:**			
	(a) Fees and commission expense		42,704.03	37,309.90
	(b) Finance cost (Interest expense on lease liabilites)		56.63	51.75
	(c) Impairment on financial instruments including loss on derecognition of financial assets		166.90	109.94
	(d) Employee benefits expenses	27	6,401.33	6,640.64
	(e) Depreciation and amortisation expenses	28	756.67	767.49
	(f) Other expenses	29	2,372.92	2,418.34
	Total expenses		**52,458.48**	**47,298.06**
3	**Profit before tax**		7,069.85	4,210.02
4	**Income tax expenses**	30		
	Current tax		1,822.75	1,072.83
	Deferred tax charge - (Net)		(49.57)	40.58
			1,773.18	**1,113.41**
5	**Profit for the year**		**5,296.67**	**3,096.61**
6	Other comprehensive income (Not to be reclassified to profit and loss -actuarial gain/(loss) on defined benefit plan)	31	34.74	(44.27)
	Income tax relating to items that will not be reclassified to profit and loss		(9.25)	11.34
7	**Total comprehensive income for the year**		**5,322.16**	**3,063.68**
8	**Earnings per share of ₹10/- each**	32		
	Basic and Diluted- ₹		103.25	60.36
Significant accounting policies		1		

The accompanying notes are an integral part of the financial statements

As per the Company's report of even date

For **S. B. Billimoria & Co.**
ICAI Firm Registration No. : 101496W
Chartered Accountants

For and on behalf of the Board of Directors of
Aditya Birla Insurance Brokers Limited

Mukesh Jain
Partner
Membership No: 108262

Vijay Agarwal
Director
DIN:00058548

Anantha Dhananjaya
Director
DIN:01744569

Sandeep Dadia
Chief Executive Officer

Vikashh Agarwal
Chief Financial Officer

Deepak Modi
Company Secretary

Place: Mumbai
Date: 30th April 2021

Place: Mumbai
Date: 30th April 2021

Statement of Cash Flows

for the year ended 31st March 2021

₹ in Lakh

Particulars		Note	Year ended 31 Mar 21	Year ended 31 Mar 20
A.	**CASH FLOW FROM OPERATING ACTIVITIES**			
	Profit before tax		7,069.85	4,210.02
	Adjustment for:			
	Impairment on financial instruments including loss on derecognition of financial assets		166.90	109.94
	Net (gain) on fair value changes		(212.26)	(169.37)
	(Gain)/ Loss on sale of property, plant and equipment		4.14	(20.85)
	Interest income		(220.68)	(188.45)
	Interest expense related to lease liability		56.63	51.75
	Depreciation and amortisation		756.67	767.49
	Provision against contingencies		428.68	-
	Operating profit before working capital changes		**8,049.93**	**4,760.53**
	Adjustment for-			
	(Increase)/Decrease in trade receivables		(2,080.58)	169.83
	Decrease in loans		13.26	17.77
	(Increase) in other non financial assets		(537.56)	(1,621.19)
	Decrease in financial assets		188.56	61.32
	Increase in trade payables		1,080.56	1,864.63
	Increase in provisions		112.74	134.35
	(Decrease)/Increase in other financial liabilities		(276.62)	300.79
	Increase in other non financial liabilities		575.32	214.35
	Cash generated from operations		**7,125.61**	**5,902.38**
	Income taxes refund/(paid)		400.76	(4,200.59)
	Net cash generated from operations		**7,526.37**	**1,701.79**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Purchases of property, plant and equipment and intangibles assets		(230.97)	(480.75)
	Proceeds from sale of property, plant and equipment		1.35	30.29
	Interest received		202.70	164.98
	Purchase of current investments		(64,973.20)	(52,425.00)
	Sale of current investments		62,380.19	53,010.50
	Investment in inter corporate deposits		(2,250.00)	-
	Redemption of inter corporate deposits		-	200.00
	Net cash (used in)/from investing activities		**(4,869.93)**	**500.02**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Repayment of lease liability (including interest as per Ind AS 116)		(339.05)	(383.01)
	Payment of dividend (including dividend distribution taxes)		(2,308.50)	(1,790.15)
	Net cash (Used in) financing activities		**(2,647.55)**	**(2,173.16)**
	Net increase in cash and cash equivalents		8.89	28.65
	Opening cash and cash equivalents		70.04	41.39
	Closing cash and cash equivalents		78.93	70.04
Significant accounting policies		1		

The accompanying notes are an integral part of the financial statements

As per the Company's report of even date

For **S. B. Billimoria & Co.**
ICAI Firm Registration No. : 101496W
Chartered Accountants

Mukesh Jain
Partner
Membership No: 108262

Place: Mumbai
Date: 30th April 2021

For and on behalf of the Board of Directors of
Aditya Birla Insurance Brokers Limited

Vijay Agarwal
Director
DIN:00058548

Anantha Dhananjaya
Director
DIN:01744569

Sandeep Dadia
Chief Executive Officer

Vikashh Agarwal
Chief Financial Officer

Deepak Modi
Company Secretary

Place: Mumbai
Date: 30th April 2021

Statement of Changes in Equity

for the year ended 31st March 2021

(A) EQUITY SHARE CAPITAL

Particulars	No of Shares	Note	Amount (₹ in Lakh)
As at 1st April 2019	51.30	15	513.00
Changes in Equity share capital	-		-
As at 31st March 2020	**51.30**		**513.00**
Changes in Equity share capital	-		-
As at 31st March 2021	**51.30**	**15**	**513.00**

(B) OTHER EQUITY

₹ in Lakh

Particulars	Note	Reserves and Surplus		Total Other Equity
		Retained Earnings	General Reserve	
Balance at 1st April 2019	**16**	4,200.72	1,195.95	5,396.67
Profit for the year		3,096.61	-	3,096.61
Other comprehensive income (Remeasurement gains/(loss) on defined benefit plan)		(32.93)	-	(32.93)
Total comprehensive income for the year		**3,063.68**	**-**	**3,063.68**
Impact on account of transition to Ind AS 116 (Net of deferred tax of ₹24.89 Lakh)		(60.59)	-	(60.59)
Transfer to general reserve		(198.91)	198.91	-
Dividend (Including dividend distribution taxes)		(1,790.15)	-	(1,790.15)
Balance as at 31st March 2020	**16**	**5,214.75**	**1,394.86**	**6,609.61**
Profit for the year		5,296.67	-	5,296.67
Other comprehensive income (Remeasurement gains/(loss) on defined benefit plan)		25.49	-	25.49
Total comprehensive income for the year		**5,322.16**	**-**	**5,322.16**
Transfer to general reserve		(788.11)	788.11	-
Dividend		(2,308.50)	-	(2,308.50)
Balance as at 31st March 2021	**16**	**7,440.30**	**2,182.97**	**9,623.27**

Significant Accounting Policies Refer Note : 1

The accompanying notes are an integral part of the financial statements

As per the Company's report of even date
For **S. B. Billimoria & Co.**
ICAI Firm Registration No. : 101496W
Chartered Accountants

For and on behalf of the Board of Directors of
Aditya Birla Insurance Brokers Limited

Mukesh Jain
Partner
Membership No: 108262

Vijay Agarwal
Director
DIN:00058548

Anantha Dhananjaya
Director
DIN:01744569

Sandeep Dadia
Chief Executive Officer

Vikashh Agarwal
Chief Financial Officer

Deepak Modi
Company Secretary

Place: Mumbai
Date: 30th April 2021

Place: Mumbai
Date: 30th April 2021

Notes

Forming part of financial statements as on 31st March 2021

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF FINANCIAL STATEMENTS

1 CORPORATE INFORMATION

Aditya Birla Insurance Brokers Limited is a limited Company incorporated and domiciled in India. The registered office of the Company is located at Indian Rayon Compound, Veraval, Gujarat - 362 266.

The Company is a composite general insurance intermediary, licensed by the Insurance Regulatory and Development Authority (IRDA) of India. The Company specialises in providing general insurance broking and risk management solutions for corporates and individuals alike.

The financial statements of the Company for the year ended 31st March 2021 were authorised for issue in accordance with a resolution of the directors on 30th April 2021."

2 BASIS OF PREPARATION

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time. The presentation of the Financial Statements is based on Ind AS Schedule III of the Companies Act, 2013.

These financial statements have been prepared on historical cost basis except for certain financial instruments and defined benefit plans which are measured at fair value or amortised cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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

All the assets and liabilities have been classified as current and non-current as per the Company’s normal operating cycle and other criteria set out in the schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of the assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current/non-current classification of assets and liabilities. The statement of cash flows have been prepared under indirect method.

To provide more reliable and relevant information about the effect of certain items in the Balance Sheet and Statement of Profit and Loss, the Company has changed the classification of certain items. Previous year figures have been re-grouped or reclassified, to confirm to such current year’s grouping / classifications. There is no impact on Equity or Net Loss due to these regrouping / reclassifications

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies used in preparation of the financial statements have been discussed in the respective notes.

3.1 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue for placement services (also commonly referred to as ‘commission income’) should be recognised at the point in time when the insurance policy have been agreed contractually by the insurer and policyholder, and the insurer has a present right to payment from the policyholder based on the confirmation by Insurance Company at period end.

Brokerage in respect of facultative inward / outward and treaty reinsurance placements is accounted when the premium to be paid by the insurer to the reinsurance Company becomes due.

Interest income is recognised using the effective interest rate method.

3.2 Property, plant and equipment

All items of property, plant and equipment are stated at historical cost, net of accumulated depreciation and impairment loss if any. The cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Notes

Forming part of financial statements as on 31st March 2021

3.2.1 Depreciation methods, estimated useful lives and residual value

Depreciation is provided on straight line basis using the rates arrived at based on the useful lives estimated by the Management. The Company has used the following useful life to provide depreciation on its property, plant and equipment.

Asset	Useful life as prescribed by Schedule II of the Co's Act, 2013	Estimated useful life
Computers and office equipments	3 years	4 Years
Vehicles	8 years	5 Years
Furniture and fixtures	10 years	7 Years
Leasehold improvements	Over the primary period of the lease	Over the primary period of the lease

Useful life of assets different from as prescribed in Schedule II has been estimated by management and is supported by the technical assessment. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Property, plant and equipments individually costing less than Rupees five thousands, are fully depreciated in the year of purchase.

Depreciation on assets acquired / sold during the year is recognised on a pro-rata basis to the statement of profit and loss from/ till the date of acquisition or sale.

3.3 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over a period of 3 years.

Amortisation on the intangible assets added/disposed off/discarded during the year is provided on pro-rata basis with reference to the month of addition/disposal/ discarding.

The amortisation period and the amortisation method are reviewed at least at each financial year end. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

3.3.1Intangible assets under development

Expenditure on Research and/or development eligible for capitalisation are carried as intangible assets under development where such assets are not yet ready for their intended use.

3.4 Leases

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises right – of – use ("ROU") asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated amortisation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the under lying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured

Notes

Forming part of financial statements as on 31st March 2021

with a corresponding adjustment to the related right of use asset if the Company changes its assessment on exercise of an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

3.5 Impairment of non financial assets

The Company assesses at each reporting date whether there is an indication that an non financial asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount and the resulting impairment loss is charged to the statement of profit and loss.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

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

3.6 Taxes

3.6.1 Current tax

Current tax assets and liabilities 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 in the Indian Income Tax Act, 1961.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

3.6.2 Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

3.7 Employee benefits

3.7.1 Defined contribution plan

Retirement benefit in the form of Government managed Employee Provident Fund, Government managed Employee Pension Fund and Employee State Insurance are the defined contribution schemes. The Company has no obligation, other than the contribution payable to the respective schemes which are recognised as an expense, when an employee renders the related service.

3.7.2 Defined benefit plan

The Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund. The Company's liabilities under Payment of Gratuity Act and compensated absences are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the balance sheet date on government bonds where the currency and terms of the government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

Remeasurements, comprising of actuarial gains and losses on retirement benefits arising from experience adjustments and changes in actuarial assumptions are recognised immediately in the balance sheet with a corresponding

Notes

Forming part of financial statements as on 31st March 2021

debit or credit to retained earnings through OCI in the period in which they occur.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation under employee benefit expenses in the statement of profit and loss.

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements,
- Net interest expense or income.

3.7.3 Long term incentive benefit

Other long term incentive benefits includes future encashment or availment, at the option of the employee subject to the rules framed by the Company which are expected to be availed or encashed beyond 12 months from the end of the year and long term incentive payable to employees on fulfilment of criteria prescribed by the Company.

3.8 Foreign currency transactions and balances

Transactions in foreign currencies are recorded at the rate of exchange prevailing on the date of transaction.

Monetary asset and liabilities denominated in foreign currencies are translated at the functional currency at rates of exchange on the reporting date.

Exchange difference on restatement of all other monetary items is recognised in the Statement of Profit and Loss.

3.9 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

3.10 Provisions

Provisions are recognised when there is a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. 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. Provisions are determined based on best estimate required to settle the obligation at the balance sheet date.

3.11 Financial instruments and fair value measurement

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.

Initial recognition and measurement

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 and financial liabilities are recognied by the Company when it becomes a party to the contractual provisions of the financial instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of a financial instrument are adjusted to fair value, except where the financial instrument is measured at Fair Value through profit or loss, in which case the transaction costs are immediately recognised in profit or loss."

Financial assets

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above as they are considered an integral part of the Company's cash management.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes

Forming part of financial statements as on 31st March 2021

Financial assets at fair value through profit or loss
Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Financial liabilities and equity instruments
Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

(Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.)

Other financial liabilities
Other financial liabilities (including borrowings, financial guarantee contracts and trade and other payables) are subsequent to initial recognition, measured at amortised cost using the effective interest (EIR) method.

Equity instruments
An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net off direct issue cost.

Derecognition of financial instruments
The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

Fair value measurement
When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration of inputs such as liquidity risk, credit risk and volatility.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

Impairment of financial assets
The impairment provision for financial assets (other than trade receivables) are based on assumptions of risk of default and expected loss rates. The Company makes judgements about these assumptions for selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Trade receivables are stated at their nominal values as reduced by appropriate allowances for estimated irrecoverable amounts which are based on the historical percentages of amounts written off of the operating revenue. Individual trade receivables are written off when management deems them not to be collectible.

3.12 Security deposits

At initial recognition the carrying value of the refundable deposits is taken at present value of all expected future principal repayments discounted using market rates prevailing at the time of inception. For Interest expenses, the difference between present market value and deposit made is recognised as prepayment and amortised in the Statement of Profit and loss over the benefit period on systematic basis. Interest income is recognised at the prevailing market rates.

Notes

Forming part of financial statements as on 31st March 2021

3.13 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

3.14 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Notes

Forming part of financial statements as on 31st March 2021

NOTE 2A: PROPERTY, PLANT AND EQUIPMENT

₹ in Lakh

	Leasehold improvements	Computers and office equipments	Furniture and fixtures	Vehicles	Total
Gross Block					
As at 1st April 2019	316.71	407.94	78.85	234.45	1,037.95
Additions during the year	30.15	102.00	23.83	99.19	255.17
Deletions during the year	-	1.23	2.48	6.20	9.91
As at 31st March 2020	**346.86**	**508.71**	**100.20**	**327.44**	**1,283.21**
Additions during the year	18.28	48.88	2.44	-	69.60
Deletions during the year	6.06	1.88	17.23	-	25.17
As at 31st March 2021	**359.08**	**555.71**	**85.41**	**327.44**	**1,327.64**
Accumulated depreciation					
As at 1st April 2019	135.70	263.72	46.58	106.79	552.79
Additions during the year	62.93	81.25	15.91	55.55	215.64
Deletions during the year	-	1.01	1.43	4.13	6.57
As at 31st March 2020	**198.63**	**343.96**	**61.06**	**158.21**	**761.86**
Additions during the year	64.70	78.76	9.73	66.05	219.24
Deletions during the year	1.52	1.40	16.76	-	19.68
As at 31st March 2021	**261.81**	**421.32**	**54.03**	**224.26**	**961.42**
Net book amount as at 31st March 2021	**97.27**	**134.39**	**31.38**	**103.18**	**366.22**
Net book amount as at 31st March 2020	**148.23**	**164.75**	**39.14**	**169.23**	**521.35**

NOTE 2B: INTANGIBLE ASSETS

₹ in Lakh

	Computer software	Market know-how	Total
Gross Block			
As at 1st April 2019	965.62	19.46	985.08
Additions during the year	293.45	-	293.45
Deletions during the year	28.20	19.46	47.66
As at 31st March 2020	**1,230.87**	**-**	**1,230.87**
Additions during the year	318.92	-	318.92
Deletions during the year	-	-	-
As at 31st March 2021	**1,549.79**	**-**	**1,549.79**
Accumulated amortisation			
As at 1st April 2019	624.62	19.46	644.08
Additions during the year	233.13	-	233.13
Deletions during the year	22.09	19.46	41.55
As at 31st March 2020	**835.66**	**-**	**835.66**
Additions during the year	256.30	-	256.30
Deletions during the year	-	-	-
As at 31st March 2021	**1,091.96**	**-**	**1,091.96**
Net book amount as at 31st March 2021	**457.83**	**-**	**457.83**
Net book amount as at 31st March 2020	**395.21**	**-**	**395.21**

*There is no internal generated intangible assets

Notes

Forming part of financial statements as on 31st March 2021

NOTE 3: LOANS - NON CURRENT

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
(Unsecured, considered good, except otherwise stated)		
Rental security deposits	176.63	185.80
Other security deposits	0.55	0.55
Total	**177.18**	**186.35**

NOTE 4: OTHER NON CURRENT FINANCIAL ASSETS

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Bank deposits with more than 12 months maturity (Fixed deposits with banks marked lien in favour of IRDA)	130.67	130.67
Add : Interest accrued but not due	18.85	10.22
Other advance	122.93	122.93
Less: Provision for other advance	(122.93)	(122.93)
	-	-
Total	**149.52**	**140.89**

NOTE 5: DEFERRED TAX ASSET (NET)

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Deferred tax asset (net) :		
On account of accumulated depreciation and amortisation	81.99	61.85
On account of provision for doubtful debts and other provisions	396.12	350.70
Others	0.83	16.82
Net deferred tax asset	**478.94**	**429.37**

NOTE 6: INCOME TAX ASSET (NET)

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Advance payment of income tax - net of provision of ₹5,289.15 Lakh (previous year March 20: ₹3,457.15 Lakh)	4,077.50	6,310.27
Total	**4,077.50**	**6,310.27**

NOTE 7: OTHER NON CURRENT ASSETS

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Fair value of plan assets- gratuity	579.30	410.97
Prepaid expenses	31.32	12.55
	610.62	**423.52**
Service tax amount paid under protest	1,168.22	1,161.53
Less: Provision for service tax liability	(734.87)	(724.17)
	433.35	**437.36**
Total	**1,043.97**	**860.88**

Notes

Forming part of financial statements as on 31st March 2021

NOTE 8: INVESTMENTS

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Investment in mutual fund units	4,815.00	2,009.73
(Number of units 31st March 2021 : 15.73 Lakh 31st March 2020 : 5.54 Lakh at fair value through profit and loss)		
Total	**4,815.00**	**2,009.73**
Investments outside India	-	-
Investments in India	4,815.00	2,009.73

NOTE 9: TRADE AND OTHER RECEIVABLES

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Secured considered good	-	-
Unsecured, considered good	5,970.02	4,056.34
Unsecured, considered doubtful	220.90	155.35
	6,190.92	**4,211.69**
Less: Impairment loss	(220.90)	(155.35)
Total	**5,970.02**	**4,056.34**

NOTE 10: CASH AND CASH EQUIVALENTS

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Cash and cash equivalents:		
Balance with banks - current account	78.93	70.04
Total	**78.93**	**70.04**

NOTE 11: OTHER BANK BALANCES

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Bank balance for reinsurance accounts	175.36	363.92
Deposit with bank having maturity more than three months	100.00	100.00
Total	**275.36**	**463.92**

Notes

Forming part of financial statements as on 31st March 2021

NOTE 12: LOANS- CURRENT

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
(Unsecured, except otherwise stated)		
Advances and other receivables from employees:		
Unsecured, considered good	7.18	5.64
Unsecured, considered doubtful	-	-
Less: Impairment loss	-	-
	7.18	5.64
Other advances and receivables:		
Unsecured, considered good:		
Loans and advances to related parties	8.61	2.13
Inter corporate deposits*		
Related parties	2,250.00	-
Others	1,800.00	1,800.00
Other receivables	1.43	1.93
Rental security deposits	10.60	2.65
Other security deposits	2.23	10.98
Total	**4,080.05**	**1,823.33**

* Inter corporate deposits placed with financial institution and related parties yield fixed interest rate for general purpose requirement with put/call option.

NOTE 13: OTHER FINANCIAL ASSETS -CURRENT

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Interest accrued but not due:		
Deposit with bank having maturity more than three months	2.86	4.32
Total	**2.86**	**4.32**

NOTE 14: OTHER CURRENT ASSETS

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Prepaid expenses	220.00	209.82
GST input credit	1,688.91	1,343.59
Others	10.39	11.42
Total	**1,919.30**	**1,564.83**

NOTE 15: SHARE CAPITAL

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Authorised share capital:		
55.00 Lakh (Previous year: 55.00 Lakh) equity shares of ₹10/- each	550.00	550.00
	550.00	**550.00**
Issued, subscribed and fully paid up share capital:		
51.30 Lakh (Previous year: 51.30 Lakh) equity shares of ₹10/- each fully paid	513.00	513.00
	513.00	**513.00**

Notes

Forming part of financial statements as on 31st March 2021

Term/right attached to equity shares:

The Company has only one class of equity shares having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

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

Reconciliation of the number of shares outstanding at the beginning and at the end of the year

₹ in Lakh

Name of shareholder	Numbers	Amount
As at 1st April 2019	51.30	513.00
Add: Shares issued during the year	-	-
As at 31st March 2020	**51.30**	**513.00**
Add: Shares issued during the year	-	-
As at 31st March 2021	**51.30**	**513.00**

Details of shareholder holding more than 5% share of the Company

₹ in Lakh

Name of shareholder	As at 31 Mar 21	As at 31 Mar 20
Aditya Birla Capital Limited	25.65	25.65
Infocyber India Private Limited	25.65	25.65
	51.30	**51.30**
% of shareholding:		
Aditya Birla Capital Limited	50.002	50.002
Infocyber India Private Limited	49.998	49.998

NOTE 16: OTHER EQUITY

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
(1) General reserve:		
Opening balance	1,394.86	1,195.95
Add: Transfer from retained earnings	788.11	198.91
Closing balance	**2,182.97**	**1,394.86**
(2) Retained earnings:		
Opening balance	5,214.75	4,200.72
Impact on account of transition to Ind AS 116 (Net of deferred tax of ₹24.89 Lakh in previous year)	-	(60.59)
Profit for the year	5,296.67	3,096.61
Other comprehensive (loss)/income for the year	25.49	(32.93)
	10,536.91	**7,203.81**
Less: Appropriation		
Transfer to general reserve	(788.11)	(198.91)
Dividend on equity shares*	(2,308.50)	(1,484.92)
Tax on dividend	-	(305.23)
Closing balance	**7,440.30**	**5,214.75**
Total (1+2)	**9,623.27**	**6,609.61**

* The Company has paid the dividend on equity shares @ ₹45/-per share (Previous year: ₹28.95/- per share).

Notes

Forming part of financial statements as on 31st March 2021

NOTE 17: LEASE

Following are the changes in the carrying value of right of use assets.

₹ in Lakh

Particulars	Category of ROU Asset
	Leasehold Premises
Gross Carrying Value	
Balance as at 1st April 2019	722.56
Additions	101.33
Deletions	-
Balance as at 31st March 2020	**823.89**
Additions	675.69
Deletions	-
Balance as at 31st March 2021	**1,499.58**
Accumulated Amortisation	
As at 1st April 2019	-
Additions	318.73
Balance as at 31st March 2020	**318.73**
Additions	281.13
Balance as at 31st March 2021	**599.86**
Net Carrying Value as at 31st March 2020	**505.16**
Net Carrying Value as at 31st March 2021	**899.72**

The following is the movement in lease liabilities

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Opening balance	556.55	808.05
Additions	663.75	79.75
Finance cost accrued during the year	56.63	51.75
Payment of lease liabilities	(339.06)	(383.00)
Closing balance	**937.87**	**556.55**

The following is the break-up of current and non-current lease liabilities

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Current lease liabilities	298.88	258.97
Non-current lease liabilities	638.99	297.58
Total	**937.87**	**556.55**

Notes

Forming part of financial statements as on 31st March 2021

NOTE 18: LONG-TERM PROVISION

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Gratuity	615.94	509.63
Provision against contingencies *	428.68	-
Total	**1,044.62**	**509.63**

₹ in Lakh

Movement *	As at 31 Mar 21	As at 31 Mar 20
Balance at the beginning of the year	-	-
Add: Provision during the year	428.68	-
Balance at the end of the year	**428.68**	**-**

Nature of Provision:

The provision is for anticipated liability which is made on the basis of management expectation as expected timing of any resulting outflow of economic benefits is uncertain.

NOTE 19: TRADE AND OTHER PAYABLES

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Payable to related parties		
- Micro and small enterprises*	-	-
- Other than micro and small enterprises	121.30	228.40
Payable for other expenses:		
- Micro and small enterprises*	384.47	48.15
- Other than micro and small enterprises	8,035.96	7,184.62
Total	**8,541.73**	**7,461.17**

* Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2nd October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. There have been no reported cases of delays in payments to micro and small enterprises or of interest payments due to delays in such payments. The above is based on the information available with the Company which has been relied upon by the auditors.

NOTE 20: OTHER FINANCIAL LIABILITIES- CURRENT

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Payable for salaries, wages and other employee benefits	1,895.13	1,873.64
Reinsurance premium payable	25.22	244.89
Other financial liabilities	542.74	621.17
Capital creditors	138.02	35.56
Total	**2,601.11**	**2,775.26**

Notes

Forming part of financial statements as on 31st March 2021

NOTE 21: OTHER LIABILITIES - CURRENT

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Other payables - statutory dues	1,321.37	748.34
Income received in advance	2.72	0.43
Total	**1,324.09**	**748.77**

NOTE 22: SHORT-TERM PROVISION

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Compensated absences	256.07	284.38
Total	**256.07**	**284.38**

NOTE 23: REVENUE FROM OPERATIONS

₹ in Lakh

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
General insurance advisory services:		
Brokerage	58,638.78	50,957.43
Administrative services and consultancy charges	56.00	147.95
Total	**58,694.78**	**51,105.38**

NOTE 24: INTEREST INCOME

₹ in Lakh

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
Interest income from financial assets through amortised cost		
Interest on inter corporate deposits:		
Related parties	40.53	-
Others	153.00	156.54
Interest on fixed deposits with bank	16.34	17.15
Unwinding of discount on security deposits	10.81	14.76
Interest on income tax refund	209.05	-
Total	**429.73**	**188.45**

NOTE 25: NET GAIN ON FAIR VALUE CHANGES

₹ in Lakh

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
MTM of investments measured at FVTPL -gain/(loss)	63.16	(5.05)
Gain on sale of investments measured at FVTPL	149.10	174.42
Total	**212.26**	**169.37**
Fair value changes :		
Realised	149.10	174.42
Unrealised	63.16	(5.05)
Total	**212.26**	**169.37**

Notes

Forming part of financial statements as on 31st March 2021

NOTE 26: OTHER INCOME

₹ in Lakh

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
Foreign exchange gain	-	18.61
Profit on sale of property, plant and equipment	-	20.85
Variable lease adjustments	41.55	-
Recovery of bad debts	13.66	5.42
Miscellaneous income	136.35	-
Total	**191.56**	**44.88**

NOTE 27: EMPLOYEE BENEFITS EXPENSES

₹ in Lakh

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
Salaries and other allowances	5,985.62	6,036.49
Contribution to gratuity fund	80.05	66.61
Contribution to provident and other funds	213.76	209.69
Employee stock options scheme -ESOP	72.83	170.90
Staff welfare expenses	49.07	156.95
Total	**6,401.33**	**6,640.64**

NOTE 28: DEPRECIATION AND AMORTISATION

₹ in Lakh

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
Depreciation on property, plant and equipment	219.24	215.64
Amortisation of intangible assets	256.30	233.12
Amortisation of right-of-use assets	281.13	318.73
Total	**756.67**	**767.49**

NOTE 29: OTHER EXPENSES

₹ in Lakh

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
Legal and professional charges (Refer note 1 below)	327.27	348.78
Advertisement and business promotion expenses	98.27	146.32
Telephone and communication expenses	79.12	119.75
Travelling and conveyance expenses	32.00	370.73
Rent	127.89	95.07
Rates and taxes	26.81	46.27
Repair and maintenance	423.77	248.98
Director's Fees	8.00	8.00
Insurance expenses	167.21	130.59
Service hire charges	432.37	481.40
Electricity expenses	28.84	51.56
Printing and stationery	4.83	19.91
Loss on sale of property, plant and equipment	4.14	-
Information technology expenses	18.93	17.20
Bank charges	7.46	7.25
Postage and courier expenses	1.83	12.49
Foreign exchange loss	2.30	-
Provision against contingencies	428.68	122.93
CSR expenses (refer note 3 below)	72.40	71.00
Miscellaneous expenses (refer note 2 below)	80.80	120.11
Total	**2,372.92**	**2,418.34**

Notes

Forming part of financial statements as on 31st March 2021

Notes:

1. Legal and professional charges include the auditors' remuneration as under:

₹ in Lakh

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
As auditor:		
Audit fee	10.00	10.00
Tax audit fee	2.63	2.00
Limited review	9.00	9.00
In other capacity:		
Certification fee	6.81	7.00
Out of pocket expenses	0.53	0.21
Total	**28.97**	**28.21**

2. Miscellaneous expenses :- Include employee recruitment expenses, security expenses, conference expenses and other office relevant expenses

3. Details of CSR expenditure:

₹ in Lakh

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
1) Gross amount required to be spent by the Company during the year	72.40	70.15
2) Amount spent during the year		
i) Construction/acquisition of any asset		
In cash	-	-
Yet to be paid in cash	-	-
Total	-	-
ii) On purpose other than (i) above - (For development and education of disabled children)		
In cash	72.40	71.00
Yet to be paid in cash	-	-
Total	**72.40**	**71.00**

NOTE 30: INCOME TAX EXPENSES

₹ in Lakh

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
Current tax	1,822.75	1,072.83
Deferred tax charge - (Net)	(49.57)	40.58
Total	**1,773.18**	**1,113.41**

Notes

Forming part of financial statements as on 31st March 2021

30.1 Tax rate reconciliation

₹ in Lakh

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
Current income tax:		
Current income tax charge	1,822.75	1,072.83
Deferred tax relating to origination and reversal of temporary differences	(49.57)	40.58
Income tax expense reported in the statement of profit or loss	**1,773.18**	**1,113.41**
Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31st March 2021		
Accounting profit before income tax	7,069.85	4,210.02
At India's statutory income tax rate of 25.168%	1,779.34	1,059.66
Reversal of deferred tax assets due to reduction in Income-tax rate	-	60.40
Income tax expenses on non deductible/non taxable items and others	(6.16)	(6.65)
At the effective income tax	**1,773.18**	**1,113.41**

30.2 Deferred tax assets

(₹ in Lakh)

Particulars	As on 31 Mar 19	Movement P&L	Impact of Ind AS 116*	As on 31 Mar 20	Movement P&L	As on 31 Mar 21
Temporary differences on account of:						
Provision for doubtful debts and other provisions	393.65	(42.95)	0.00	350.70	45.42	396.12
Difference in written down value of property plant and equipment betweeen Income-tax Act and Companies Act.	54.41	7.44	-	61.85	20.14	81.99
Others	1.06	(6.89)	24.89	19.06	(0.09)	18.97
Total (A)	**449.12**	**(42.40)**	**24.89**	**431.61**	**65.47**	**497.08**

Deferred tax liabilities

(₹ in Lakh)

Particulars	As on 31 Mar 19	Movement P&L	Impact of Ind AS 116*	As on 31 Mar 20	Movement P&L	As on 31 Mar 21
Temporary differences on account of:						
Fair Value Change of Investments under Ind AS 109	4.06	(1.82)	-	2.24	15.90	18.14
Total (B)	**4.06**	**(1.82)**	**-**	**2.24**	**15.90**	**18.14**
Net Deferred Tax Assets/(Liability) (A-B)	445.06	(40.58)	24.89	429.37	49.57	**478.94**

Note:

* Opening balance of deferrred tax assets on account of lease liability and right off use asset has been recognised in retained earnings to give impact of transition to Ind AS 116.

NOTE 31: OTHER COMPREHENSIVE INCOME

₹ in Lakh

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
Other comprehensive income	34.74	(44.27)
(Not to be reclassified to profit and loss -acturial gain/(loss) on defined benefit plan)		
Income tax relating to items that will not be reclassified to profit and loss	(9.25)	11.34
Total	**25.49**	**(32.93)**

Notes
Forming part of financial statements as on 31st March 2021

NOTE 32: OTHER NOTES FORMING PART OF FINANCIAL STATEMENTS

1 Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances):

₹ in Lakh

Particulars	31 Mar 21	31 Mar 20
Property, plant and equipment	14.05	12.40
Intangible assets	47.74	67.83
Other Commitments	0.10	-
Total	**61.89**	**80.23**

2 Contingent liability not provided for:

₹ in Lakh

Particulars	31 Mar 21	31 Mar 20
(1) Direct tax matters	32.59	27.72
(2) Indirect tax matters	1,782.55	1,832.35
(3) IRDA matters	-	300.00
(4) Claims against the Company not acknowledged as debts	240.35	1,538.97
Total	**2,055.49**	**3,699.04**

3 Disclosure in respect of employee benefits pursuant to Ind AS -19

A **The details of the Company's defined benefit plans in respect of gratuity (funded by the Company):**

General description of the plan

The Company has maintained a gratuity plan with a trust wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service. In case of some employees, the Company's scheme is more favourable as compared to the obligation under Payment of Gratuity Act, 1972.

The expected contribution payable to the plan next year is ₹78.69 Lakh

B **The status of employee benefits as on 31st March 2021 as per actuarial valuation report is as under:**

₹ in Lakh

Particulars	31 Mar 21	31 Mar 20
Amounts recognised in Balance Sheet in respect of gratuity:		
Present value of the funded defined benefit obligations at the end of the year	615.94	509.63
Fair value of plan assets	579.30	410.97
Amounts recognised in employee benefits expenses in the Statement of Profit and Loss in respect of gratuity:		
Current service cost	71.80	54.86
Interest on net defined benefit liability / (assets)	4.75	0.58
Net gratuity cost	**76.55**	**55.44**

₹ in Lakh

Particulars	31 Mar 21	31 Mar 20
Amount recognised in Other Comprehensive Income (OCI) for the year:		
Actual return on plan assets excluding interest income	(44.39)	6.71
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	6.72	33.40
Actuarial changes arising from changes in experience assumptions	9.10	10.74
Closing amount recognised in OCI outside the statement of profit and loss	**(28.57)**	**50.85**

Notes

Forming part of financial statements as on 31st March 2021

C Reconciliation of present value of the obligation & fair value of plan assets

₹ in Lakh

Particulars	31 Mar 21	31 Mar 20
Change in net liability/ assets		
Opening net defined benefit liability/ (assets)	98.66	14.69
Expense charged to profit and loss account	76.56	55.44
Amount recognised outside profit and loss account - OCI	(28.57)	50.85
Employer contributions	(98.66)	(55.45)
Impact of liability assumed or (settled)	(11.34)	33.13
Closing net defined benefit liability / (asset)	**36.65**	**98.66**
Change in Present Value of the Obligations:		
Opening defined benefit obligations	509.63	391.71
Current service cost	71.80	54.86
Interest cost	30.03	26.56
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	6.72	33.40
Actuarial changes arising from changes in experience assumptions	9.10	10.74
Past service costs	-	-
Liabilities assumed/(settled)	(11.34)	33.13
Benefit payments from plan assets	-	(40.77)
Closing defined benefit obligations	**615.94**	**509.63**
Change in fair value of assets:		
Opening fair value of plan assets	410.97	377.02
Interest on plan assets	25.27	25.98
Actuarial gain/(loss)	-	-
Contributes by employer	98.66	55.45
Remeasurements due to :		
Actual return on plan asset less interest on plan assets	44.39	(6.71)
Assets acquired on acquisition/distributed on divestiture	-	-
Benefit payments from plan assets	-	(40.77)
Closing fair value of plan assets	**579.29**	**410.97**
Experience adjustment:		
Defined benefit obligation	615.94	509.63
Plan assets	579.29	410.97
Surplus/(deficit)	**(36.65)**	**(98.66)**
Principal actuarial assumptions at the balance sheet date:		
Discount rate (p.a.)	6.06%	6.15%
Salary escalation rate	8.00%	7.00%
Attrition Rate		
For MM & SM	7.50%	7.50%
For JM	23.00%	23.00%
Mortality Rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Retirement age	60 Years	60 Years

Notes

Forming part of financial statements as on 31st March 2021

D Sensitivity analysis

The following table summarises the impact in percentage terms on 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 Lakh

Particulars	31 Mar 21		31 Mar 20	
	Discount rate	Salary escalation rate	Discount rate	Salary escalation rate
a. -50 basis points	638.13	594.90	528.05	491.85
a. -50 basis points impact (%)	3.60%	-3.42%	3.61%	-3.49%
b. + 50 basis points	594.03	636.99	491.32	527.31
b. + 50 basis points impact (%)	-3.56%	3.42%	-3.59%	3.47%

Sensitivity analysis method

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.

E Projected future contributions:

₹ in Lakh

Maturity profile	31 Mar 21	31 Mar 20
Expected benefits for 1 year	55.39	42.70
Expected benefits for 2 year	62.62	43.95
Expected benefits for 3 year	54.35	49.65
Expected benefits for 4 year	49.98	42.44
Expected benefits for 5 year	121.03	38.89
Expected benefits for 6 to 10 year	242.67	222.91
Expected benefits for 10 year and above	432.66	431.88

F Disaggregation of plan assets

₹ in Lakh

	As at 31 Mar 21		
	Quoted value	Non quoted value	Total
Government debt instruments	-	70.96	70.96
Other debt instruments	-	5.56	5.56
Entity's own equity instruments	-	-	-
Insurer managed funds	-	232.94	232.94
Others	-	269.84	269.84
Grand Total	**-**	**579.30**	**579.30**

Disaggregation of plan assets

₹ in Lakh

	As at 31 Mar 20		
	Quoted value	Non quoted value	Total
Government debt instruments	-	20.72	20.72
Other debt instruments	-	1.15	1.15
Entity's own equity instruments	-	-	-
Insurer managed funds	-	162.87	162.87
Others	-	226.22	226.22
Grand Total	**-**	**410.96**	**410.96**

₹ in Lakh

Particulars	31 Mar 21	31 Mar 20
Actual return on plan assets	69.67	19.27

Notes

Forming part of financial statements as on 31st March 2021

4 Defined contribution plan

₹ in Lakh

Particulars	31 Mar 21	31 Mar 20
Contribution to employees' provident fund (Govt. Provident Fund)	151.94	144.15
Contribution to employees' pension scheme (Govt. Pension Fund)	54.90	56.02
Contribution to ESIC fund	0.03	0.25
Contribution to MLW fund	0.13	0.19

5 Related party disclosures

(a) List of related parties:

Relationship

Ultimate holding Company

Grasim Industries Limited (From 1st July 2017)

Holding Company

Aditya Birla Capital Limited

Relationship

Second largest shareholding:

Infocyber India Private Limited

Fellow subsidiaries

Aditya Birla Finance Ltd. (ABFL)

Aditya Birla Financial Shared Services Limited (ABFSSL)

Aditya Birla Money Mart Limited (ABMML)

Aditya Birla Sun Life Insurance Company Limited (ABSLI)

Aditya Birla Money Limited

Aditya Birla Housing Finance Limited

Aditya Birla Health Insurance Limited

Aditya Birla Capital Technology Services Limited

Aditya Birla Sun Life AMC Limited

Key Management Personnel:

Mr. Sandeep Dadia (Chief Executive Officer)

Mr. M. M. Bhagat (Director)

Mr. Adesh Gupta (Director)

Mr. Vijay Agrawal (Director)

Other related party

Grasim Industries Limited Employee Gratuity Fund

Notes:

(i) The related party relationships have been identified by the management on the basis of the requirements of the Ind AS–24 ‘Related Party Disclosures’ issued by the Institute of Chartered Accountants of India and the same have been relied upon by the auditors.

Notes

Forming part of financial statements as on 31st March 2021

(ii) The relationships as mentioned above except where control exists pertain to those related parties with whom transactions have taken place during the year.

The following inter Company transactions/balances with Holding Company/Fellow Subsidiaries have taken place during the period under review and are included in the above figures under respective heads:

₹ in Lakh

Particulars	For the year ended/as at year ended	
	31 Mar 21	31 Mar 20
Holding Company		
Aditya Birla Capital Limited:		
Dividend Paid		
Aditya Birla Capital Limited	1,154.30	742.49
Other Comprehensive Income/(Loss):		
Aditya Birla Capital Limited	2.78	5.33
Expenses Recovered		
Aditya Birla Capital Limited (Rent expenses)	1.38	-
Expenses Reimbursed		
Aditya Birla Capital Limited (Other expenses)	49.31	78.07
Aditya Birla Capital Limited (Employee benefit expense)	173.25	229.89
Aditya Birla Capital Limited (ESOP expense)	72.83	170.90
Trade Payable		
Aditya Birla Capital Limited - (Payable against expenses)	17.78	94.58
Second largest shareholding:		
Dividend Paid		
Infocyber India Private Limited	1,154.20	742.43
Fellow subsidiaries:		
Income from operations		
Aditya Birla Health Insurance Limited (General insurance brokerage)	144.31	184.35
Aditya Birla Sun Life Insurance Company Limited (Life Insurance Brokerage)	56.31	45.46
Other Comprehensive Income/(Loss):		
Aditya Birla Financial Shared Services Limited	3.39	1.26
Interest income		
Aditya Birla Capital Technology Services Limited (Formerly known as Aditya Birla Myuniverse Limited) (Interest on ICD)	30.61	-
Aditya Birla Financial Shared Services Limited (Interest on ICD)	9.92	-
Expenses recovered		
Aditya Birla Health Insurance Company Limited (Rent Expenses)	4.29	4.08
Aditya Birla Finance Limited (Rent Expenses)	6.38	
Aditya Birla Finance Limited (Other Expenses)	0.15	-
Aditya Birla Sun Life Insurance Company Limited (Employee Benefit Expenses -Transfer of employee dues)	9.81	46.65
Aditya Birla Money Limited (Rent expenses)	7.88	-

Notes
Forming part of financial statements as on 31st March 2021

₹ in Lakh

Particulars	For the year ended/as at year ended 31 Mar 21	31 Mar 20
Aditya Birla Money Limited (Other expenses)	1.20	-
Aditya Birla Money Mart Limited (Sale of Assets)	-	28.02
Aditya Birla Money Mart Limited (Insurance & Other Expenses)	0.80	0.02
Aditya Birla Housing Finance Limited (Rent Expenses)	-	0.77
Aditya Birla Housing Finance Limited (Other Expenses)	0.15	-
Expenses reimbursed		
Aditya Birla Finance Limited (Rent expenses)	42.27	8.24
Aditya Birla Finance Limited (Other expenses,)	-	1.59
Aditya Birla Sun Life Insurance Company Limited (Rent expenses)	10.03	16.15
Aditya Birla Sun Life Insurance Company Limited (Employee Benefit Expenses -Transfer of Assets)	6.65	7.55
Aditya Birla Money Limited (Rent expenses)	1.35	3.46
Aditya Birla Financial Shared Services Limited (Employee Benefit expenses)	34.06	63.37
Aditya Birla Financial Shared Services Limited (Service Hire expenses)	131.99	188.28
Aditya Birla Financial Shared Services Limited (Other expenses)	78.51	58.81
Aditya Birla Housing Finance Limited (Rent expenses)	6.34	45.13
Aditya Birla Capital Technology Services Limited (Formerly known as Aditya Birla Myuniverse Limited) (Other expenses)	35.56	-
Aditya Birla Money Mart Limited (Transfer of Employee Dues)	4.26	-
Aditya Birla Sun Life AMC Limited (Transfer of Employee dues)	0.83	-
Contribution to Gratuity Fund :		
Grasim Industries Limited Employee Gratuity Fund	98.66	14.68
Other Transactions :		
Aditya Birla Sun Life Insurance Company Limited (Reinsurance premium received)	34.56	24.55
Key Management Personnel:		
Mr. Sandeep Dadia *	480.31	514.08
Mr. M. M. Bhagat	0.95	2.65
Mr. Adesh Gupta	2.50	2.00
Mr. Vijay Agrawal	4.55	3.35
Trade Payables :		
Aditya Birla Finance Limited (Payable against expenses)	19.69	2.59
Aditya Birla Sun Life Insurance Company Limited (Payable against expenses)	0.32	5.91
Aditya Birla Money Limited (Payable against expenses)	-	3.38

Notes

Forming part of financial statements as on 31st March 2021

₹ in Lakh

Particulars	For the year ended/as at year ended 31 Mar 21	31 Mar 20
Aditya Birla Housing Finance Limited (Payable against expenses)	-	20.53
Aditya Birla Financial Shared Services Limited (Payable against expenses)	71.06	101.42
Aditya Birla Capital Technology Services Limited (Formerly known as Aditya Birla Myuniverse Limited) (Payable against expenses)	12.44	-
Financial assets : Receivables from related parties		
Aditya Birla Health Insurance Limited (Receivable against rent)	1.72	2.13
Aditya Birla Money Limited (Receivable against rent - Net off)	6.90	
Aditya Birla Capital Technology Services Limited (Formerly known as Aditya Birla Myuniverse Limited) (Receivable against ICD)	1,500.00	-
Aditya Birla Financial Shared Services Limited (Receivable against ICD)	750.00	-
Other current assets (non financial):		
Aditya Birla Financial Shared Services Limited (Prepaid expenses)	5.80	8.73
Aditya Birla Capital Technology Services Limited (Formerly known as Aditya Birla Myuniverse Limited) (Prepaid expenses)	0.74	-
Trade and other receivables:		
Aditya Birla Sun Life Insurance Company Limited (Life Insurance Brokerage)	4.09	5.38
Aditya Birla Health Insurance Limited (General insurance brokerage)	2.15	6.83

Notes:

1. Expenses are net of GST
2. Payables/Receivables are net of TDS

* Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall Company basis at the end of each year and accordingly have not been considered in the above information.

6 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Company's risk philosophy involves a competent and comprehensive risk management framework & robust policies and processes which minimise the element of uncertainty and help in developing and maintaining a healthy portfolio within its risk appetite and the regulatory framework. The Risk Management provides stability and balance ensuring that growth is backed by a robust portfolio. Company is exposed to various types of risks such as credit risk, market risk (which includes liquidity risk and pricing risk), operational risk, legal risk, regulatory risk and competition risk.

Company's risk management strategy is based on a clear understanding of various risks, disciplined risk assessment and measurement procedures and continuous monitoring. The policies and procedures established for this purpose are continuously benchmarked with best practices. The Board of Directors have an oversight over the risk management framework applicable to the Company. The risk management oversight structure includes various Committees such as Risk Management Committee which consist of Board members and Senior Management. The Risk Management Committee ("RMC") which is chaired by an Independent Director conducts review at regular intervals to monitor compliance with risk policies, risk tolerance limits, review and analysis of risk exposure and provides oversight of risk across the organisation.

Notes

Forming part of financial statements as on 31st March 2021

6.1 Market risks

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Market Risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables and loans.

The sensitivity analyses in the following sections relate to the position as at 31st March 2021 and 31st March 2020.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post retirement obligations and provisions.

Assumptions

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31st March 2021 and 31st March 2020.

6.1.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's inter corporate deposits. The interest rate on inter corporate deposits is largely of fixed nature, hence the Company is not exposed to interest rate risk.

6.1.2 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

The Company does not have singnificat exposure ot foreign exchange, hence the Compnay is not expose to foreign currency risk

6.2 Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

6.2.1 Trade receivables

Debtor's credit risk is managed by the Company subject to the Company's established policy, procedures and control relating to Debtor's credit risk management. Outstanding Debtors are regularly monitored.

₹ in Lakh

As at 31 Mar 21	Neither past due nor impaired	Past due but not impaired					Total
		< 30 days	30 to 60 days	61 to 90 days	91 to 120 days	> 120 days	
Trade Receivables	-	5,405.16	91.19	98.46	65.72	530.39	6,190.92
Total	**-**	**5,405.16**	**91.19**	**98.46**	**65.72**	**530.39**	**6,190.92**

₹ in Lakh

As at 31 Mar 20	Neither past due nor impaired	Past due but not impaired					Total
		< 30 days	30 to 60 days	61 to 90 days	91 to 120 days	> 120 days	
Trade Receivables	-	3,464.42	192.08	53.06	47.91	454.22	4,211.69
Total	**-**	**3,464.42**	**192.08**	**53.06**	**47.91**	**454.22**	**4,211.69**

Notes

Forming part of financial statements as on 31st March 2021

ECL movement allowances	Amount ₹ in Lakh
As at 1st April 2019	108.01
Provided during the year	109.93
Amounts written off	(62.59)
Reversals of provision	-
As at 31st March 2020	**155.35**
Provided during the year	166.90
Amounts written off	(101.35)
Reversals of provision	-
As at 31st March 2021	**220.90**

6.2.2 Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company Management in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Authorised Persons and updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

6.3 Liquidity risk

The Company monitors its Liquidity position on a regular basis and the same is managed by the Company Management.

The Company invests its surplus funds in bank fixed deposit, inter corporate deposits and schemes of mutual funds, which carry no or low mark to market risks.

Maturity profile of financial assets and liabilities

The table below provides details regarding the remaining contractual maturities of financial assets and liabilities at the reporting date based on contractual undiscounted payments.

₹ in Lakh

As at 31 Mar 21	Less than a year	1 to 2 years	2 to 3 years	3 to 5 years	> 5 years	Total
Financial assets						
Cash and cash equivalents	78.93	-	-	-	-	78.93
Bank Balance other	275.36	-	-	-	-	275.36
Loans- Other	4,164.13	-	25.07	86.63	18.62	4,294.45
Current investments	4,815.00	-	-	-	-	4,815.00
Trade and other receivables	6,190.92	-	-	-	-	6,190.92
Other financials assets	2.86	139.52	10.00	-	-	152.38
Total	**15,527.20**	**139.52**	**35.07**	**86.63**	**18.62**	**15,807.04**
Financial Liabilities						
Trade Payables	8,541.73	-	-	-	-	8,541.73
Other financial liabilities	2,601.11	-	-	-	-	2,601.11
Lease liabilities	307.41	242.93	246.35	236.64	49.47	1,082.80
Total	**11,450.25**	**242.93**	**246.35**	**236.64**	**49.47**	**12,225.64**

Notes

Forming part of financial statements as on 31st March 2021

₹ in Lakh

As at 31 Mar 20	Less than a year	1 to 2 years	2 to 3 years	3 to 5 years	> 5 years	Total
Financial assets						
Cash and cash equivalents	70.04	-	-	-	-	70.04
Bank Balance other	463.92	-	-	-	-	463.92
Loans- Other	1,903.81	83.53	-	25.07	21.60	2,034.01
Current investments	2,009.73	-	-	-	-	2,009.73
Trade and other receivables	4,211.69	-	-	-	-	4,211.69
Other financials assets	15.49	129.72	-	-	-	145.21
Total	**8,674.68**	**213.25**	**-**	**25.07**	**21.60**	**8,934.60**
Financial Liabilities						
Trade Payables	7,461.17	-	-	-	-	7,461.17
Other financial liabilities	2,775.26	-	-	-	-	2,775.26
Lease liabilities	266.12	120.93	85.06	100.25	74.47	646.83
Total	**10,502.55**	**120.93**	**85.06**	**100.25**	**74.47**	**10,883.26**

6.4 Capital risk management

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

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company's monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the balance sheet) less cash and cash equivalents. Total capital is calculated as equity' as shown in the balance sheet plus net debt.

The Company monitors capital using gearing ratio, which is total debt divided by total capital plus debt. However as on balance sheet date, the Company does not have any debts.

6.5 Operational & businesss risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit

7 FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

The management assessed that, the fair value, of cash and cash equivalents, other bank balance, trade receivable, other financial assets and financial liabilities approximate their carrying amounts, largely due to their short term maturities

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method at 31st March 2021. The different levels have been defined as follows:

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

Notes

Forming part of financial statements as on 31st March 2021

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Quantitative disclosures fair value measurement hierarchy for assets as at 31st March 2021:

Financial assets	Date of valuation	Total value (₹ in Lakh)	Fair value measurement using (₹)		
			Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities	Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable	Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable
Current Investments	31 Mar 21	4,815.00	-	4,815.00	-
Current Investments	31 Mar 20	2,009.73	-	2,009.73	-

8 Disclosure pursuant to Indian Accounting Standard 116 - Leases is as under:

Effective 1st April 2019, the Company adopted IND AS 116 "Leases" and applied the standard to all lease contracts existing on 1st April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee's incremental borrowing rate at the date of initial application.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
2. Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly for all contracts as on 1st April 2019, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The weighted average incremental borrowing rate applied to lease liabilities as at 31st March 2021 is between the range of 6.50% to 8.00% for a period varying from 1 to 10 years.

Critical accounting judgements and key sources of estimation uncertainty

Critical judgements required in the application of Ind AS 116 may include, among others, the following:

- Identifying whether a contract (or part of a contract) includes a lease;
- Determining whether it is reasonably certain that an extension or termination option will be exercised;
- Determination of whether variable payments are in-substance fixed;

Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:

- Estimation of the lease term;
- Determination of the appropriate rate to discount the lease payments;
- Assessment of whether a right-of-use asset is impaired.

Notes

Forming part of financial statements as on 31st March 2021

8.1 Amounts recognised in profit and loss for the year ended 31st March 2021

₹ in Lakh

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
Amortisation expense on right-of-use assets	281.13	318.73
Interest expense on lease liabilities	56.63	51.75
Expense relating to short-term leases	66.56	6.22
Expense relating to leases of low value assets	5.68	5.17
Variable lease adjustments*	(41.55)	-
Total	**368.45**	**381.87**

* The Company has applied the practical expedient as given in para 46B of Ind AS 116 in relation to rent concessions being given due to Covid-19 pandemic by the lessor.

8.2 The table below provides details regarding the contractual maturities of lease liabilities as at 31st March 2021 on an undiscounted basis:

₹ in Lakh

Particulars	As at 31 Mar 21	As at 31 Mar 20
Less than one year	307.41	266.12
One to Five years	725.92	306.24
More than Five years	49.47	74.47
Total	**1,082.80**	**646.83**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

9 The Company has single reportable segment viz–insurance advisory & broking services for the purpose of IND AS 108 on 'Segment Reporting'. The Company does not have any reportable geographical segment

10 Earnings per share (basic and diluted):

Particulars	31 Mar 21	31 Mar 20
Net profit after tax available for equity shareholders (₹ in Lakh)	5,296.67	3,096.61
Weighted average number of equity shares outstanding (Nos):		
Number of shares at the beginning of the year (in Lakh)	51.30	51.30
Number of shares at the end of the year (in Lakh)	51.30	51.30
Earning per share (₹)	103.25	60.36
Face value of share (₹)	10	10

11 The details of the clients from where the Company has earned more than 10% of its total revenue are as under:-

Sr. No.	% of revenue
A	17.39%
B	17.28%

Notes

Forming part of financial statements as on 31st March 2021

12 Pursuant to ESOP Plan being established by the holding Company (i.e. Aditya Birla Capital Limited), stock options were granted to the employees of the Company during the financial year.Total cost incurred by the holding Company till date is being recovered from the Company over the period of vesting. Accordingly, a sum of ₹72.83 Lakh has been recovered from the Company during the year, which has been charged to the Statement of Profit and Loss. The balance sum of ₹42.90 Lakh will be charged to the statement of Profit and Loss in future periods.

13 Estimation uncertainty relating to the global health pandemic on COVID-19

The management has assessed the potential impact of the COVID-19 on the financial statements of the Company. In assessing the recoverability of receivables and assets, the Company has considered internal and external information up to the date of approval of these financial statements including economic forecasts. The Company expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions."

14 Disclosure of details as required under amended guidelines as per Regulation 34 (6) of Insurance Regulatory and Development Authority of India (Insurance Brokers) Regulations, 2018 has been given under Annexure 1 to these financial statements.

For and on behalf of the Board of Directors of
Aditya Birla Insurance Brokers Limited

Vijay Agarwal
Director
DIN:00058548

Anantha Dhananjaya
Director
DIN:01744569

Sandeep Dadia
Chief Executive Officer

Vikashh Agarwal
Chief Financial Officer

Deepak Modi
Company Secretary

Place: Mumbai
Date: 30th April 2021

Notes

Forming part of financial statements as on 31st March 2021

ANNEXURE -1

(A) Detail of income received from insurers (Refer note below the table):

₹ in Lakh

Name of insurer	31 Mar 21	31 Mar 20
Aditya Birla Health Insurance Co. Ltd.	168.27	180.92
Apollo Munich Health Insurance Co. Ltd.	-	1.28
HDFC Ergo General Insurance Co. Ltd.	3,995.29	4,063.86
Bajaj Allianz General Insurance Co. Ltd.	4,283.42	3,360.60
Bharti Axa General Insurance Company Limited	4,741.60	5,471.84
Cignatkk Health Insurance Company Limited	1.07	0.20
Cholamandlam MS General Insurance Co. Ltd.	3,145.62	2,331.16
ECGC of India Ltd.	18.90	17.80
Go Digit General Insurance Limited	1,502.94	407.04
Future Generali India Insurance Company Limited	2,434.90	1,978.56
ICICI Lombard General Insurance Co. Ltd.	10,089.44	9,231.41
Iffco Tokio General Insurance Co. Ltd.	899.35	603.26
Kotak Mahindra General Insurance Co. Ltd.	661.05	691.61
Liberty General Insurance Co. Ltd.	3,967.72	5,043.33
Magma HDI General Insurance Co. Ltd.	584.05	14.05
Max Bupa Health Insurance Co. Ltd.	6.49	0.79
National Insurance Co. Ltd.	292.09	248.11
Raheja QBE General Insurance Company Limited	649.93	7.44
Reliance General Insurance Co. Ltd.	4,783.69	4,821.71
Religare Health Insurance Company Limited	-	67.69
Care Health Insurance Limited	54.46	-
Royal Sundaram General Insurance Co. Ltd.	110.25	179.74
SBI General Insurance Co. Ltd.	2,421.51	1,828.57
Shriram General Insurance Company Limited	6.92	2.50
Star Health and Allied Insurance Company Limited	35.53	44.56
Tata AIG General Insurance Co. Ltd.	2,181.63	2,000.03
The New India Assurance Co. Ltd.	10,023.59	6,975.20
The Oriental Insurance Co. Ltd.	323.35	304.84
United India Insurance Co. Ltd.	482.51	409.61
Universal Sompo General Insurance Co. Ltd.	0.44	0.20
Aditya Birla Sun Life Insurance Co. Ltd.	47.89	40.63
Hdfc Standard Life Insurance Co. Ltd.	1.81	1.75
ICICI Prudential Life Insurance Company Limited	34.79	14.23
India First Life Insurance Co. Ltd.	38.70	17.02
Kotak Life Insurance Ltd.	6.52	5.82
Max Life Insurance Co. Ltd.	4.88	4.60
PNB Metlife India Insurance Company Limited	1.33	(0.99)
Edelweiss General Insurance Company Limited	1.31	-
SBI Life Insurance Company Limited	2.73	5.38

Note:

The information provided in above table is excluding reinsurance brokerage as the same is received from reinsurers

Notes

Forming part of financial statements as on 31st March 2021

(B) Detail of payments received by the group companies from insurers (Refer note below the table):

₹ in Lakh

Company name	Name of Insurer	Nature of payment	31 Mar 21	31 Mar 20
Aditya Birla Housing Finance Ltd.	Liberty Videocon General Insurance Co. Ltd.	Insurance Commission	125.94	119.92
	Reliance General Insurance Co. Ltd.	Insurance Commission	47.12	130.45
	Aditya Birla Health Insurance Co. Ltd.	Insurance Commission	121.84	118.50
	Aditya Birla Sun life Insurance Co. Ltd.	Insurance Commission	108.07	132.66
		Employee transfer Dues Received	-	5.13
	Tata AIG General Insurance Co. Ltd.	Claim-Laptop Damage/theft	0.49	-
Aditya Birla Sun life Insurance Co. Ltd.	Aditya Birla Health Insurance Co. Ltd.	Recovery of expenses	-	0.32
		Group mediclaim premium	285.01	-
		Reimbursement of expenses	2.54	12.44
		Transfer of Asset	0.13	-
		Reimbursement of Rent	-	88.63
	The New India Assurance Co. Ltd.	Group mediclaim premium	144.19	-
	Tata AIG General Insurance Co. Ltd.	Insurance Claim	0.43	-
Aditya Birla Money Insurance Advisory Services Limited	Aditya Birla Sun life Insurance Co. Ltd.	Insurance Commission	266.17	134.11
	Liberty General Insurance Ltd.	Insurance Commission	209.41	129.00
	Reliance General Insurance Co. Ltd.	Insurance Commission	119.56	173.38
	Aditya Birla Health Insurance Co. Ltd.	Insurance Commission	57.00	31.00
	Tata AIG General Insurance Co. Ltd.	Insurance Commission	1.85	-
Grasim Industries Ltd.	The New India Assurance Co. Ltd.	Office package policy claim	-	0.05
		CD Balance Refund	-	4.58
		Mega policy claim	-	93.40
	HDFC Ergo General Insurance Co. Ltd.	CD Balance Refund	-	0.96
Aditya Birla Finance Limited	Tata-Aig General Insurance Co. Ltd.	Office package policy claim	1.47	2.33
	HDFC Ergo General Insurance Co. Ltd.	Refund of excess premium	-	5.36
	ICICI Lombard General Insurance Co. Ltd.	Refund of excess premium	-	0.11
Aditya Birla Money Limited	Aditya Birla Sun Life Insurance Co. Ltd.	Recovery of expenses-Rental charges	1.78	-
	Tata AIG General Insurance Co. Ltd.	Refund of excess premium	-	0.04
Aditya Birla Health Insurance Co. Ltd.	Edelweiss General Insurance Company Limited	Co-Insurance premium	85.29	-
	ICICI Lombard General Insurance Co. Ltd.	Co-Insurance premium	286.66	-
	HDFC Ergo General Insurance Co. Ltd.	Co-Insurance premium	246.79	59.55
	SBI General Insurance Co. Ltd.	Co-Insurance premium	-	0.52
	The New India Assurance Co. Ltd.	Co-Insurance premium	246.79	397.90
	The Oriental Insurance Co. Ltd.	Co-Insurance premium	1.08	50.46
Aditya Birla Sun Life AMC Ltd.	Tata AIG General Insurance Co. Ltd.	Insurance Claim for Damages	6.94	0.97
	Aditya Birla Sun Life Insurance Co. Ltd.	Reimbursement of expenses/Sale of assets/employee transfers	29.27	-
	Aditya Birla Health Insurance Co. Ltd.	Reimbursement of expenses/Sale of assets etc.	10.35	-
	HDFC Ergo General Insurance Co. Ltd.	GMC CD balance refund	-	3.11

Notes

Forming part of financial statements as on 31st March 2021

₹ in Lakh

Company name	Name of Insurer	Nature of payment	31 Mar 21	31 Mar 20
Aditya Birla Private Equity	HDFC Ergo General Insurance Co. Ltd.	GMC Topup Refund	-	0.46
	Aditya Birla Sun Life Insurance Co. Ltd.	Refund of Nischint Policy Premium	-	0.20
Aditya Birla Capital Limited	Aditya Birla Sun Life Insurance Co. Ltd.	Business Support Cost	3,342.94	3,548.35
	Aditya Birla Health Insurance Ltd.	Business Support Cost	140.29	273.82
Aditya Birla Financial Shared Services Limited	ICICI Lombard General Insurance Co. Ltd.	Insurance Claim for Damages	15.80	-
Aditya Birla Capital Technology Services Limited	Aditya Birla Health Insurance Ltd.	IT Development	139.33	-
	Aditya Birla Health Insurance Ltd.	Group Mediclaim - Receipt	9.70	-
	Aditya Birla Sun Life Insurance Co. Ltd.	IT Development	707.46	-

Note:

As per Regulation 34 (6) of Insurance Regulatory and Development Authority of India (Insurance Brokers) Regulations, 2018, insurance brokers are required to include details of payments received by the group companies and/or associates and/or related parties of the insurance broker from any insurer and the details thereof in their financial statements. The above information covers payments received from insurers by Aditya Birla Capital Group companies and Grasim Industries Limited, the ultimate holding Company.

Notes

Forming part of financial statements as on 31st March 2021

(C) Disclosure of details as required under amended guidelines as per Regulation 34 (1-C) of Insurance Regulatory and Development Authority of India (Insurance Brokers) Regulations, 2018.

Cash flow statement for the year ended 31st March 2021:

₹ in Lakh

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
A. Cash Flow from Operating Activities:		
Brokerage Receipts	51,962.36	46,431.56
Reinsurance Receipts	541.50	462.11
Other Receipts/Payments	1,310.08	359.78
Realisations from Sundry Debtors	4,123.99	4,386.91
Payment towards Expenses	(41,110.48)	(36,555.55)
Payment of Tax Deducted at Source	400.76	(4,200.59)
Payments to Sundry Creditors	(9,366.09)	(7,634.68)
Payment of Other Advances	(335.75)	(1,542.08)
Net Cash from Operating Activities (A)	**7,526.37**	**1,707.46**
B. Cash Flow from Investing Activities:		
Purchase of Investments	(67,223.20)	(52,425.00)
Sale of Investments	62,380.19	53,210.50
Purchases of fixed assets	(230.97)	(486.44)
Sale of fixed assets	1.35	30.30
Income received on Investments	202.70	164.99
Expenses relating to Investments	-	-
Net Cash from Investing Activities (B)	**(4,869.93)**	**494.35**
C. Cash Flow from Financing Activities:		
Proceeds from issue of Share Capital	-	-
Proceeds from borrowings	-	-
Repayment of borrowings	(339.05)	(383.01)
Interest/Dividends paid	(2,308.50)	(1,790.15)
Net Cash from Financing Activities (C)	**(2,647.55)**	**(2,173.16)**
Net Increase/(Decrease) in Cash and Cash Equivalents [(A) + (B) + (C)]	**8.89**	**28.65**
D. Cash Bank Balances as on 1st April 2020		
Cash in Hand	-	-
Balance in Current Accounts	70.04	41.39
E. Cash Bank Balances as on 31st March 2021		
Cash in Hand	-	-
Balance in Current Accounts	78.93	70.04

Aditya Birla Money Mart
Limited

ADITYA BIRLA
CAPITAL

Independent Auditor's Report

To the Board of Directors

Aditya Birla Money Mart Limited

REPORT ON THE AUDIT OF THE IND AS FINANCIAL STATEMENTS

Opinion

1. We have audited the Ind AS financial statements of **Aditya Birla Money Mart Limited** ('the Company'), which comprise the Balance Sheet as at 31st March 2021, 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 notes to the Ind AS financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'the Ind AS Financial Statements').

   In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 31st March 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for opinion

2. We conducted our audit of the Ind AS Financial Statements in accordance with the Standards on Auditing ('SAs') 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 Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Ind AS Financial Statements under the provisions of the Act and the Rules thereunder; and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matters

3. Attention is drawn to Note 38 of the Ind AS financial statements which describes the continued uncertainty of impacts of COVID19 on its operations including on estimates relating to the Company's valuation of investments. Our opinion is not modified in respect of this matter.

Information other than the Ind AS financial statements and auditor's report thereon

4. The Company's Board of Directors is responsible for the preparation of the other information, comprising of the information included in the Board's Report including Annexures to Board's Report, and such other disclosures related Information, excluding the Ind AS financial statements and auditor's report thereon ('Other Information'). The other information is expected to be made available to us after the date of this auditors' report. Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. When we read the other Information and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charges with governance as required under SA 720 'The Auditor's responsibilities Relating to other Information'.

Responsibility of management for Ind AS financial statements

5. 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 Ind AS Financial Statements that give a true and fair view of the financial position, financial performance, total 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 judgements 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 Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the Ind AS financial statements

6. Our objectives are to obtain reasonable assurance about whether the Ind AS Financial Statements, as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. Our audit process in accordance with the SAs is narrated in detail in "Annexure 1" to this report.

Other matters

7. The comparative financial information for the year ended 31st March 2020 included in the Ind AS Financial Statements are based on the previously issued financial statements as audited by the then statutory auditors, S.R. Batliboi & Co. LLP whose audit report dated 20th May 2020, expressed an unmodified opinion on said Ind AS financial statements of the previous financial year. Our report is not modified in respect of this matter.

8. The entire audit finalisation process was carried from remote locations i.e other than the office of the Company where books of account and other records are kept, based on data/details or financial information provided to us through digital medium, owing to restrictions in movement imposed by the Governments to restrict the spread of COVID19. Our report is not modified in respect of this matter.

Report on other legal and regulatory requirements

9. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 2" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of 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 Cash Flow Statement dealt with by this Report agree with the books of account.

    d) In our opinion, the aforesaid Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors as on 31st March 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021, from being appointed as a director in terms of Section 164(2) of the Act.

    f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 3".

    g) The provisions of Section 197 are not applicable since the Company has not paid / provided for managerial remuneration during the year.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - Refer Note 31 to the Ind AS 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 are required to be transferred, to the Investor Education and Protection Fund by the Company.

For and Behalf of

Khimji Kunverji & Co. LLP
Chartered Accountants
Registration No:105146W/ W100621

Hasmukh B. Dedhia
Partner
Membership No.: 033494
UDIN: 21033494AAAAEJ2686

Place: Mumbai
Date: 22nd April 2021

Annexure 1 to the Independent Auditors' Report to the Board of Directors of Aditya Birla Money Mart Limited

(referred to in paragraph 6 titled "Auditor's Responsibilities for the Audit of the Ind AS Financial Statements")

As part of our audit in accordance with SAs we exercise professional judgment and maintain professional scepticism throughout the audit. We are also:

a. Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, to 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.

b. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

c. 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.

d. 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.

e. 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.

f. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Annexure 2 to the Independent Auditor's Report to the Board of Directors of Aditya Birla Money Mart Limited

(referred to in paragraph 9 titled 'Report on Other Legal and Regulatory Requirements')

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Fixed Assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given to us and based on our examination of the records of the Company, the Company does not have immovable property under fixed assets.

ii. The Company does not have any inventory and hence reporting under clause (ii) of the CARO 2016 is not applicable.

iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Therefore, the requirement of clause (iii)(a), (iii)(b) and (iii)(c) of paragraph 3 of the Order are not applicable to the Company.

iv. The Company has not granted any loans or provided any guarantees or securities covered under section 185 and section 186 of the Act. In respect of investments made by the Company, in our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year in terms of the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi. As informed, the Company is not required to maintain any cost records prescribed under sub-section (1) of the section 148 of the Act.

vii. In respect of Statutory Dues:

(a) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of amounts deducted / accrued in the books of account, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Goods & Service tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues, as applicable to the Company, during the year with the appropriate authorities. There are no undisputed statutory dues payable in respect to above statues, outstanding as of 31st March 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, details of dues of Income-tax, Sales-tax, Service tax, Duty of Customs, Duty of Excise and Value added tax which have not been deposited as on 31st March 2021 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Forum where dispute is pending	Period to which amount relates	Amount (₹)
Finance Act, 1994	Service Tax	Central Excise and Service Tax Appellate Tribunal	July 2003 to October 2005	9,05,673

viii. Based on our audit procedures and as per the information and explanations given by the management, the Company has not taken any loans from financial institutions, banks and government. The Company has not defaulted in repayment of dues to debenture holders.

ix. During the year, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans. Accordingly, clause (3)(ix) of the Order is not applicable to the Company.

x. During the course of our examination of the books of account and records of the Company and according to information and explanation given to us, we have neither noticed nor have been informed by the management, any incidence of fraud by the Company or on the Company by its officers or employees.

xi. According to the information and explanation given to us and based on our examination of the records, the Company has not paid / provided managerial remuneration during the year and hence requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013 are not applicable.

xii. The Company is not a Nidhi Company. Therefore, the provisions of clause (3) (xii) of the Order are not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with the applicable provisions of Section 188 of the Act for all transactions with the related parties and the details of related party transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards. As per the information and explanations given to us, the provisions of Section 177 of the Act are not applicable to the Company.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to it.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, it has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi. According to the information and explanations given to us, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For and Behalf of

Khimji Kunverji & Co. LLP
Chartered Accountants
Registration No:105146W/ W100621

Hasmukh B. Dedhia
Partner
Membership No.: 033494
UDIN: 21033494AAAAEJ2686

Place: Mumbai
Date: 22nd April 2021

Annexure 3 to the Independent Auditors' Report to the Board of Directors of Aditya Birla Money Mart Limited

[Referred to in paragraph 10(f) under 'Report on Other Legal and Regulatory Requirements']

Report on the internal financial controls under clause (i) of sub-section 3 of section 143 of the act

We have audited the internal financial controls over financial reporting of Aditya Birla Money Mart Limited ("the Company") as at 31st March 2021 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

Opinion

In our opinion considering the nature and size of the operations, the Company has, in all material respects, an adequate internal financial controls system with reference to Ind AS Financial Statements and such internal financial controls with reference to Ind AS Financial Statements were operating effectively as at 31st March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Management's responsibility for internal financial controls

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

Auditors' responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over

Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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:

(a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS 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

(c) 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 Ind AS 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 and Behalf of

Khimji Kunverji & Co. LLP
Chartered Accountants

Registration No:105146W/ W100621

Hasmukh B. Dedhia
Partner

Membership No.: 033494

UDIN: 21033494AAAAEJ2686

Place: Mumbai

Date: 22nd April 2021

Balance Sheet
as at 31st March 2021

Particulars	Notes	As at 31 Mar 21 ₹	As at 31 Mar 20 ₹
ASSETS			
Non Current assets			
(a) Property, Plant and Equipment	3	4,74,157	92,136
(b) Other Intangible assets	4	17,68,357	33,86,364
(c) Intangible assets under development		-	70,400
(d) Investments	5	1,02,18,20,782	59,21,26,495
(e) Advance Tax		56,58,530	-
Total Non Current Assets (A)		**1,02,97,21,826**	**59,56,75,395**
Current assets			
(a) Financial Assets			
(i) Cash and cash equivalents	6	1,14,64,44,778	69,05,63,718
(ii) Loans	7	1,98,885	36,579
(b) Other current assets	8	28,81,125	22,59,487
Total Current Assets (B)		**1,14,95,24,788**	**69,28,59,784**
Total assets(A+B)		**2,17,92,46,614**	**1,28,85,35,179**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	9	93,19,64,460	93,19,64,460
(b) Other Equity	10	(82,27,097)	(1,70,11,445)
Total equity (C)		**92,37,37,363**	**91,49,53,015**
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	11(a)	40,09,71,189	36,91,73,237
Total Non Current Liabilities		**40,09,71,189**	**36,91,73,237**
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	11(b)	85,00,00,000	-
(ii) Trade and Other Payables	12		
Trade payable for MSMED		63,594	-
Trade payable for Other Than MSMED		67,215	2,26,789
(iii) Other Financial Liabilities	13	11,52,475	4,39,884
(b) Other Current Liabilities (non financial)	14	3,41,950	1,20,644
(c) Provisions	15	29,12,828	11,470
(d) Liabilities for Current Tax (Net)		-	36,10,140
Total Current Liabilities		**85,45,38,062**	**44,08,927**
Total Liabilities (D)		**1,25,55,09,251**	**37,35,82,164**
Total Equity and Liabilities (C+D)		**2,17,92,46,614**	**1,28,85,35,179**
Summary of Significant Accounting Policies	2.1		

The accompanying Notes are an integral part of the Financial Statements
As per the Company's report of even date

For **Khimji Kunverji & Co. LLP**
Chartered Accountants
FRN: 105146W/W100621

Hasmukh B. Dedhia
Partner
Membership No: 033494

Place: Mumbai
Date: 22nd April 2021

For and on behalf of the Board of Directors of
Aditya Birla Money Mart Limited

Suresh Kothari
Director
DIN: 02196301

Vijay Agarwal
Director
DIN: 00058548

Himanshu Redkar
Chief Financial Officer

Place: Mumbai
Date: 22nd April 2021

Statement of Profit and Loss
for the year ended 31st March 2021

PARTICULARS	Notes	For the year ended 31 Mar 21 ₹	For the year ended 31 Mar 20 ₹
Revenue from Operations	16	15,94,062	1,70,00,000
Other Income	17		
- Interest income		1,50,14,048	8,43,836
- Net gain on fair value changes		3,99,53,295	11,20,66,117
Total Revenue		**5,65,61,405**	**12,99,09,953**
Expenses			
Employee benefits expenses	18	61,35,749	5,33,433
Depreciation and amortisation expenses	19	18,41,192	16,71,205
Finance Cost	20	3,50,38,999	3,46,93,638
Other expenses	21	55,31,759	1,18,48,733
Total Expenses		**4,85,47,699**	**4,87,47,009**
Profit/(Loss) before tax		**80,13,706**	**8,11,62,944**
Tax expenses			
Current Tax		46,19,218	1,93,17,927
Deferred Tax (Refer Note No. 33)		-	-
(Excess) / Short provision relating to earlier years		(56,03,211)	-
		(9,83,993)	**1,93,17,927**
Profit/(Loss) for the year		**89,97,699**	**6,18,45,017**
Other Comprehensive Income/(Loss) Statement	23		
A (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
B (i) Items that will not be reclassified to profit or loss			
- Remeasurement gains/losses on defined benefit plans		(2,12,351)	24,689
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
Other Comprehensive Income/(Loss) for the Year		(2,12,351)	24,689
Total Comprehensive Income/(Loss)		**87,85,348**	**6,18,69,706**
Earning per Equity Share			
Basic Earnings per Share - ₹	24	0.10	0.66
Diluted Earnings per Share - ₹	24	0.10	0.66
(Face Value of ₹ 10/- each)			
Summary of Significant Accounting Policies	2.1		

The accompanying Notes are an integral part of the Financial Statements
As per the Company's report of even date

For **Khimji Kunverji & Co. LLP**
Chartered Accountants
FRN: 105146W/W100621

Hasmukh B. Dedhia
Partner
Membership No: 033494

Place: Mumbai
Date: 22nd April 2021

For and on behalf of the Board of Directors of
Aditya Birla Money Mart Limited

Suresh Kothari
Director
DIN: 02196301

Vijay Agarwal
Director
DIN: 00058548

Himanshu Redkar
Chief Financial Officer

Place: Mumbai
Date: 22nd April 2021

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

A. EQUITY SHARE CAPITAL

	Number of shares	Amount
	No.	₹
As at 1st April 2019	**1,00,000**	**10,00,000**
Issued during the year	9,30,96,446	93,09,64,460
Capital reduction during the year	-	-
As at 31st March 2020	**9,31,96,446**	**93,19,64,460**
Issued during the year	-	-
Capital reduction during the year	-	-
As at 31st March 2021	**9,31,96,446**	**93,19,64,460**

B. OTHER EQUITY

		Reserves and Surplus				
	Equity Component	Capital Redemption Reserve	General Reserve	Retained earnings	Capital reserve	Total
	₹	₹	₹	₹	₹	₹
As at 1st April 2019	**10,83,84,260**	**2,82,50,000**	**31,59,300**	**(37,26,72,928)**	**15,39,98,217**	**(7,88,81,151)**
(Loss)/Profit for the year	-	-	-	6,18,45,017	-	6,18,45,017
Other comprehensive income	-	-	-	24,689	-	24,689
As at 31st March 2020	**10,83,84,260**	**2,82,50,000**	**31,59,300**	**(31,08,03,222)**	**15,39,98,217**	**(1,70,11,445)**
(Loss)/Profit for the year	-	-	-	89,97,699	-	89,97,699
Other comprehensive income	-	-	-	(2,12,351)	-	(2,12,351)
Total comprehensive income	-	-	-	87,85,348	-	87,85,348
Dividend on Preference shares	-	-	-	(1,000)	-	(1,000)
Capital Reduction of Preference Shares	-	10,00,000	-	(10,00,000)	-	-
As at 31st March 2021	**10,83,84,260**	**2,92,50,000**	**31,59,300**	**(30,30,18,874)**	**15,39,98,217**	**(82,27,097)**

	Note no.
Summary of Significant Accounting Policies	2.1

The accompanying Notes are an integral part of the Financial Statements
As per the Company's report of even date

For **Khimji Kunverji & Co. LLP**
Chartered Accountants
FRN: 105146W/W100621

Hasmukh B. Dedhia
Partner
Membership No: 033494

Place: Mumbai
Date: 22nd April 2021

For and on behalf of the Board of Directors of
Aditya Birla Money Mart Limited

Suresh Kothari
Director
DIN: 02196301

Vijay Agarwal
Director
DIN: 00058548

Himanshu Redkar
Chief Financial Officer

Place: Mumbai
Date: 22nd April 2021

Statement of Cash Flow
for the year ended 31st March 2021

	Particulars		As at 31 Mar 21 ₹	As at 31 Mar 20 ₹
A	**CASH FLOW FROM OPERATING ACTIVITES**			
	Net Profit / (Loss) before Tax		80,13,706	8,11,62,944
	Non Cash Adjustments to reconcile Profit/(Loss) before tax to Net Cash Flows:			
	Depreciation / Amortisation		18,41,192	16,71,205
	Interest Income		(1,50,14,048)	(8,43,836)
	Net gain on fair value changes		(3,99,53,295)	(11,20,66,117)
	Loss on sale of assets		7,087	-
	Interest Expense		3,50,38,999	3,46,93,638
	Operating Profit before Working Capital Changes		**(1,00,66,359)**	**46,17,834**
	Movements in Working Capital			
	Increase / (Decrease) in Trade Payables		(95,980)	(2,07,228)
	Increase / (Decrease) in Other Current Financial Liabilities		7,12,591	(38,99,996)
	Increase / (Decrease) in Other Current Liabilities(Non Financial)		2,21,306	(9,66,643)
	Increase / (Decrease) in Short Term Provisions		26,89,008	36,158
	Decrease / (Increase) in Short Term Loans		(1,62,306)	(27,317)
	Decrease / (Increase) in Other Current Assets		(6,21,638)	(6,36,661)
	Cash generated from Operations		**(73,23,378)**	**(10,83,853)**
	Income Taxes Refund/(paid)		(82,84,677)	(1,35,13,996)
	Net cash (Used in)/generated from operations	(A)	**(1,56,08,055)**	**(1,45,97,849)**
B	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Purchase of Fixed Assets		(6,12,293)	(29,52,401)
	(Purchase) /Proceeds in Intangible assets under development		70,400	(70,400)
	Purchase from Non Current Investments		(49,24,96,614)	(93,80,23,206)
	Proceeds from Non Current Investments		8,59,29,421	65,06,24,250
	Interest Income		3,18,40,249	10,57,26,062
	Net Cash Flow from Investing Activities	(B)	**(37,52,68,837)**	**(18,46,95,695)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Payment of dividend		(1,000)	-
	Proceeds from borrowings		85,00,00,000	(3,99,06,055)
	Repayment of preference shares		(15,00,000)	-
	Proceeds from issue of shares		-	93,09,64,460
	Interest on Unsecured Loan		(17,41,047)	(41,76,390)
	Net Cash Flow used in Financing Acivities	(C)	**84,67,57,953**	**88,68,82,015**
D	**NET INCREASE IN CASH & CASH EQUIVALENT**	(A)+(B)+(C)	**45,58,81,061**	**68,75,88,471**
E	**CASH AND CASH EQUIVALENT AT THE BEGINNING OF THE YEAR**		69,05,63,718	29,75,247
F	**CASH AND CASH EQUIVALENT AT THE END OF THE YEAR**	(D+E)	**1,14,64,44,779**	**69,05,63,718**
	Components of Cash and Cash Equivalents:			
	With Banks in Current Account		1,14,64,44,778	69,05,63,718
	Total Cash and Cash Equivalents		**1,14,64,44,778**	**69,05,63,718**

The accompanying Notes are an integral part of the Financial Statements
As per the Company's report of even date

For **Khimji Kunverji & Co. LLP**
Chartered Accountants
FRN: 105146W/W100621

Hasmukh B. Dedhia
Partner
Membership No: 033494

Place: Mumbai
Date: 22nd April 2021

For and on behalf of the Board of Directors of
Aditya Birla Money Mart Limited

Suresh Kothari
Director
DIN: 02196301

Vijay Agarwal
Director
DIN: 00058548

Himanshu Redkar
Chief Financial Officer

Place: Mumbai
Date: 22nd April 2021

Notes

Forming part of financial statements as on 31st March 2021

(1) CORPORATE INFORMATION

The Company Aditya Birla Money Mart Limited (the "company") is a public Company domiciled in India and incorporated under the provisions of The Companies Act, 1956. The Company is engaged in provision of consultancy services such as general corporate consultancy, risk consultancy, management consultancy, etc. The Company is further evaluating foraying into facilitating provision of information technology services/ solutions.

(2) BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015, the Companies (Indian Accounting Standards) Amendment Rules, 2016 and the Companies (Indian Accounting Standards) Amendment Rules, 2017.

All the assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the schedule III of the Companies' act 2013. Based on the nature of products and the time between the acquisition of the assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current/non-current classification of assets and liabilities.The financial statements are presented in ₹ Unless Otherwise Stated.

(2.1)Summary of significant accounting policies

(a) Use of estimates:

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

(b) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

1) In the principal market for the asset or liability, or

2) In the absence of a principal market, in the most advantageous market for the asset or liability The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

2) Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

3) Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value

Notes

Forming part of financial statements as on 31st March 2021

measurement as a whole) at the end of each reporting period.

Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

(c) Property, plant and equipments:

(i) Tangible Fixed Assets are stated at cost, less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of fixed assets are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the fixed assets as a replacement if the recognition criteria are satisfied. Any trade discounts and rebates are deducted in arriving at the purchase price.

(ii) Depreciation on Tangible assets is provided on Straight Line Method at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013. Depreciation on assets added/ disposed off during the year is provided on prorata basis with reference to the month of addition / deduction.An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised .

(iii) Following rates are used to provide depreciation on Tangible fixed assets

Assets	Useful Life as prescribed by Schedule II of The Companies Act, 2013	Estimated useful life used by the Company
Leasehold Improvements	Over the primary period of the lease	Lease period or six years, whichever is earlier
Computers	3 years	3 years
Server & Networks	6 years	6 years
Office Equipments	5 years	5 years
Electronic Equipments	10 years	4 years
Furniture & fixture	10 years	7 years
Vehicles	6 years	6 years

Useful life of assets different from those prescribed in Schedule II has been estimated by management supported by technical assessment.

(iv) Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

(v) Assets costing ₹ 5,000 or less are written off in the year of purchase.

(d) Intangible fixed assets:

Intangible Assets are stated at cost less accumulated amortisation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to it's working condition for it's intended use.

Intangible assets, viz. Trade Names and other business rights and Software are amortised over a period of ten years and three financial years respectively.

(e) Impairment of assets:

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss if any is charged to Statement of Profit & Loss in the year in which an asset is identified

Notes

Forming part of financial statements as on 31st March 2021

as impaired. Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the assets no longer exist or have decreased.The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

(f) Borrowing costs:

Borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalised as a part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing cost are recognised as expense in the period in which they are incurred. Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment of the borrowing cost.

(g) Redeemable non convertible cumulative preference shares

Preference shares are separated into liability and equity components based on the terms of the contract.On issuance of the preference shares, the fair value of the liability component is determined using a market rate for an equivalent instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption. The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification

(h) Revenue recognition:

Income from services

Revenue from Operations primarily includes income from advertisement, which is recognised when due, on completion of transaction or service. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and can be reliably measured.

Interest income

For all Financial instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

(i) Retirement and other employee benefits:

(a) Defined contribution plan:

The Company makes defined contribution to Government Employee Provident Fund, Government Employee Pension Fund, Employee Deposit Linked Insurance, Employee State Insurance and Superannuation Schemes, which are recognised in the Statement of Profit and Loss on accrual basis. Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered the service entitling them to the contribution.

(b) Defined benefit plan:

The Company operates two defined benefit plans for its employees, viz., gratuity and leave encashment. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method.

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

The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the balance sheet date.

Remeasurements, comprising of actuarial gains and losses on retirement benefits, the effect of the asset ceiling, excluding amounts

Notes

Forming part of financial statements as on 31st March 2021

included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation under employee benefit expenses in the statement of profit and loss.

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements,
- Net interest expense or income.

(j) Income taxes:

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.Deferred tax liabilities are recognised for all taxable temporary differences.The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(k) Contingent liabilities and provisions:

Contingent liabilities

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

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

The estimates are reviewed at each reporting date and adjusted to reflect the current management estimates.

Notes

Forming part of financial statements as on 31st March 2021

(l) **Financial instruments:**

A financial asset 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

Initial recognition and measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in four categories:

1) Financial Asset at amortised cost

2) Financial Assets at fair value through other comprehensive income (FVTOCI)

3) Financial Asset, derivatives and equity instruments at fair value through profit or loss (FVTPL)

4) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Financial asset at amortised cost

A 'Financial Asset' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables"

Financial asset at FVTOCI

A 'Financial Asset' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Financial Asset included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial asset at FVTPL

FVTPL is a residual category for Financial Asset. Any Financial Asset, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a Financial Asset, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any Financial Asset as at FVTPL.

Financial Asset included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Notes

Forming part of financial statements as on 31st March 2021

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

Impairment of financial assets

In accordance with Ind AS 109, the group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., deposits, trade receivables and bank balance

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables, deposits or contract revenue receivables.

The application of simplified approach does not require the group to track changes in credit risk.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) 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.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition,

Notes

Forming part of financial statements as on 31st March 2021

and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

When the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(m) Cash and cash equivalent:

Cash and Cash Equivalents for the purpose of cash flow statement comprise cash in hand and cash at bank including fixed deposit with original maturity period of three months and short term highly liquid investments with an original maturity of three months or less.

(n) Cash flow statement:

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(o) Segment reporting:

Identification of segments

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company.

The Company's operating business are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products.

Allocation of common costs

The costs other than finance cost are attributable to the advertisement segment.

Unallocated items

Unallocated items include Other Income other than Interest income on Investments and Finance Cost.

Segment accounting policies

The Company prepares it segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

(p) Earnings per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares 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 net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

Notes

Forming part of financial statements as on 31st March 2021

NOTE: 3 PROPERTY, PLANT AND EQUIPMENT

(Amount In ₹)

Particulars	Leasehold Improvements	Computer	Vehicles	TOTAL
Gross Block				
As at 1st April 2019	**4,25,237**	**75,812**	**-**	**5,01,049**
Additions	-	-	-	-
Deletions	-	-	-	-
As at 31st March 2020	**4,25,237**	**75,812**	**-**	**5,01,049**
Additions	-	-	5,41,893	5,41,893
Deletions	4,25,237	75,812	-	5,01,049
As at 31st March 2021	**-**	**-**	**5,41,893**	**5,41,893**
Accumulated Depreciation				
As at 1st April 2019	**2,48,054**	**75,812**	**-**	**3,23,866**
For the year	85,047	-	-	85,047
Deletions	-	-	-	-
As at 31st March 2020	**3,33,101**	**75,812**	**-**	**4,08,913**
For the year	85,049	-	67,736	1,52,785
Deletions	4,18,150	75,812	-	4,93,962
Addition/(Deletion) on Stake Change/ Amalgamations	-	-	-	-
As at 31st March 2021	**-**	**-**	**67,736**	**67,736**
Net Block as at 31st March 2020	**92,136**	**-**	**-**	**92,136**
Net Block as at 31st March 2021	**-**	**-**	**4,74,157**	**4,74,157**

NOTE: 4 INTANGIBLE ASSETS

(Amount in ₹)

Particulars	Software	TOTAL
Gross Block		
As at 1st April 2019	**37,99,972**	**37,99,972**
Additions	29,52,401	29,52,401
Deletions	-	-
As at 31st March 2020	**67,52,373**	**67,52,373**
Additions	70,400	70,400
Deletions	17,52,338	17,52,338
As at 31st March 2021	**50,70,435**	**50,70,435**
Accumulated Depreciation		
As at 1st April 2019	**17,79,851**	**17,79,851**
For the year	15,86,158	15,86,158
Deletions	-	-
As at 31st March 2020	**33,66,009**	**33,66,009**
For the year	16,88,407	16,88,407
Deletions	17,52,338	17,52,338
As at 31st March 2021	**33,02,078**	**33,02,078**
Net Block as at 31st March 2020	**33,86,364**	**33,86,364**
Net Block as at 31st March 2021	**17,68,357**	**17,68,357**

Notes

Forming part of financial statements as on 31st March 2021

NOTE 5: INVESTMENTS

Particulars	As at 31 Mar 21 ₹	As at 31 Mar 20 ₹
Non Current Investments		
Investment in Subsidiary		
1. **Equity Shares (fully paid up)(Unquoted)**		
Investment in Subsidiary Company		
49,65,000 shares Aditya Birla Money Insurance Advisory Services Limited	32,25,43,648	32,25,43,648
(31st March 2020- 49,65,000 shares)		
(Refer Note 35)		
2. **Aditya Birla Special Situation fund I**	69,92,77,134	26,95,82,847
Number of Class A Units Allocated 6654576.01@ ₹ 104.554908		
	1,02,18,20,782	**59,21,26,495**

NOTE 6: CASH AND BANK BALANCE

Particulars	As at 31 Mar 21 ₹	As at 31 Mar 20 ₹
Cash and Cash Equivalent		
Balances with Scheduled Banks		
in Current Account	23,72,056	48,04,266
Other bank balances:		
Fixed Deposits with banks	1,14,40,00,243	68,50,00,000
Add: Interest accrued but not due	72,479	7,59,452
	1,14,40,72,722	**68,57,59,452**
	1,14,64,44,778	**69,05,63,718**

NOTE 7: LOANS

Particulars	As at 31 Mar 21 ₹	As at 31 Mar 20 ₹
SHORT TERM LOANS		
(Unsecured, considered good and at amortised cost unless stated otherwise)		
Loans and advances to Related party	-	9,262
Advance other	1,98,885	27,317
	1,98,885	**36,579**

NOTE 8:OTHER CURRENT ASSETS

(Unsecured, considered good unless stated otherwise)

Particulars	As at 31 Mar 21 ₹	As at 31 Mar 20 ₹
Statutory Deposits and Dues from Government	22,05,752	15,67,482
Prepaid expense	21,256	75,839
Gratuity Receivable (Refer note 22)	6,54,117	6,16,166
	28,81,125	**22,59,487**

Notes

Forming part of financial statements as on 31st March 2021

NOTE 9: SHARE CAPITAL

Particulars	As at 31 Mar 21 ₹	As at 31 Mar 20 ₹
Authorised shares:		
9,50,00,000 (31st March 2020: 12,00,00,000) Equity Shares of ₹ 10 each	95,00,00,000	1,20,00,00,000
30,00,000 (31st March 2020: 50,00,000) 0.01% Redeemable Non Convertible Cumulative Preference Shares of ₹ 10 each.	3,00,00,000	5,00,00,000
27,00,000 (31st March 2020: NIL) 0.1% Redeemable Non Convertible Cumulative Preference Shares of ₹ 100 each.	27,00,00,000	-
	1,25,00,00,000	**1,25,00,00,000**
Issued, Subscribed and Paid up:		
Equity Share Capital		
9,31,96,446 (31st March 2020: 9,31,96,446) Equity Shares of ₹ 10/- each	93,19,64,460	93,19,64,460
	93,19,64,460	**93,19,64,460**

1. Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

Equity Shares	31 Mar 21		31 Mar 20	
	No of Shares	₹	No of Shares	₹
At the beginning of the year	9,31,96,446	93,19,64,460	1,00,000	10,00,000
Issued during the year	-	-	9,30,96,446	93,09,64,460
Outstanding at the end of the year	**9,31,96,446**	**93,19,64,460**	**9,31,96,446**	**93,19,64,460**

2. Terms / Rights attached to equity shares:

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend, if any is proposed by the Board of Directors and is subject to the approval of the shareholders in the ensuing Annual General Meeting.

3. Shares held by the holding company:

All the Equity and Redeemable Non Convertible Cumulative Preference Shares are held by the holding Company - Aditya Birla Capital Limited (Formerly Known as Aditya Birla Financial Services Limited)

4. Shareholders holding more than 5% shares in the Company

Equity Share Capital

Aditya Birla Capital Limited (Formerly known as Aditya Birla Financial Service Limited) and nominees - 93196446 Equity Shares – 100% (Previous Year - Aditya Birla Capital Limited -93196446 Equity Shares – 100%)

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

5. For a five year period immediately preceding the date at which balance sheet is prepared:

a. No Shares were allotted as fully paid up pursuant to contract(s) without payment being received in cash

b. No Shares were allotted as fully paid up by way of bonus shares.

Notes

Forming part of financial statements as on 31st March 2021

NOTE 10: OTHER EQUITY

Particulars	As at 31 Mar 21 ₹	As at 31 Mar 20 ₹
(i) Capital Redemption Reserve		
Opening Balance	2,82,50,000	2,82,50,000
Add: Adjustment During the year	10,00,000	-
Closing Balance	**2,92,50,000**	**2,82,50,000**
(ii) Capital Reserve		
Opening Balance	15,39,98,217	15,39,98,217
Add: Adjustment During the year	-	-
Closing Balance	**15,39,98,217**	**15,39,98,217**
(iii) General Reserve		
Opening Balance	31,59,300	31,59,300
Less: Adjustment on account of one time depreciation write off	-	-
Closing Balance	**31,59,300**	**31,59,300**
(iv) Surplus / (Deficit) as per Statement of Profit & Loss:		
Balance as per the last financial statements	(31,08,03,222)	(37,26,72,928)
Other Comprehensive income	(2,12,351)	24,689
Profit/ (Loss) for the year	89,97,699	6,18,45,017
Dividend on Preference Shares	(1,000)	-
Capital Reduction of Preference Shares	(10,00,000)	-
Net (Deficit) in the Statement of Profit & Loss	**(30,30,18,874)**	**(31,08,03,222)**
(v) Other Component of Equity	10,83,84,260	10,83,84,260
Total Reserves and Surplus	**(82,27,097)**	**(1,70,11,445)**

NOTE 11: BORROWINGS

Particulars	As at 31 Mar 21 ₹	As at 31 Mar 20 ₹
11 (a) LONG TERM BORROWINGS		
(At Amortised Cost unless stated otherwise)		
0.01% Redeemable Non Convertible Cumulative Preference Shares	-	13,22,598
0.1% Redeemable Non Convertible Cumulative Preference Shares	40,09,71,189	-
0.1% Compulsory Convertible Debentures	-	36,78,50,639
	40,09,71,189	**36,91,73,237**

Terms and conditions

1. **0.01% Redeemable Non Convertible Cumulative Preference Shares**

   0.01% Redeemable Non Convertible Cumulative Preference Shares (RNCCPS), confer on the holders thereof the following rights and privileges:

i) the right to a cumulative preferential dividend of 0.01% on the nominal value of the RNCCPS every year, till the redemption of these RNCCPS, subject to the availability of the distributable profits, free of Company's Income-tax, but subject to deduction of taxes at source at the rate or rates prescribed from time to time. The dividend will be calculated on a day count of 365 days a year basis and are cumulative in nature. The dividend shall be paid to such Preference Shareholders whose names appears on the Register of Preference Shareholders on the Record Date, as may be declared by the Company.

(ii) the right in the event of winding up to the payment of such capital and arrears of dividend, whether earned, accrued, declared or not, down to the commencement of the winding up in priority to the equity Shares but shall not confer any further right to participate in profits or assets.

Notes

Forming part of financial statements as on 31st March 2021

Put/ Call Option at any time after 5 years from the date of allotment with either the Company/Preference Shareholder. RNCCPS are issued for a period of 10 years. At the expiry of 10 years, the Preference shareholder will be redeemed at a premium of ₹5/- per share over and above the face value.

(iii) Shareholders holding more than 5% shares in the Company

Aditya Birla Capital Limited (Formerly known as Aditya Birla Financial Services Limited)- 1,00,000 Redeemable Non Convertible Cumulative Preference Shares – 100%

(Previous Year - Aditya Birla Capital Limited - 1,00,000 Redeemable Non Convertible Cumulative Preference Shares – 100%)

(iv) During the year ended 31st March 2021 Company had redeemed 0.01% Redeemable Non Convertible Cumulative Preference Shares (RNCCPS) to holding Company Aditya Birla Capital Limited - 1,00,000 shares of ₹10/- each for ₹ 15,00,000 with premium of ₹5/- per RNCCPS along with dividend of ₹1,000/-

2. 0.1% Compulsory Convertible Debentures

(i) Company had issued the 26,00,866 0.1% Compulsory Convertible Debenture (CCD) of face value ₹ 100/- each on 21st March 2016 to its holding Company Aditya Birla Capital Limited (Formerly known as Aditya Birla Financial Services Limited).

(ii) Each CCD shall be converted into 0.1% Redeemable Non Convertible Non Cummulative Preferance Share (RNCNCPS) of ₹ 100/-each at a premium of ₹ 54/- per Preference Share, at the end of 5 years and such RNCNCPS shall be redeemable at a premium of ₹ 137/- per Preference Share at the end of 2 years from the date of conversion or any such time as may be informed in writing at option of holder thereof

(iii) During the year ended 31st March 2021 holding Company Aditya Birla Capital Limited has exercised option to convert these 26,00,866 0.1% Compulsory Convertible Debenture (CCD) into equal number of 0.1% Redeemable Non Convertible Cumulative Preference Shares (RNCCPS) of ₹100 each at a premium of ₹ 54/- per RNCCPS.

11(B): SHORT TERM BORROWINGS

(At amortised cost unless stated otherwise)

Particulars	As at 31 Mar 21 ₹	As at 31 Mar 20 ₹
Loans repayable on demand:		
Loan from Related Party (unsecured)	85,00,00,000	-
	85,00,00,000	**-**

Terms & Conditions

Unsecured Loan from related party carrying interest @ 7.10% p.a. and repayable on demand.

NOTE 12: TRADE PAYABLES

(At amortised cost unless stated otherwise)

Particulars	As at 31 Mar 21 ₹	As at 31 Mar 20 ₹
Trade Payables*		
- Total outstanding dues of micro enterprises and small enterprises	63,594	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises)	67,215	2,26,789
	1,30,809	**2,26,789**

*Micro and small scale business entities

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March 2021. The information as required to be disclosed under Micro, Small and Medium Enterprises Development Act 2006 (Act) has been determined to the extent such parties have been identified on the basis of information available with the Company.

Notes
Forming part of financial statements as on 31st March 2021

NOTE 13: OTHER FINANCIAL LIABILITIES

Particulars	As at 31 Mar 21 ₹	As at 31 Mar 20 ₹
OTHER CURRENT FINANCIAL LIABILITIES		
(At Amortised Cost unless stated otherwise)		
Payable to related party	-	3,47,185
Other Payable	7,699	7,699
Salaries, Wages, Bonus & Other Employee Benefits	11,44,776	85,000
	11,52,475	**4,39,884**

NOTE 14: OTHER NON FINANCIAL LIABILITIES

Particulars	As at 31 Mar 21 ₹	As at 31 Mar 20 ₹
Statutory Dues	3,41,950	1,20,644
	3,41,950	**1,20,644**

NOTE 15: PROVISIONS

Particulars	As at 31 Mar 21 ₹	As at 31 Mar 20 ₹
SHORT TERM PROVISIONS		
Provision for Employee Benefits:		
Leave Encashment	5,62,411	8,611
Gratuity (Present Value of Obligation)	23,50,417	2,859
	29,12,828	**11,470**

NOTE 16: REVENUE FROM OPERATIONS

Particulars	For the year ended 31 Mar 21 ₹	For the year ended 31 Mar 20 ₹
Fees income	15,94,062	1,70,00,000
	15,94,062	**1,70,00,000**

Notes

Forming part of financial statements as on 31st March 2021

NOTE 17: OTHER INCOME

Particulars	For the year ended 31 Mar 21 ₹	For the year ended 31 Mar 20 ₹
Interest Income at Amortised Cost		
- Interest Income on Fixed deposit	1,50,13,944	8,43,836
- Interest on income tax refund	104	-
	1,50,14,048	**8,43,836**
Net gain on fair value changes		-
MTM of investments measured at FVTPL-Gain	2,31,27,094	71,83,891
Gain on sale of investments measured at FVTPL	1,68,26,201	10,48,82,226
	3,99,53,295	**11,20,66,117**
	5,49,67,343	**11,29,09,953**
Fair Value changes:		
Realised	1,68,26,201	10,48,82,226
Unrealised	2,31,27,094	71,83,891
	3,99,53,295	**11,20,66,117**

NOTE 18: EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended 31 Mar 21 ₹	For the year ended 31 Mar 20 ₹
Salary, wages and bonus	59,37,249	5,44,658
Contribution to provident and other funds	2,32,273	20,712
Gratuity	(33,773)	(30,147)
Staff Welfare	-	(1,790)
	61,35,749	**5,33,433**

NOTE 19: DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the year ended 31 Mar 21 ₹	For the year ended 31 Mar 20 ₹
Depreciation	1,52,785	85,047
Amortisation	16,88,407	15,86,158
	18,41,192	**16,71,205**

NOTE 20: FINANCE COST

Particulars	For the year ended 31 Mar 21 ₹	For the year ended 31 Mar 20 ₹
Interest on Loan	14,88,083	39,15,588
Interest on Debentures	3,33,73,727	3,06,25,956
Interest on Preference shares	1,77,189	1,52,094
	3,50,38,999	**3,46,93,638**

Notes

Forming part of financial statements as on 31st March 2021

NOTE 21: OTHER EXPENSES

Particulars	For the year ended 31 Mar 21 ₹	For the year ended 31 Mar 20 ₹
Information technology charges	4,99,537	60,761
Rates and Taxes	2,28,769	9,38,565
Legal and professional charges (Refer Note 21.1 below)*	40,53,973	77,98,956
Travelling and conveyance	12,000	24,078
Director Fees	5,00,000	9,00,000
Loss on sale of assets	7,087	-
Miscellaneous Expenses	2,30,393	21,26,373
	55,31,759	**1,18,48,733**

NOTE 21.1- PAYMENT TO AUDITOR*

Particulars	For the year ended 31 Mar 21 ₹	For the year ended 31 Mar 20 ₹
As Auditor		
- Statutory Audit Fee	2,75,000	5,00,000
- Reimbursement of Expenses	8,155	15,668
Total	**2,83,155**	**5,15,668**

NOTE 22: RETIREMENT BENEFITS

The Company operates defined plans of Gratuity for its employees. . The Scheme is funded with an Insurance Company in the form of qualifying insurance policy.

The following tables summarise the components of net benefit expense recognised in Statement of Profit and Loss Account and the funded status and the amounts recognised in the Balance Sheet for the respective plans

(a) Statement of profit and loss

Net employee benefit expense recognised in income statement

Particulars	Gratuity	
	For the year ended 31 Mar 21 ₹	For the year ended 31 Mar 20 ₹
Current service cost	2,351	2,858
Interest cost on obligation	168	-
Interest (income) on plan assets	(36,292)	(32,900)
Expense recognised in Income Statement	**(33,773)**	**(30,042)**

Expenses recognised during the year

Particulars	For the year ended 31 Mar 21 ₹	For the year ended 31 Mar 20 ₹
Expense recognised in Income Statement	(33,773)	(30,042)
Expense recognised in Other Comprehensive income	2,12,351	(24,689)
Total expenses/(Income)Recognised during the year	**1,78,578**	**(54,731)**

Notes

Forming part of financial statements as on 31st March 2021

(b) Balance sheet

Benefit asset / liability

Particulars	Gratuity	
	As at 31 Mar 21	As at 31 Mar 20
	₹	₹
Present Value of defined benefit obligation	23,50,417	2,858
Fair Value of Plan Assets	(6,54,117)	(6,16,166)
Plan (Asset) / Liability - to be Funded to Gratuity Trust	**16,96,300**	**(6,13,308)**

(c) Changes in the present value of the defined benefits obligation are as follows:

Particulars	Gratuity	
	As at 31 Mar 21	As at 31 Mar 20
	₹	₹
Opening Defined Benefit Obligation	2,858	-
Current service cost	2,351	2,858
Interest Cost	168	-
Benefits paid including transfer in / (out)	21,31,030	-
Transfer of employee dues	-	-
Actuarial (gains) / losses arising from:		
Change in Demographic Assumptions		
Change in Financial assumptions	(4,30,831)	-
Experience Variance	6,44,841	-
Closing defined benefit obligation	**23,50,417**	**2,858**

(d) Changes in the fair value of plan assets are as follows:

Particulars	Gratuity	
	As at 31 Mar 21	As at 31 Mar 20
	₹	₹
Opening Fair Value of Plan Assets	6,16,166	5,58,577
Investment Income	36,292	32,900
Contributions by Employer	-	-
Benefits paid including transfer in / (out)	-	-
Return on Plan Assets	1,659	24,689
Closing fair value of plan assets	**6,54,117**	**6,16,166**

(e) Actual return on plan assets

Particulars	Gratuity	
	For the year ended 31 Mar 21	For the year ended 31 Mar 20
	₹	₹
Expected return on Plan Assets	36,292	32,900
Actuarial Gain / (Loss) on Plan Assets	1,659	24,689
Actual return on Plan Assets	**37,951**	**57,589**

Plan Assets of Gratuity have been invested in Insurer Managed Fund (Group Bond Plan I,Group Fixed Interest Fund Plan I and Group Money Market Fund Plan I)

Notes

Forming part of financial statements as on 31st March 2021

(f) Major category of plan assets: (As a percentage of total plan assets)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Funds managed by Insurer	100%	100%

(g) The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Rate of Interest	6.82%	5.89%
Salary growth	0% for 1st year, 7% thereafter	7.00%
Withdrawls rate, based on age: (per annum)		
Upto 30 Years	25%	25%
31 - 44 years	0%	0%
Above 44 years	0%	0%
Mortality Rates	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Retirement age	60 years	60 years
Expected Return on Plan Assets	6.82%	5.89%

Experience adjustment

Particulars	Gratuity	
	As at 31 Mar 21	As at 31 Mar 20
	₹	₹
Present Value of Defined Benefit Obligation	23,50,417	2,858
Fair Value of Plan Assets	6,54,117	6,16,166
(Surplus)/Deficit	16,96,300	(6,13,308)
Experience adjustment on Plan Liability - (Gain) / Loss	6,44,841	-
Experience adjustment on Plan Assets - Gain / (Loss)	1,659	24,689

(h) Sensitivity analysis of principal assumptions

Particulars	As at 31 Mar 21	As at 31 Mar 20
	₹	₹
Impact of increase in 50bps on DBO		
Discount Rate	21,41,267	2,758
Salary Escalation Rate	25,67,882	2,960
Impact of decrease in 50bps on DBO		
Discount Rate	25,82,459	2,962
Salary Escalation Rate	21,56,865	2,759

Notes

Forming part of financial statements as on 31st March 2021

(i) Maturity profile of defined benefit obligation

Particulars	As at 31 Mar 21 ₹	As at 31 Mar 20 ₹
Above 1 year	41,882	13
Between 2 and 4 Years	89,245	26
Between 5 and 10 years	1,16,963	3,284
Total expected payments	**2,48,090**	**3,323**
Weighted Average duration	12.62 Years	3.99 Years

(j) Defined contribution plan:

The Company has recognised the following amounts as expenses and included in Note 18 in "Contribution to Provident and Other Funds"

Particulars	For the year ended 31 Mar 21 ₹	For the year ended 31 Mar 20 ₹
Contribution to Government Employees Provident Fund	2,32,273	20,712

NOTE 23: COMPONENTS OF OTHER COMPREHENSIVE INCOME.

Particulars	For the year ended 31 Mar 21 ₹	For the year ended 31 Mar 20 ₹
Remeasurement of gains(Losses) on defined benefit plans -Part of Retained earnings	(2,12,351)	24,689
Total	**(2,12,351)**	**24,689**

NOTE 24: EARNINGS PER SHARE

			For the year ended 31 Mar 21 ₹	For the year ended 31 Mar 20 ₹
Net Profit as per Statement of Profit and Loss Account for Continuing Operations:			89,97,699	6,18,45,017
Less: Preference Dividend			(1,000)	-
Net Profit for Basic EPS		(A)	89,98,699	6,18,45,017
Weighted Average number of Outstanding Equity Shares for EPS:				
	- Basic	(B)	9,31,96,446	9,31,96,446
	- Diluted	(C)	9,31,96,446	9,31,96,446
Earnings per Share (₹)				
	- Basic	(A) / (B)	0.10	0.66
	- Diluted	(A) / (C)	0.10	0.66

Notes

Forming part of financial statements as on 31st March 2021

NOTE 25: SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Companys consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods

Estimation of useful life of plant property equipments and intangible assets

Refer Note no 2.1(c) and (d)

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

NOTE 26: FAIR VALUE

	Carrying Value		Fair Value	
	As at 31 Mar 21	As at 31 Mar 20	As at 31 Mar 21	As at 31 Mar 20
	₹	₹	₹	₹
Financial Assets				
Cash and cash equivalents	1,14,64,44,778	69,05,63,718	1,14,64,44,778	69,05,63,718
Investments	1,02,18,20,782	59,21,26,495	1,02,18,20,782	59,21,26,495
Loans	1,98,885	36,579	1,98,885	36,579
Total	**2,16,84,64,445**	**1,28,27,26,792**	**2,16,84,64,445**	**1,28,27,26,792**

	Carrying Value		Fair Value	
	As at 31 Mar 21	As at 31 Mar 20	As at 31 Mar 21	As at 31 Mar 20
	₹	₹	₹	₹
Financial Liabilities				
Trade and Other Payables	1,30,809	2,26,789	1,30,809	2,26,789
0.1% Redeemable Non Convertible Cumulative Preference Shares	40,09,71,189	-	40,09,71,189	-
0.01% Redeemable Non Convertible Cumulative Preference Shares	-	13,22,597	-	13,22,597
0.1% Compulsory Convertible Debentures	-	36,78,50,639	-	36,78,50,639
Loan from Related Party (Unsecured)	85,00,00,000	-	85,00,00,000	-
Other Financial Liabilities	11,52,475	4,39,884	11,52,475	4,39,884
Total	**1,25,22,54,473**	**36,98,39,909**	**1,25,22,54,473**	**36,98,39,909**

The management assessed that other assets and liablities othet than those disclosed above approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.The following methods and assumptions were used to estimate the fair values:

The fair values of the unquoted Investments have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

Notes

Forming part of financial statements as on 31st March 2021

NOTE 27: FAIR HIERARCHY

"The following table provides the fair value measurement hierarchy of the Company's assets and liabilities which are measured in Fair value. Quantitative disclosures fair value measurement hierarchy for assets and Liabilities:"

	Fair Value Measurement Using				
	Date of Valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets Measured As Fair Value as at 31st March 2020		₹	₹	₹	₹
Cash and cash equivalents	31-03-2020	69,05,63,718	-	-	69,05,63,718
Investments	31-03-2020	59,21,26,495	-	-	59,21,26,495
Loans	31-03-2020	36,579	-	-	36,579
Assets Measured As Fair Value as at 31st March 2021					
Cash and cash equivalents	31-03-2021	1,14,64,44,778	-	-	1,14,64,44,778
Investments	31-03-2021	1,02,18,20,782	-	-	1,02,18,20,782
Loans	31-03-2021	1,98,885	-	-	1,98,885
Liabilities Measured As Fair Value as at 31st March 2020					
Trade and Other Payables	31-03-2020	2,26,789	-	-	2,26,789
0.01% Redeemable Non Convertible Cumulative Preference Shares	31-03-2020	13,22,597	-	-	13,22,597
0.1% Compulsory Convertible Debentures	31-03-2020	36,78,50,639	-	-	36,78,50,639
Other Financial Liabilities	31-03-2020	4,39,884	-	-	4,39,884
Liabilities Measured As Fair Value as at 31st March 2021					
Trade and Other Payables	31-03-2021	1,30,809	-	-	1,30,809
0.1% Redeemable Non Convertible Cumulative Preference Shares	31-03-2021	40,09,71,189	-	-	40,09,71,189
Loan from Related Party (Unsecured)	31-03-2021	85,00,00,000	-	-	85,00,00,000
Other Financial Liabilities	31-03-2021	11,52,475	-	-	11,52,475

Note: The fair values of the company's interest-bearing borrowings, loans and secuirty deposits are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.

NOTE 28:

The company has single reportable segment viz referral fees for the purpose of IND AS 108 on 'Segment Reporting'. The company does not have any geographical segment.

NOTE 29: RELATED PARTY DISCLOSURES

Name of related parties and related party relationship:

Related parties where control exist:

Ultimate Holding Company:	Grasim Industries Limited
Holding Company:	Aditya Birla Capital Limited
Subsidiary Company:	Aditya Birla Money Insurance Advisory Services Limited

Related parties with whom transactions have taken place during the year:

Fellow Subsidiaries:	Aditya Birla Finance Limited
	Aditya Birla Insurance Brokers Limited
	Aditya Birla Capital Technology Services Limited
	Aditya Birla Special Situation Fund -I

Notes

Forming part of financial statements as on 31st March 2021

Key management personnel:

Mr. Vijay Agarwal

Mr. Suresh Kothari

The following inter company transactions/balances with subsidiaries/fellow subsidiaries/joint ventures /associates have taken place during the period under review and are included in the above figures under respective heads:-

(Amount In ₹)

Sr. No.	Particulars	Year Ended 31 Mar 21 (Audited)	Year Ended 31 Mar 20 (Audited)
A	**Holding Company / Ultimate Holding Company**		
	Interest Expenses -		
	Aditya Birla Capital Limited (Interest on Debenture)	3,33,73,727	3,06,25,956
	Aditya Birla Capital Limited (Interest on ICD)	14,88,083	39,15,588
	Aditya Birla Capital Limited (Interest On Preference Shares)	1,77,189	1,52,094
	Financial Liabilities		
	Aditya Birla Capital Limited(ICD)	85,00,00,000	-
	Aditya Birla Capital Limited (Debenture)	-	36,78,50,640
	Aditya Birla Capital Limited (Redeemable Non Convertible Cumulative Preference Shares)	40,09,71,189	13,22,598
	Financial Assets - (Loans)		
	Aditya Birla Capital Limited(ESOP)	-	9,262
B	**Subsidiaries / Fellow Subsidiaries**		
	Expenses Recovery		
	Aditya Birla Insurance Brokers Limited (Employee due)	4,25,953	-
	Aditya Birla Finance Limited (Employee due)	28,70,105	-
	Aditya Birla Capital Technology Services Limited (Employee due)	2,26,906	-
	Expenses Reimbursed		
	Aditya Birla Insurance Brokers Limited	79,993	1,857
	Financial Assets- Investments		
	Investment in Equity shares of Aditya Birla Money Insurance Advisory Services Limited	32,25,43,648	32,25,43,648
	Aditya Birla Special Situation Fund -I	69,92,77,134	26,95,62,342
	Fixed Assets (Transfer in)		
	Aditya Birla Insurance Brokers Limited (Purchase of Finance Portal)	-	28,02,401
	Aditya Birla Finance Limited (Transfer of employee due-Vehicle)	5,41,893	-
	Other Financial Liabilities		
	Aditya Birla Finance Limited	-	3,47,186
C	**Key Management Personnel:**		
	Director Sitting Fees		
	Mr. Vijay Agarwal	2,50,000	4,50,000
	Mr. Suresh Kothari	2,50,000	4,50,000

Notes

Forming part of financial statements as on 31st March 2021

NOTE 30: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

As at 31 Mar 21	Neither past due nor impaired	Past due but not impaired					Total
		< 30 days	30 to 60 days	61 to 90 Days	91 to 120 Days	> 120 days	
Loans	-	1,98,885	-	-	-	-	1,98,885
Other current assets		28,81,125	-	-	-	-	28,81,125
	-	**30,80,010**	**-**	**-**	**-**	**-**	**30,80,010**

As at 31 Mar 20	Neither past due nor impaired	Past due but not impaired					Total
		< 30 days	30 to 60 days	61 to 90 Days	91 to 120 Days	> 120 days	
Loans	-	36,579	-	-	-	-	36,579
Other current assets		22,59,487	-	-	-	-	22,59,487
	-	**22,96,066**	**-**	**-**	**-**	**-**	**22,96,066**

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, preference shares. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The manages its liquidity risk through temorory funding from its ultimate holding Company and availing bank oveedraft as and when require.

The table below summarises the maturity profile of the Company's financial assets and liabilities based on contractual undiscounted payments.

Year Ended 31 Mar 21	On Demand	Less than 3 Months	3 to 12 Months	1 to 5 Years	More than 5 Years	Total
Financial Assets						
Cash and cash equivalents	-	1,14,64,44,778	-	-	-	**1,14,64,44,778**
Investments in Aditya Birla Special Situation fund I	-	-	-	-	69,92,77,134	**69,92,77,134**
Investment in Subsidiary Company (Aditya Birla Money Insurance Advisory Services Limited)	-	-	-	-	32,25,43,648	**32,25,43,648**
Loans	-	1,98,885	-	-	-	**1,98,885**
Financial Liabilities						
Trade and Other Payables		1,30,809				**1,30,809**
Borrowings	85,00,00,000	-	-	-	-	**85,00,00,000**
0.1% Redeemable Non Convertible Cumulative Preference Shares	-	-	-	40,09,71,189	-	**40,09,71,189**
Other Financial Liabilities	-	11,52,475	-	-	-	**11,52,475**

Notes

Forming part of financial statements as on 31st March 2021

Year Ended 31 Mar 20	On Demand	Less than 3 Months	3 to 12 Months	1 to 5 Years	More than 5 Years	Total
Financial Assets						
Cash and cash equivalents		69,05,63,718	-	-	-	**69,05,63,718**
Investments in Aditya Birla Special Situation fund I		-	-	-	26,95,82,847	**26,95,82,847**
"Investment in Subsidiary Company (Aditya Birla Money Insurance Advisory Services Limited)"		-	-	-	32,25,43,648	**32,25,43,648**
Loans	-	36,579	-	-	-	**36,579**
Financial Liabilities						
Trade and Other Payables		2,26,789				**2,26,789**
Borrowings	-	-	36,78,50,639	-	-	**36,78,50,639**
0.01% Redeemable Non Convertible Cumulative Preference Shares	-	-	-	13,22,597.35	-	**13,22,597**
Other Financial Liabilities	-	4,39,885	-	-	-	**4,39,885**

Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

Particulars	31 Mar 21	31 Mar 20
	₹	₹
Borrowings(Note no. 11&11a)	1,25,09,71,189	36,91,73,237
Trade Payables (Note No. 12)	1,30,809	2,26,789
Other Payables (Note no 13)	11,52,475	4,39,885
Less: Cash and Cash Equivalents (Note No. 6)	1,14,64,44,778	69,05,63,718
Net Debt	**10,58,09,695**	**(32,07,23,807)**
Equity	**92,37,37,363**	**91,49,53,015**
Capital and Net Debt	**1,02,95,47,058**	**59,42,29,208**
Gearing Ratio	**10%**	**-54%**

Notes
Forming part of financial statements as on 31st March 2021

NOTE 31: CONTINGENT LIABILITIES
Contingent Liabilities not provided for:

Particulars	As at 31 Mar 21 ₹	As at 31 Mar 20 ₹
Service Tax	9,05,673	9,05,673
Total	**9,05,673**	**9,05,673**
Level at which pending	**Contingent Liability**	**Grounds of Appeal**
Pending at CESTAT	9,05,673	Advertisement income from investime considered as commission income from MF.
	9,05,673	

NOTE 32: CAPITAL COMMITMENTS
Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances) as on 31st March 2021 is ₹ NIL (31st March 2020- NIL)

NOTE 33: DEFERRED TAX
The breakup of Net Deferred Tax Asset arising on account of following timing differences is as under:

Particulars	As at 31 Mar 21 ₹	As at 31 Mar 20 ₹
Deferred Tax Asset		
Unabsorbed Depreciation		
and Carry forward losses	1,79,52,303	1,79,52,555
IND AS Adjustments	83,81,095	76,81,191
Total Deferred Tax Asset	**2,63,33,398**	**2,56,33,746**
Deferred Tax Asset Recognised to extent the of Deferred Tax Liabilities due to reasonable uncertainty	**34,609**	**1,05,680**
Less: Deferred Tax Liability:		
Depreciation / amortisation	(14,548)	1,05,680
Leave Encashment	49,157	
Total Deferred Tax Liability	**34,609**	**1,05,680**
Net Deferred Tax Asset / (Liability)	**-**	**-**

Deferred tax assets have been created only to the extent of Deferred tax liability due to absence of reasonable certainty. Accordingly Deferred tax asset as on 31st March 2021 ₹34,609/- (31st March 2020 ₹1,05,680)/- is not recognised in the Accounts.

NOTE 34:
The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses need to be provided as required under any law / accounting standards.

NOTE 35:
The Company had subscribed for ₹19,75,000 0.5% Compulsory Convertible Debenture (CCD) of face value ₹10/- each at premium of ₹113/- on 29th September 2015 in its subsidiary Company Aditya Birla Money Insurance Advisory Services Limited (ABMIAS). Each CCD was convertible into 1 Equity share of ₹10/- each at Par value at end of 5 year from the date of issue or any such time as may be informed in writing at option of holder thereof.

Notes

Forming part of financial statements as on 31st March 2021

CCD are converted in equity shares of the ABMIAS at the request of the Company. Each CCD is converted into 1 Equity share of ₹10 each at par value. Accordingly, the Investment value outstanding as at 31st March 2018 of ₹173,153,158 along with equity component of Debentures of ₹119,490,490 is converted into investment equity shares of the ABMIAS.

Previous year 31st March 2020 Company had invested ₹ 2,50,00,000/- (Equity shares of ₹10/- each) in its subsidiary Company Aditya Birla Money Insurance Advisory Services Limited (ABMIAS).

Value of Investment in subsidiary(ABMIAS) as at 31st March 2021 is ₹32,25,43,648/- (Previous year 31st March 2020 ₹ 32,25,43,648/-)

NOTE 36:

During the year Company has invested ₹48,90,08,571/- (Previous year ₹91,30,02,701/-) in Aditya Birla Special Situations Fund I, a scheme of Aditya Birla Special Situation Fund. The details of investment drawdown and distribution of capital are as below.

Particulars	Date	Unit	Face value	Amount in ₹
1st drawdown	7 May 2019	64,32,857.14	100	64,32,85,714
2nd drawdown	5 Jul 2019	19,373.78	100	19,37,378
3rd drawdown	4 Oct 19	33,154.98	100	33,15,498
4th drawdown	6 Jan 20	26,14,285.71	100	26,14,28,571
5th drawdown	6 Jan 20	30,355.40	100	30,35,540
Total		**91,30,027.01**		**91,30,02,701**
1st distribution	28 Feb 20	45,00,528.23	100	45,00,52,823
2nd distribution	20 Mar 20	20,05,714.27	100	20,05,71,427
Total		**65,06,242.50**		**65,06,24,250**
Balance as on 31st March 2020		**26,23,784.51**	**100**	**26,23,78,451**

Particulars	Date	Unit	Face value	Amount in ₹
6th drawdown	29 Sep 20	5,31,428.57	100	5,31,42,857
7th drawdown	18 Feb 21	43,58,657.14	100	43,58,65,714
Total		**48,90,085.71**		**48,90,08,571**
3rd distribution	3 Apr 20	1,91,600.72	100	1,91,60,072
4th distribution	3 Jul 20	1,88,156.29	100	1,88,15,629
5th distribution	5 Oct 20	1,84,319.99	100	1,84,31,999
6th distribution	13 Jan 21	2,95,217.21	100	2,95,21,721
Total		**8,59,294.21**		**8,59,29,421**
Balance as on 31st March 2021		**66,54,576.01**	**100**	**66,54,57,601**

NOTE 37:

The Company's pending litigations comprise of claims against the Company proceedings pending with Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements (Refer note 31). The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial statements as at 31st March 2021.

NOTE 38:

The outbreak of COVID–19 virus continues to spread across the globe including India, resulting in significant volatility in financial markets and a significant decrease in global and India's economic activities. On 11th March 2020, this outbreak was declared a global pandemic by the World Health Organisation. On 24th March 2020, the Indian Government announced a 21 – days lockdown which is continued at present across the nation to contain the spread of the virus.

In preparing the accompanying financial statements, the Company management has been required to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, equity, income and expenses. These estimates and associated assumptions, especially for determining of the Company's investments, are based on historical experience and various other factors including the possible effects that may result from the pandemic, that are believed to be reasonable under the current circumstances. The Company has used internal and external sources of information

Notes

Forming part of financial statements as on 31st March 2021

including credit ratings, economic forecasts, valuation report from a third party valuer and consensus estimates from market sources on the expected future performance of the underlying investments in developing the estimates and assumptions to assess, without undue cost and efforts, the fair value of the investments as at 31st March 2021.

Given the dynamic nature of the pandemic situation, in the event the impacts are more severe or prolonged than anticipated, this may have a corresponding impact on the carrying value of the investments, the financial position and performance of the Company.

NOTE 39:

The Company in absence of the Company Secretary is in the process of appointing and complying with the provisions of Section 203 of the Companies Act, 2013.

NOTE 40: PREVIOUS YEAR FIGURES

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

The accompanying Notes are an integral part of the Financial Statements
As per the Company's report of even date

For **Khimji Kunverji & Co. LLP**
Chartered Accountants
FRN: 105146W/W100621

Hasmukh B. Dedhia
Partner
Membership No: 033494

Place: Mumbai
Date: 22nd April 2021

For and on behalf of the Board of Directors of
Aditya Birla Money Mart Limited

Suresh Kothari
Director
DIN: 02196301

Vijay Agarwal
Director
DIN: 00058548

Himanshu Redkar
Chief Financial Officer

Place: Mumbai
Date: 22nd April 2021

Aditya Birla Money Insurance
Advisory Services Limited

ADITYA BIRLA
CAPITAL

Independent Auditor's Report

To
The Board of Directors
Aditya Birla Money Insurance Advisory Services Limited

REPORT ON THE AUDIT OF THE IND AS FINANCIAL STATEMENTS

Opinion

1. We have audited the Ind AS financial statements of **Aditya Birla Money Insurance Advisory Services Limited** ('the Company'), which comprise the Balance Sheet as at 31st March 2021, 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 notes to the Ind AS financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'the Ind AS Financial Statements').

   In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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, ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

2. We conducted our audit of the Ind AS Financial Statements in accordance with the Standards on Auditing ('SAs') 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 Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Ind AS Financial Statements under the provisions of the Act and the Rules thereunder; and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matters

3. Attention is drawn to Note 35 of the Ind AS financial statements which describes the continued uncertainty of impacts of COVID-19 on its operations depending on future developments. Our opinion is not modified in respect of this matter.

Information Other than the Ind AS Financial Statements and Auditor's Report Thereon

4. The Company's Board of Directors is responsible for the preparation of the other information, comprising of the information included in the Board's Report including Annexures to Board's Report, and such other disclosures related Information, excluding the Ind AS financial statements and auditor's report thereon ('Other Information'). The other information is expected to be made available to us after the date of this auditors' report. Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. When we read the other Information and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charges with governance as required under SA 720 'The Auditor's responsibilities Relating to other Information'.

Responsibility of Management for Ind AS Financial Statements

5. 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 Ind AS Financial Statements that give a true and fair view of the financial position, financial performance, total 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 judgements and estimates that are reasonable and prudent; and design,

Independent Auditor's Report (Conted.)

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 Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

6. Our objectives are to obtain reasonable assurance about whether the Ind AS Financial Statements, as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. Our audit process in accordance with the SAs is narrated in detail in "**Annexure 1**" to this report.

Other Matters

7. The comparative financial information for the year ended 31st March 2020 included in the Ind AS Financial Statements are based on the previously issued financial statements as audited by the then statutory auditors, S.R. Batliboi & Co. LLP whose audit report dated 20th May 2020, expressed an unmodified opinion on said Ind AS financial statements of the previous financial year. Our report is not modified in respect of this matter.

8. The entire audit finalization process was carried from remote locations i.e other than the office of the Company where books of account and other records are kept, based on data/details or financial information provided to us through digital medium, owing to restrictions in movement imposed by the Governments to restrict the spread of COVID-19. Our report is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure 2**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of 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 Cash Flow Statement dealt with by this Report agree with the books of account.

    d) In our opinion, the aforesaid Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors as on 31st March 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021, from being appointed as a director in terms of Section 164(2) of the Act;

    f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure 3**".

g) The provisions of Section 197 are not applicable, since the company has not paid / provided for managerial remuneration during the year.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - Refer Note 28 to the Ind AS 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 are required to be transferred, to the Investor Education and Protection Fund by the Company.

For and Behalf of
Khimji Kunverji & Co LLP
Chartered Accountants
Registration No:105146W/ W100621

Hasmukh B. Dedhia
Partner
Membership No.: 033494
UDIN: 21033494AAAAEK3628
Place: Mumbai
Date: 22nd April 2021

Annexure 1

to the Independent Auditors' Report to the Board of Directors of Aditya Birla Money Insurance Advisory Services Limited

(referred to in paragraph 6 titled "Auditor's Responsibilities for the Audit of the Ind AS Financial Statements")

As part of our audit in accordance with SAs we exercise professional judgment and maintain professional scepticism throughout the audit. We are also:

a. Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, to 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.

b. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

c. 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.

d. 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.

e. 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.

f. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Annexure 2

to the Independent Auditor's Report to the Board of Directors of Aditya Birla Money Insurance Advisory Services Limited

(referred to in paragraph 9 titled 'Report on Other Legal and Regulatory Requirements'

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Fixed Assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given to us and based on our examination of the records of the Company, the Company does not have immovable property under fixed assets.

ii. The Company does not have any inventory and hence reporting under clause (ii) of the CARO 2016 is not applicable.

iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Therefore, the requirement of clause (iii)(a), (iii)(b) and (iii)(c) of paragraph 3 of the Order are not applicable to the Company.

iv. In our opinion and according to the information and explanation given to us, the Company has not given any loans/ guarantees, made investments or provided securities and hence provisions of Section 185 and Section 186 of the Act are not applicable.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year in terms of the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi. As informed, the Company is not required to maintain any cost records prescribed under sub-section (1) of the section 148 of the Act.

vii. In respect of Statutory Dues:

(a) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of amounts deducted / accrued in the books of account, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Goods & Service tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues, as applicable to the Company, during the year with the appropriate authorities. There are no undisputed statutory dues payable in respect to above statues, outstanding as of 31st March 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, details of dues of Income-tax, Sales-tax, Service tax, Duty of Customs, Duty of Excise and Value added tax which have not been deposited as on 31st March 2021 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Forum where dispute is pending	Period to which amount relates	Amount (₹)
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	AY 2012-13	15,25,917

viii. Based on our audit procedures and as per the information and explanations given by the management, the Company has not taken any loans from financial institutions, banks, government and the Company has not issued any debentures.

ix. During the year, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans. Accordingly, clause (3) (ix) of the Order is not applicable to the Company.

x. During the course of our examination of the books of account and records of the Company and according to information and explanation given to us, we have neither noticed nor have been informed by the management, any incidence of fraud by the Company or on the Company by its officers or employees.

xi. According to the information and explanation given to us and based on our examination of the records, the company has not paid/provided managerial remuneration during the year and hence requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013 are not applicable.

xii. The Company is not a Nidhi Company. Therefore, the provisions of clause (3) (xii) of the Order are not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with the applicable provisions of Section 188 of the Act for all transactions with the related parties and the details of related party transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards. The provisions of Section 177 of the Act are not applicable to the Company.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to it.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, it has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi. According to the information and explanations given to us, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For and Behalf of
Khimji Kunverji & Co LLP
Chartered Accountants
Registration No:105146W/ W100621

Hasmukh B. Dedhia
Partner
Membership No.: 033494
UDIN: 21033494AAAAEK3628
Place: Mumbai
Date: 22nd April 2021

Annexure 3

to the Independent Auditors' Report to the Board of Directors of Aditya Birla Money Insurance Advisory Services Limited

(Referred to in paragraph 10(f) under 'Report on Other Legal and Regulatory Requirements')

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

We have audited the internal financial controls over financial reporting of Aditya Birla Money Insurance Advisory Services Limited ("the Company") as at 31st March 2021 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

Opinion

In our opinion considering the nature and size of the operations, the Company has, in all material respects, an adequate internal financial controls system with reference to Ind AS Financial Statements and such internal financial controls with reference to Ind AS Financial Statements were operating effectively as at 31st March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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:

(a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS 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

(c) 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 Ind AS 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 and Behalf of
Khimji Kunverji & Co LLP
Chartered Accountants
Registration No:105146W/ W100621

Hasmukh B. Dedhia
Partner
Membership No.: 033494
UDIN: 21033494AAAAEK3628
Place: Mumbai
Date: 22nd April 2021

Balance Sheet

as at 31st March 2021

(Amount in ₹)

	Note No.	As at 31 Mar 21	As at 31 Mar 20
ASSETS			
Non Current Assets			
(a) Property, Plant and Equipments	3	-	-
(b) Tax Assets (Net)	4	1,32,78,741	90,95,770
Total Non Current Assets (A)		**1,32,78,741**	**90,95,770**
Non Current Assets			
(a) Financial Assets			
(i) Trade and other receivables	5	2,24,64,445	1,10,61,656
(ii) Cash and cash equivalents	6	5,29,75,243	1,79,34,433
(b) Other Current Assets	7	19,12,874	22,82,928
Total Current Assets (B)		**7,73,52,562**	**3,12,79,017**
Total Assets (A+B)		**9,06,31,303**	**4,03,74,787**
LIABILITIES AND EQUITY			
Equity			
(a) Equity Share Capital	8	4,96,50,000	4,96,50,000
(b) Other Equity	9	1,78,03,494	(1,82,98,669)
Total Equity (C)		**6,74,53,494**	**3,13,51,331**
Non-Current Liabilities			
(a) Provisions	10(a)	21,69,226	13,58,500
Total Non Current Liabilities		**21,69,226**	**13,58,500**
Current Liabilities			
(a) Financial Liabilities			
(i) Trade and Other Payables	11		
- Micro and small enterprises		56,250	-
- Other than micro and small enterprises		1,29,17,855	39,73,281
(ii) Other Liabilities	12	30,66,431	16,69,709
(b) Other Current Liabilities	13	32,92,924	7,87,837
(c) Provisions	10(b)	16,75,123	12,34,129
Total Current Liabilities		**2,10,08,583**	**76,64,956**
Total Liabilities(D)		**2,31,77,809**	**90,23,456**
Total Equity and Liabilities(C+D)		**9,06,31,303**	**4,03,74,787**

Summary of Significant Accounting Policies 2.1

The accompanying Notes are an integral part of the Financial Statements.

As per the Company's report of even date

For KHIMJI KUNVERJI & CO. LLP
ICAI Firm registration No: 105146W/W100621
Chartered Accountants

Hasmukh B. Dedhia
Partner
Membership No: 033494

Place: Mumbai
Date: 22nd April 2021

For and on behalf of the Board of Directors of
Aditya Birla Money Insurance Advisory Services Limited

Sanjay Kumar Miranka
Director
DIN : 01844477

Ajay Kakar
Director
DIN : 02130368

Statement of Profit and Loss Account

for the year ended 31st March 2021

(Amount in ₹)

Particulars			Note No.	Year ended 31 Mar 21	Year ended 31 Mar 20
REVENUE FROM OPERATIONS			14	6,62,48,412	4,67,49,210
Other Income			15	6,52,480	4,92,009
Total Revenue				**6,69,00,892**	**4,72,41,219**
Expenses					
Employee Benefit Expenses			16	2,45,26,058	95,94,541
Finance Cost			17	-	8,04,370
Depreciation			18	-	2,885
Other Expenses			19	60,15,167	1,00,85,879
Total Expenses				**3,05,41,225**	**2,04,87,675**
Profit /(Loss) before tax				**3,63,59,667**	**2,67,53,544**
Tax expenses					
Current Tax				-	-
Prior Period Adjustments				-	13,92,884
Profit /(Loss) For the year after Tax				**3,63,59,667**	**2,53,60,660**
Profit for the year (V-VI)					
Other Comprehensive Income Statement			22		
A	(i)	Items that will be reclassified to profit or loss		-	-
	(ii)	Income tax relating to items that will be reclassified to profit or loss		-	-
B	(i)	Items that will not be reclassified to profit or loss	11		
		- Remeasurement gains/losses on defined benefit plans		(2,57,504)	1,69,815
	(ii)	Income tax relating to items that will not be reclassified to profit or loss		-	-
Other Comprehensive Income/(Loss) for the Year				**(2,57,504)**	**1,69,815**
Total Comprehensive Income/(Loss)				**3,61,02,163**	**2,55,30,475**
Earning per Equity Share					
Basic Earnings per Share - ₹			20	7.32	5.11
Diluted Earnings per Share - ₹			20	7.32	5.11
(Face Value of ₹ 10/- each)					

Summary of Significant Accounting Policies 2.1

The accompanying Notes are an integral part of the Financial Statements.

As per the Company's report of even date

For KHIMJI KUNVERJI & CO. LLP
ICAI Firm registration No: 105146W/W100621
Chartered Accountants

Hasmukh B. Dedhia
Partner
Membership No: 033494

Place: Mumbai
Date: 22nd April 2021

For and on behalf of the Board of Directors of
Aditya Birla Money Insurance Advisory Services Limited

Sanjay Kumar Miranka
Director
DIN : 01844477

Ajay Kakar
Director
DIN : 02130368

Statement of Changes in Equity

for the year ended 31st March 2021

a. Equity share capital

Particulars	Number of shares	Amount
	No.'s	₹
As at 31st March 2019	**24,65,000**	**2,46,50,000**
Issued during the year	25,00,000	2,50,00,000
As at 31st March 2020	**49,65,000**	**4,96,50,000**
Issued during the year	-	-
As at 31st March 2021	**49,65,000**	**4,96,50,000**

b. Other equity

Particulars	Reserves & surplus		Total
	Retained earnings	Securities Premium	
As at 31st March 2019	**(19,72,32,306)**	**15,34,03,162**	**(4,38,29,144)**
Loss for the Year	2,53,60,660	-	2,53,60,660
Other comprehensive income	1,69,815	-	1,69,815
Total comprehensive income	**2,55,30,475**	**-**	**2,55,30,475**
As at 31st March 2020	(17,17,01,831)	15,34,03,162	(1,82,98,669)
Profit for the Year	3,63,59,667	-	3,63,59,667
Other comprehensive income	(2,57,504)	-	(2,57,504)
Total comprehensive income	**3,61,02,163**	**-**	**3,61,02,163**
As at 31st March 2021	**(13,55,99,668)**	**15,34,03,162**	**1,78,03,494**

As per the Company's report of even date

For KHIMJI KUNVERJI & CO. LLP
ICAI Firm registration No: 105146W/W100621
Chartered Accountants

Hasmukh B. Dedhia
Partner
Membership No: 033494

Place: Mumbai
Date: 22nd April 2021

For and on behalf of the Board of Directors of
Aditya Birla Money Insurance Advisory Services Limited

Sanjay Kumar Miranka
Director
DIN : 01844477

Ajay Kakar
Director
DIN : 02130368

Cash Flow Statement

for the year ended 31st March 2021

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before Tax	3,63,59,667	2,67,53,544
Non Cash Adjustments to reconcile Profit/(Loss) before tax to net cash flows :		
Depreciation	-	2,885
Interest on loan	-	8,04,370
Operating Profit before Working Capital Changes	**3,63,59,667**	**2,75,60,799**
Movements in Working Capital		
Increase / (Decrease) in Non Current provisions	8,10,726	11,05,901
Increase / (Decrease) in Trade payables	90,00,824	27,51,233
Increase / (Decrease) in other current financial liabilities	13,96,722	12,30,567
Increase / (Decrease) in Other current liabilities	25,05,087	2,70,902
Increase / (Decrease) in Current provisions	1,83,490	11,60,138
(Increase) /Decrease in Trade receivables	(1,14,02,789)	(90,55,817)
Decrease/(Increase) in Other Current Assets	3,70,054	28,05,185
Decrease/(Increase) in Current loans	-	32,390
	3,92,23,781	**2,78,61,298**
Income Tax Paid	41,82,971	43,58,083
Net cash flow from Operating Activities (A)	**3,50,40,810**	**2,35,03,215**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale proceeds from Fixed assets	-	-
Net cash flow from Investing Activities (B)	**-**	-
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest on loan and Debentures	-	(8,04,370)
Issue of Equity Share Capital	-	2,50,00,000
Repayment of borrowings	-	(3,24,00,000)
Net cash flow used in Financing Activities (C)	**-**	**(82,04,370)**
Net Increase/(Decrease) in Cash & Cash Equivalent (A)+(B)+(C)	**3,50,40,810**	**1,52,98,845**
Cash and Cash Equivalent at the beginning of the Year	1,79,34,433	26,35,588
Cash and Cash Equivalent at the end of the Year	**5,29,75,243**	**1,79,34,433**
Components of Cash and Cash Equivalents :		
With Banks in Current Account	1,24,85,580	1,79,34,433
With Banks in Fixed Deposits	**4,04,89,663**	-
Total Cash and Cash Equivalents	**5,29,75,243**	**1,79,34,433**

Cash Flow Statement

for the year ended 31st March 2021

CASH FLOW FROM OPERATING INCLUDES

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Interest Expense	-	8,04,370

1 The above Cash Flow Statement has been prepared under the "Indirect Method " as set out in Indian Accounting Standard (Ind AS) - 7 'Statement of Cash Flows' prescribed under Section 133s of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015, the Companies (Indian Accounting Standards) Amendment Rules, 2016 and the Companies (Indian Accounting Standards) Amendment Rules, 2017.

2. Cash and cash equivalents in the balance sheet comprises of Cash in hand and Cash at bank.

Summary of Significant Accounting Policies 2.1

The accompanying Notes are an integral part of the Financial Statements.

As per the Company's report of even date

For KHIMJI KUNVERJI & CO. LLP
ICAI Firm registration No: 105146W/W100621
Chartered Accountants

Hasmukh B. Dedhia
Partner
Membership No: 033494

For and on behalf of the Board of Directors of
Aditya Birla Money Insurance Advisory Services Limited

Sanjay Kumar Miranka
Director
DIN : 01844477

Ajay Kakar
Director
DIN : 02130368

Place: Mumbai
Date: 22nd April 2021

Notes

to financial statements for the year ended 31st March 2021

1 CORPORATE INFORMATION

Aditya Birla Money Insurance Advisory Services Limited (the company) is a Public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. It is registered as a Corporate Agent (Composite) with Insurance Regulatory and Development Authority of India and is engaged in Distribution of Insurance products.

2 BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015, the Companies (Indian Accounting Standards) Amendment Rules, 2016 and the Companies (Indian Accounting Standards) Amendment Rules, 2017. All the assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Companies' Act 2013. Based on the nature of products and the time between the acquisition of the assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current/non-current classification of assets and liabilities. The financial statements are presented in INR unless otherwise stated.

2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Use of estimates :

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

(b) Plant, property & equipment

(i) Tangible Fixed Assets are stated at cost, less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of fixed assets are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the fixed assets as a replacement if the recognition criteria are satisfied. Any trade discounts and rebates are deducted in arriving at the purchase price.

(ii) Depreciation on Tangible assets is provided on Straight Line Method at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013. Depreciation on assets added/ disposed off during the year is provided on prorata basis with reference to the month of addition / deduction. An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

(iii) Following rates are used to provide depreciation on Tangible fixed assets:

Assets	Useful Life as prescribed by Schedule II of The Companies Act,2013	Estimated useful life used by the Company
Leasehold Improvements	Over the primary period of the lease	Lease period or six years, whichever is earlier
Servers and Networks	6 years	6 years
Computers	3 years	3 years
Office Equipments	5 years	5 years
Electronic Equipments	10 years	4 years
Furniture & fixture	10 years	7 years

(iv) Useful life of assets different from those prescribed in Schedule II has been estimated by management supported by technical assessment.

(v) Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

(vi) Assets costing ₹ 5,000 or less are written off in the year of purchase .

Notes

to financial statements for the year ended 31st March 2021

(c) Intangible fixed assets :

Intangible Assets are stated at cost less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to it's working condition for it's intended use. Software is amortised over a period of three Financial Years.

(d) Impairment of assets :

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss if any is charged to Statement of Profit & Loss in the year in which an asset is identified as impaired. Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the assets no longer exist or have decreased. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

(e) Fair value measurement

The Company measures financial instruments at fair value at each reporting date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

1) In the principal market for the asset or liability, or

2) In the absence of a principal market, in the most advantageous market for the asset or liability The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

2) Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

3) Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations. At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis,

Notes

to financial statements for the year ended 31st March 2021

the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

(f) Revenue recognition :

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria should also be met before revenue is recognised.

Insurance commission

Insurance Commission income is accounted in case of first/ single premium in the year in which the policy is issued and thereafter, on receipt of renewal premium and as per the terms agreed with the Insurance Company.

Interest income

For all Financial instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of Profit and Loss.

(g) Retirement and other employee benefits :

(A) defined contribution plan :

The Company makes defined contribution to Government Employee Provident Fund which is recognised in the Statement of Profit and Loss on accrual basis. Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered the service entitling them to the contribution.

(b) Defined benefit plan :

The Company operates two defined benefit plans for its employees, viz., gratuity and leave encashment. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method.

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

The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the balance sheet date.

Remeasurements, comprising of actuarial gains and losses on retirement benefits, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income(OCI) in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation under employee benefit expenses in the statement of profit and loss.

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements,
- Net interest expense or income.

(h) Income taxes :

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities

Notes

to financial statements for the year ended 31st March 2021

are recognised for all taxable temporary differences. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(i) Borrowing costs:

Borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalised as a part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing cost are recognised as expense in the period in which they are incurred. Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment of the borrowing cost.

(j) Contingent liabilities and provisions :

Contingent liabilities

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

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

The estimates are reviewed at each reporting date and adjusted to reflect the current management estimates.

(k) 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

Initial recognition and measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in four categories:

1) Financial Asset at amortised cost
2) Financial Asset at fair value through other comprehensive income (FVTOCI)
3) Financial Asset, derivatives and equity instruments at fair value through profit or loss (FVTPL)
4) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Financial asset at amortised cost

A ‘Financial Asset’ is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of

Notes

to financial statements for the year ended 31st March 2021

principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Financial Asset at FVTOCI

A 'Financial Asset' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI. Financial Asset included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI Financial Asset is reported as interest income using the EIR method.

Financial Asset at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a Financial Asset, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any Financial Asset as at FVTPL.

Financial Asset included within the FVTPL category are measured at fair value with all changes recognised in the Profit and Loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) 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.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Notes

to financial statements for the year ended 31st March 2021

Impairment of financial assets

In accordance with Ind AS 109, the group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., deposits, trade receivables and bank balance

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables, deposits or contract revenue receivables.

The application of simplified approach does not require the group to track changes in credit risk.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

Financial Liabilities are derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(l) Cash and cash equivalent :

Cash and Cash Equivalents for the purpose of cash flow statement comprise cash in hand and cash at bank including fixed deposit with original maturity period of three months and short term highly liquid investments with an original maturity of three months or less.

Notes

to financial statements for the year ended 31st March 2021

(m) Cash flow statement :

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(n) Earnings per share :

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares 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 net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

Notes

to financial statements for the year ended 31st March 2021

NOTE: 3 PROPERTY, PLANT AND EQUIPMENTS

(Amount in ₹)

Particulars	Computers	Furniture & Fixtures	Office Equipment	Total
Gross Block				
As at 1st April 2019	9,291	-	-	9,291
Additions	-	-	-	-
Deletions	-	-	-	-
As at 31st March 2020	**9,291**	**-**	**-**	**9,291**
Additions	-	-	-	-
Deletions	-	-	-	-
As at 31st March 2021	**9,291**	**-**	**-**	**9,291**
Accumulated Depreciation				
As at 1st April 2019	6,406	-	-	6,406
For the year	2,885	-	-	2,885
Deletions	-	-	-	-
As at 31st March 2020	**9,291**	**-**	**-**	**9,291**
For the year	-	-	-	-
Deletions	-	-	-	-
As at 31st March 2021	9,291	-	-	9,291
Net Block as at 31st March 2020	-	-	-	-
Net Block as at 31st March 2021	**-**	**-**	**-**	**-**

NOTE 4 : TAX ASSETS (NET)

(Amount in ₹)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Advance Tax	1,32,78,741	90,95,770
	1,32,78,741	**90,95,770**

NOTE 5 : TRADE RECEIVABLES

(Unsecured, considered good and at amortised cost unless stated otherwise)

(Amount in ₹)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Unsecured, considered good	2,24,64,445	1,10,61,656
Doubtful	-	-
	2,24,64,445	**1,10,61,656**
Impairment Allowance	-	-
	2,24,64,445	**1,10,61,656**
	2,24,64,445	**1,10,61,656**

NOTE 6 : CASH AND BANK EQUIVALENTS

(Amount in ₹)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Balance with Scheduled Banks		
In Current Account	1,24,85,580	1,79,34,433
Fixed Deposit	4,04,02,502	-
Add : Interest accrued but not due	87,161	-
	5,29,75,243	**1,79,34,433**

Notes

to financial statements for the year ended 31st March 2021

NOTE 7 : OTHER CURRENT ASSETS

(Unsecured, considered good unless stated otherwise)

(Amount in ₹)

	As at 31 Mar 21	As at 31 Mar 20
Imprest Money	20,000	-
Prepaid Expenses	17,09,909	97,693
Advance Service Tax Payment	-	2,36,474
Goods and Service Tax Receivable	1,82,965	19,48,761
	19,12,874	**22,82,928**

NOTE 8 : SHARE CAPITAL

(Amount in ₹)

	As at 31 Mar 21	As at 31 Mar 20
Authorised shares :		
50,00,000 (31st March 2020 : 50,00,000) Equity Shares of ₹ 10 each	5,00,00,000	5,00,00,000
Issued, Subscribed and Paid up :		
Equity Share Capital :		
49,65,000 (31st March 2020 : 49,65,000) Equity Shares of ₹ 10 each	4,96,50,000	4,96,50,000
	4,96,50,000	**4,96,50,000**

1. Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period :

Equity shares

	31 Mar 21		31 Mar 20	
	No of Shares	₹	No of Shares	₹
At the beginning of the year	49,65,000	4,96,50,000	24,65,000	2,46,50,000
Issued during the year	-	-	25,00,000	2,50,00,000
Outstanding at the end of the year	**49,65,000**	**4,96,50,000**	**49,65,000**	**4,96,50,000**

2. Terms / Rights attached to equity shares :

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend, if any is proposed by the Board of Directors and is subject to the approval of the shareholders in the ensuing Annual General Meeting.

3. Shares held by the Holding Company :

All the Equity Shares are held by the Holding Company - Aditya Birla Money Mart Limited

(Previous Year - All the Equity Shares were held by the Holding Company - Aditya Birla Money Mart Limited)

4. Shareholders holding more than 5% shares in the Company

Aditya Birla Money Mart Limited - 49,65,000 Equity Shares – 100%

(Previous Year - Aditya Birla Money Mart Limited - 49,65,000 Equity Shares – 100%)

5. There are no shares reserved for issue under options and contracts/ commitments for the sale of shares / disinvestment for last five years.

Notes

to financial statements for the year ended 31st March 2021

NOTE 9 : RESERVES & SURPLUS

RETAINED EARNINGS

(Amount in ₹)

	As at 31 Mar 21	As at 31 Mar 20
Securities Premium		
Balance as per last financial statements	15,34,03,162	15,34,03,162
Add : Premium on Debentures	-	-
Closing Balance	**15,34,03,162**	**15,34,03,162**
General reserve		
(Deficit) as per Statement of profit and loss :		
Balance as per last financial statements:	(17,17,01,831)	(19,72,32,306)
Statement of Comprehensive income	(2,57,504)	1,69,815
Profit for the year	3,63,59,667	2,53,60,660
Other Component of Equity	-	-
	(13,55,99,668)	**(17,17,01,831)**
	1,78,03,494	**(1,82,98,669)**

NOTE 10 : PROVISIONS

10(a) : LONG TERM PROVISIONS

(Amount in ₹)

	As at 31 Mar 21	As at 31 Mar 20
Provision for Employee Benefits		
Provision for Gratuity (Refer Note 21)	21,69,226	13,58,500
	21,69,22	**13,58,500**

10(b) : SHORT TERM PROVISIONS

(Amount in ₹)

	As at 31 Mar 21	As at 31 Mar 20
Provision for Employee Benefits		
Provision for Gratuity (Refer Note 21)	2,07,650	4,42,847
Provision for Leave Encashment	14,67,473	7,91,282
	16,75,123	**12,34,129**

NOTE 11 : TRADE PAYABLES

(At amortised Cost unless stated otherwise)

(Amount in ₹)

	As at 31 Mar 21	As at 31 Mar 20
Trade Payables - Other Than MSME	1,29,17,855	39,73,281
Trade Payables - MSME	56,250	-
	1,29,74,105	**39,73,281**

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March 2021. The information as required to be disclosed under Micro, Small and Medium Enterprises Development Act 2006 (Act) has been determined to the extent such parties have been identified on the basis of information available with the Company.

Notes

to financial statements for the year ended 31st March 2021

NOTE 12 : OTHER CURRENT FINANCIAL LIABILITIES

(At amortised cost unless stated otherwise)

(Amount in ₹)

	As at 31 Mar 21	As at 31 Mar 20
Salaries, Bonus & Other Employee Benefits	30,66,431	16,69,709
	30,66,431	**16,69,709**

NOTE 13 : OTHER CURRENT NON FINANCIAL LIABILITIES

(Amount in ₹)

	As at 31 Mar 21	As at 31 Mar 20
Statutory dues	32,92,924	7,87,837
	32,92,924	**7,87,837**

NOTE 14 : REVENUE FROM OPERATIONS

(Amount in ₹)

	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Sale of services		
Commission	5,57,34,585	4,67,49,210
Other Operating Revenue	1,05,13,827	-
	6,62,48,412	**4,67,49,210**

NOTE 15 : OTHER INCOME

(Amount in ₹)

	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Interest Income at Amortised Cost		
- Other Interest Income	6,52,480	1,74,650
Expenses Written Back	-	3,17,359
	6,52,480	**4,92,009**

NOTE 16 : EMPLOYEE BENEFIT EXPENSES

(Amount in ₹)

	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Salaries and bonus	2,30,98,897	88,06,855
Gratuity Expenses (Refer Note 21)	2,94,585	1,95,278
ESOP Expenses	33,248	48,245
Contribution to provident and other Funds	9,18,111	5,09,087
Staff welfare expenses	1,81,217	35,076
	2,45,26,058	**95,94,541**

NOTE 17 : FINANCE COST

(Amount in ₹)

	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Interest on Loan	-	8,04,370
	-	**8,04,370**

Notes

to financial statements for the year ended 31st March 2021

NOTE 18 : DEPRECIATION

(Amount in ₹)

	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Depreciation	-	2,885
	-	**2,885**

NOTE 19 : OTHER EXPENSES

(Amount in ₹)

	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Lease Rent	29,88,075	19,01,003
Rates and taxes	23,400	3,86,089
Communication expenses	1,37,737	1,45,061
Repairs and Maintenance:		
Computers & Equipments	82,913	38,797
Buildings	6,264	45,821
Others	2,150	1,45,733
Service Hire Charges	1,90,164	48,42,330
Printing and Stationery	75,774	46,949
Legal and professional charges (Refer Note 19.1)	10,00,391	13,88,473
Bank charges	1,750	22,616
Travelling and conveyance	6,47,951	65,310
Insurance	4,92,524	3,31,071
Electricity charges	65,748	2,58,761
Miscellaneous expenses	2,76,190	4,50,306
Information Technology Charges	24,136	17,559
	60,15,167	**1,00,85,879**

NOTE 19.1 : Auditors remuneration

(Amount in ₹)

	For the year ended 31 Mar 21	For the year ended 31 Mar 20
As Auditor		
- Audit Fees	2,25,000	8,00,000
- Reimbursement of Expenses	6,770	80,000
	2,31,770	**8,80,000**

NOTE 20 : EARNINGS PER SHARE IS CALCULATED AS UNDER :

(Amount in ₹)

	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Profit/(Loss) as per Statement of Profit and Loss	3,63,59,667	2,53,60,660
Weighted Average number of Outstanding Equity Shares for Basic EPS	49,65,000	49,65,000
Weighted Average number of Outstanding Equity Shares for Diluted EPS	49,65,000	49,65,000
Basic EPS	**7.32**	**5.11**
Diluted EPS	**7.32**	**5.11**

Notes

to financial statements for the year ended 31st March 2021

NOTR 21 : RETIREMENT BENEFITS

The Company operates defined plan of Gratuity for its employees. Under the Gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service.

The following tables summarise the components of net benefit expense recognised in Statement of Profit and Loss and the funded status and the amounts recognised in the Balance Sheet for the respective plans.

(a) Statement of profit and loss

Net employee benefit expense recognised in income statement

(Amount in ₹)

Particulars	Gratuity	
	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Current service cost	1,96,479	1,72,091
Interest cost on obligation	98,106	23,187
Expense recognised in Income Statement	**2,94,585**	**1,95,278**

Expenses recognised during the year

(Amount in ₹)

Particulars	Gratuity	
	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Expense recognised in Income Statement	2,94,585	1,95,278
Expense recognised in Other Comprehensive income	2,57,504	(1,69,815)
Total expenses Recognised during the year	**5,52,089**	**25,463**

(b) Balance Sheet

Benefit Asset / Liability

(Amount in ₹)

Particulars	Gratuity	
	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Present Value of Defined Benefit Obligation	(23,76,909)	18,01,380
Fair Value of Plan Assets	-	-
Present Value of Defined Benefit Obligation	**(23,76,909)**	**18,01,380**

(c) Changes in the present value of the defined benefits obligation are as follows :

(Amount in ₹)

Particulars	Gratuity	
	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Opening Defined Benefit Obligation	18,01,380	3,42,792
Current service cost	1,96,479	1,72,091
Interest Cost	98,106	23,187
Benefits paid including transfer in/(out)	23,440	14,33,125
Actuarial (gains) / losses arising from		
- Changes in Financial assumptions	(68,716)	83,674
- Changes in Demographic assumptions	4,05,852	(1,088)
- Experience Variance	(79,632)	(2,52,401)
Closing Defined Benefit Obligation	**23,76,909**	**18,01,380**

Notes

to financial statements for the year ended 31st March 2021

(d) The principal assumptions used in determining gratuity obligations for the company's plans are shown below:

(Amount in ₹)

Particulars	Gratuity	
	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Rate of Interest	6.40%	5.45%
Salary growth	6.50%	6.50%
Withdrawals rate	10%	25%
Mortality rates	100% of IALM 2012-14	100% of IALM 2012-14
Retirement age	60 years	60 years

Experience adjustment

(Amount in ₹)

Particulars	Gratuity	
	As at 31 Mar 21	As at 31 Mar 20
Present Value of Defined Benefit Obligation	23,76,909	18,01,380
Fair Value of Plan Assets	-	-
(Surplus)/Deficit	23,76,909	18,01,380
Experience adjustment on Plan Liability - (Gain) / Loss	(79,632)	(2,52,401)

(e) Sensitivity analysis

(Amount in ₹)

	As at 31 Mar 21	As at 31 Mar 20
Impact of increase in 50bps on Defined Benefit Obligation		
Discount Rate	23,07,826	17,68,350
Salary Escalation Rate	24,49,021	18,35,137
Attrition rate	21,86,954	16,98,326
Mortality Rate	23,78,805	18,03,263
Impact of decrease in 50bps on Defined Benefit Obligation		
Discount Rate	24,49,319	18,35,507
Salary Escalation Rate	23,07,460	17,68,389
Attrition rate	26,75,373	21,02,791
Mortality Rate	23,75,006	17,99,491

(f) Maturity profile of defined benefit obligation

(Amount in ₹)

	As at 31 Mar 21	As at 31 Mar 20
Within the next 12 months	2,07,683	4,42,880
Between 2 and 5 Years	7,62,039	10,39,850
Between 5 and 10 years	21,69,876	7,18,476
Beyond 10 years	5,27,896	43,529
Total expected payments	36,67,494	22,44,735
Weighted Average duration	6 Years	3 Years

Notes

to financial statements for the year ended 31st March 2021

g) Defined contribution plan :

(Amount in ₹)

	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Contribution to Government Employees Provident Fund	9,17,471	3,52,006
Contribution to ESIC	-	1,57,081
Contribution to Labour Welfare Fund	640	-

NOTE 22 : COMPONENTS OF OTHER COMPREHENSIVE INCOME

(Amount in ₹)

	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Remeasurement of gains(Losses) on defined benefit plans-Part of Retained earnings	(2,57,504)	1,69,815
	(2,57,504)	**1,69,815**

NOTE 23 : SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimation of useful life of plant property equipments and intangible assets

Refer Note no 2.1 (b) and (c)

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

NOTE 24 : FAIR VALUES

(Amount in ₹)

	Carrying Value		Fair Value	
	As at 31 Mar 21	As at 31 Mar 20	As at 31 Mar 21	As at 31 Mar 20
Financial Assets				
Trade and other receivables	2,24,64,445	1,10,61,656	2,24,64,445	1,10,61,656
Cash and cash equivalents	5,29,75,243	1,79,34,433	5,29,75,243	1,79,34,433
Total	**7,54,39,688**	**2,89,96,089**	**7,54,39,688**	**2,89,96,089**

(Amount in ₹)

	Carrying Value		Fair Value	
	As at 31 Mar 21	As at 31 Mar 20	As at 31 Mar 21	As at 31 Mar 20
Financial Assets				
Borrowings				
Trade and other receivables	1,29,74,105	39,73,281	1,29,74,105	39,73,281
Cash and cash equivalents	30,66,431	16,69,709	30,66,431	16,69,709
Total	**1,60,40,536**	**56,42,990**	**1,60,40,536**	**56,42,990**

Notes

to financial statements for the year ended 31st March 2021

The management assessed that other assets and liabilities other than those disclosed above approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

NOTE 25 : FAIR VALUE HIERARCHY

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities which are measured in Fair value. Quantitative disclosures fair value measurement hierarchy for assets and Liabilities:

Particulars	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets Measured As Fair Value as at 31st March 2020:-				
Trade and other receivables	1,10,61,656	-	-	1,10,61,656
Cash and cash equivalents	1,79,34,433	-	-	1,79,34,433
Liabilities Measured As Fair Value as at 31st March 2020:-				
Trade and Other Payables	39,73,281	-	-	39,73,281
Other Financial Liabilities	16,69,709	-	-	16,69,709
Assets Measured As Fair Value as at 31st March 2021:-				
Trade and other receivables	2,24,64,445	-	-	2,24,64,445
Cash and cash equivalents	5,29,75,243	-	-	5,29,75,243
Liabilities Measured As Fair Value as at 31st March 2021:-				
Trade and Other Payables	1,29,74,105	-	-	1,29,74,105
Other Financial Liabilities	30,66,431	-	-	30,66,431

Note: The fair values of the company's interest-bearing borrowings, loans and security deposits are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.

NOTE 26 : RELATED PARTY DISCLOSURES

Names of Related Parties and Related Party relationship :

Related Parties where Control exist :	
Parent Company	Aditya Birla Capital Limited
Holding Company	Aditya Birla Money Mart Limited
Related Parties with whom transactions have taken place during the year :	
Fellow Subsidiaries	Aditya Birla Sun Life Insurance Company Limited
Aditya Birla Health Insurance limited	
Aditya Birla Finance Limited	
Key Managerial Personnel	Ajay Kakar
Subhro Bhaduri	
Sanjay Miranka	
Kanika Jain (resigned w.e.f. 31st January 2021)	

Notes

to financial statements for the year ended 31st March 2021

The following Inter Company Transactions/Balances with Parent/holding/Subsidiaries/Fellow Subsidiaries/Joint Ventures / Associates have taken place during the year under review and are included in the above figures under respective heads:

(Amount in ₹)

Sr. No.	Particulars	Year Ended As at 31 Mar 21	As at 31 Mar 20
A	**HOLDING COMPANY / PARENT COMPANY**		
	Interest Expense		
	Aditya Birla Capital Limited(Interest on ICD)	-	8,04,370
	Expenses Reimbursed		
	Aditya Birla Capital Limited(ESOP Expenses)	33,248	48,245
	Current Liabilities (Financial)		
	Aditya Birla Capital Limited (Trade Payable)	-	19,492
	Share Capital		
	Equity Shares held by Aditya Birla Money Mart Limited (49,65,000 @ 10 Each)	4,96,50,000	4,96,50,000
	Other Transactions		
	Equity Shares issued to Aditya Birla Money Mart Limited (25,00,000 @ 10 Each)	-	2,50,00,000
	Aditya Birla Capital Limited (ICD Repaid)	-	3,24,00,000
B	**SUBSIDIARIES / FELLOW SUBSIDIARIES**		
	Income From Operations		
	Aditya Birla Sun Life Insurance Company Limited (Commission)	2,66,16,510	1,34,10,768
	Aditya Birla Health Insurance Limited (Commission)	56,99,783	31,00,469
	Aditya Birla Finance Limited (Commission on Loan Transaction)	8,50,275	-
	Expenses Reimbursed		
	Aditya Birla Finance Limited (Reimbursement of Rent Expenses)	6,18,537	19,85,430
	Aditya Birla Finance Limited (Reimbursement of Other Admin Expenses)	6,87,143	13,14,163
	Current Assets(Financial)		
	Aditya Birla Sun Life Insurance Company Limited(Trade Receivables)	62,02,580	20,02,846
	Aditya Birla Health Insurance Limited (Trade Receivables)	10,20,225	20,59,225
	Current Liabilities(Financial)		
	Aditya Birla Finance Limited(Trade Payable)	75,98,084	34,55,361
	Other Receivable/(Payable)		
	Aditya Birla Finance Limited(Employee Transfer)	4,366	18,83,172
	Aditya Birla Sun Life Insurance Company Limited(Full and Final Settlement)	-	2,63,501

NOTE 27 : FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract leading to a financial loss under Ind AS 7.33. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. At 31st March 2021, the Company had 06 customers (31st March 2020: 04 customer) that owed the Company ₹ 2,24,64,445/-(Previous Year- ₹ 1,10,61,656/-).

(Amount in ₹)

As at 31 Mar 21	Neither past due nor impaired	Past due but not impaired < 30 days	30 to 60 days	61 to 90 Days	91 to 120 Days	> 120 days	Total
Trade Receivables	-	1,41,65,714	38,60,350	2,62,012	41,76,369	-	2,24,64,445
	-	**1,41,65,714**	**38,60,350**	**2,62,012**	**41,76,369**	**-**	**2,24,64,445**

(Amount in ₹)

As at 31 Mar 20	Neither past due nor impaired	Past due but not impaired < 30 days	30 to 60 days	61 to 90 Days	91 to 120 Days	> 120 days	Total
Trade Receivables	-	1,41,65,714	38,60,350	2,62,012	41,76,369	-	2,24,64,445
	-	**1,41,65,714**	**38,60,350**	**2,62,012**	**41,76,369**	**-**	**2,24,64,445**

Notes

to financial statements for the year ended 31st March 2021

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, preference shares. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company manages its liquidity risk through temporary funding from its ultimate holding Company and availing bank overdraft as and when required.

The table below summarises the maturity profile of the Company's financial assets and liabilities based on contractual undiscounted payments.

(Amount in ₹)

Year Ended 31 Mar 21	On Demand	Less than 3 Months	3 to 12 Months	1 to 5 Years	More than 5 Years	Total
Trade and Other Receivables	-	1,80,26,064	44,38,381	-	-	2,24,64,445
Cash and cash equivalents	-	5,29,75,243	-	-	-	5,29,75,243
Trade and Other Payables	-	1,29,74,105	-	-	-	1,29,74,105
Other Current Financial Liabilities	-	30,66,431	-	-	-	30,66,431

(Amount in ₹)

Year Ended 31 Mar 20	On Demand	Less than 3 Months	3 to 12 Months	1 to 5 Years	More than 5 Years	Total
Trade and Other Receivables	-	1,80,26,064	44,38,381	-	-	2,24,64,445
Cash and cash equivalents	-	5,29,75,243	-	-	-	5,29,75,243
Trade and Other Payables	-	1,29,74,105	-	-	-	1,29,74,105
Other Current Financial Liabilities	-	**30,66,431**	-	-	-	**30,66,431**

NOTE 28 : CONTINGENT LIABILITIES

Contingent Liabilities not provided for :

(Amount in ₹)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Income Tax (AY 2012-13)	15,25,917	15,25,917
Total	**15,25,917**	**15,25,917**

Level at which pending	Contingent Liability	Grounds of Appeal
Pending at Commissioner of Income Tax (Appeals) and ITAT	15,25,917	Disallowance of Reimbursement , PF , ESIC , Cenvat Credit w/off, Modvat Credit, Bonus, Expenses on leasehold improvement
	15,25,917	

NOTE 29 : CAPITAL COMMITMENTS

Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances) ₹ NIL (Previous year NIL.)

Notes

to financial statements for the year ended 31st March 2021

NOTE 30 : DEFERRED TAX

The breakup of Net Deferred Tax Asset arising on account of following timing differences is as under :

(Amount in ₹)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Deferred Tax Assets		
Expenses allowed on payment basis	16,46,960	10,46,497
Unabsorbed Depreciation and Carry forward losses	1,49,16,365	2,86,66,151
Net Deferred Tax Asset / (Liability)	**1,65,63,325**	**2,97,12,648**

Deferred tax assets have been created only to the extent of Deferred tax liability due to absence of reasonable certainty. Accordingly Deferred tax asset to the extent of ₹ 1,65,63,325/- (31st March 2020 ₹ 2,97,12,648/-) is not recognised.

Note 31 : Pursuant to ESOP Plan being established by the Parent Company (i.e. Aditya Birla Capital Limited), stock options were granted to the employees of the Company during the Financial Year. Total cost incurred by the holding Company till date is being recovered from the Company over the period of vesting. Accordingly, a sum of ₹33,248/- has been recovered from the Company during the year, which has been charged to the Statement of Profit and Loss.

Note 32 : The Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws [Amendment] Ordinance, 2019. For deferred tax calculations also revised rates have been used. However due to absence of reasonable certainty, Deferred tax assets have not been recognised (refer note 30).

Note 33 : Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31st March 2021 and 31st March 2020:

(Amount in ₹)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Accounting Profit/(Loss) before income tax *	3,63,59,667	2,67,53,544
Corporate tax rate/Minimum Alternate Tax Rate	25.17%	25.17%
Tax on Accounting profit *	91,51,001	67,33,332
Tax effect on other items	(91,51,001)	(67,33,332)
Income tax expense/ (income) reported in the statement of Profit and Loss	-	-

** Deferred tax assets have been created only to the extent of Deferred tax liability due to absence of reasonable certainty. Accordingly Deferred tax asset to the extent of ₹ 1,65,63,325/- (31st March 2020 ₹ 2,97,12,648/-) is not recognised.*

Note 34 : The Company's pending litigations comprise of claims against the Company proceedings pending with Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements (Refer note 28). The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial results at 31st March 2021.

Note 35 : The outbreak of COVID–19 virus continues to spread across the globe including India, resulting in significant volatility in financial markets and a significant decrease in global and India's economic activities. On 11th March 2020, this outbreak was declared a global pandemic by the World Health Organisation. On 24th March 2020, the Indian Government announced a 21 – days lockdown which is continued at present across the nation to contain the spread of the virus. The management have, at the time of approving the financial statements, assessed the potential impact of the COVID-19 global pandemic on the Company. Based on their current assessment, they consider that there will be no material foreseeable impact on the operations of the Company and the carrying value of assets and liabilities.

Given the dynamic nature of the pandemic situation, in the event the impacts are more severe or prolonged than anticipated, this may have a corresponding impact on the Company's operations and its financial position and performance and cashflow depending on future developments.

Notes

to financial statements for the year ended 31st March 2021

Note 36 : INDAS 116 is not applicable to the Company.

Note 37 : The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses need to be provided as required under any law / accounting standards.

NOTE 38 : PREVIOUS YEARS FIGURES

The Company has reclassified previous years figures to confirm to this years classification.

As per the Company's report of even date

For KHIMJI KUNVERJI & CO. LLP
ICAI Firm registration No: 105146W/W100621
Chartered Accountants

Hasmukh B. Dedhia
Partner
Membership No: 033494

Place: Mumbai
Date: 22nd April 2021

For and on behalf of the Board of Directors of
Aditya Birla Money Insurance Advisory Services Limited

Sanjay Kumar Miranka
Director
DIN : 01844477

Ajay Kakar
Director
DIN : 02130368

Aditya Birla Capital Technology Services Limited (Formerly known as Aditya Birla MyUniverse Limited)

ADITYA BIRLA CAPITAL

Independent Auditor's Report

To the Members of **Aditya Birla Capital Technology Services Limited**

(Formerly known as Aditya Birla MyUniverse Limited)

REPORT ON THE AUDIT OF THE IND AS FINANCIAL STATEMENTS

Opinion

We have audited the accompanying Ind AS financial statements of Aditya Birla Capital Technology Services Limited (formerly known as Aditya Birla MyUniverse Limited) ("the Company"), which comprise the Balance Sheet as at 31st March 2021, 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 then ended and notes to the Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, of the state of affairs of the Company as at 31st March 2021, its loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) 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 Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Ind AS financial statements.

Material Uncertainty Related to Going Concern

We draw attention to Note 35 to the Ind AS financial statements, which indicates that the Company has incurred a loss of Rs. 3,04,12,887 during the year ended 31st March 2021 and as of that date, the Company's accumulated losses amount to Rs. 43,84,87,108 resulting in erosion of its net worth. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However as detailed in the said note, the Company has obtained Letter of Support for continued financial support from its shareholders and could meet its obligations in the ordinary course of business. As a result, Ind AS financial statements have been prepared on going concern assumption and consequently, no adjustments have been made to the carrying values or classification of balance sheet accounts.

Our opinion is not modified in respect of this matter.

Other Information

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

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of Management and Those Charged with Governance for the Ind AS Financial Statements

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

(1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in "Annexure 1", 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, 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 Ind AS financial statements comply with the Ind AS prescribed 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 31st March 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021 from being appointed as a director in terms of section 164(2) of the Act;

f. With respect to the adequacy of the internal financial controls with reference to Ind AS financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2";

g. With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

The Company has not paid / provided for any Managerial Remuneration to its directors during the year.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 38 on Contingent Liabilities to the Ind AS financial statements;

(ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

Sumant Sakhardande
Partner
Membership No. 034828
UDIN: 21034828AAAACF3076

Place: Mumbai
Date: 26th April 2021

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's Report of even date to the members of Aditya Birla Capital Technology Services Limited (formerly known as Aditya Birla MyUniverse Limited) on the Ind AS financial statements for the year ended 31st March 2021]

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

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) During the year, the fixed assets of the Company have been physically verified by the management and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) The Company does not have any immovable properties. Therefore, clause 3(i)(c) of the Order is not applicable to the Company.

(ii) The Company is in to service Industry. thus it does not hold any inventory. Therefore, clause 3(ii) of the Order is not applicable.

(iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, clause 3(iii) of the Order is not applicable to the Company.

(iv) The Company complied with the provisions of section 186 of the Act in respect of Grant of loan / making investments and providing guarantees and securities. Further, the Company has not given any loan, guarantees or provided any securities covered under section 185 of the Act.

(v) In our opinion, the Company has not accepted any deposits from public within the provisions of sections 73 to 76 of the Act and the rules framed there under. Accordingly, the provisions of Clause 3(v) of the Order are not applicable.

(vi) The Central Government has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of section 148 of the Act and the rules framed there under.

(vii) (a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and services tax (GST), customs duty, cess and any other material statutory dues applicable to it, except that the delays in deposit have not been serious. During the year 2017-18, sales tax, value added tax, service tax and duty of excise subsumed in GST and are accordingly reported under GST.

No undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, GST, customs duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) There are no dues with respect to income tax, sales tax, service tax, value added tax, GST, customs duty, excise duty which have not been deposited on account of any dispute.

(viii) During the year, the Company has not defaulted in repayment of loans or borrowings to bank and has not taken any loans from government or financial institution nor has it issued any debentures.

(ix) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) or term loans during the year. Accordingly, clause 3(ix) of the Order is not applicable to the Company.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.

(xi) The Company has not paid or provided managerial remuneration. Therefore, the provisions of section 197 read with Schedule V to the Act is not applicable to the Company. Accordingly, clause 3(xi) of the Order is not applicable to the Company

(xii) In our opinion, the Company is not a Nidhi Company. Therefore, clause 3(xii) of the Order is not applicable to the Company.

(xiii) All transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable, and the details have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, clause 3(xiv) of the Order is not applicable to the Company.

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with them during the year and hence provisions of section 192 of the Act are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

Sumant Sakhardande
Partner
Membership No. 034828
UDIN: 21034828AAAACF3076

Place: Mumbai
Date: 26th April 2021

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of **Aditya Birla Capital Technology Services Limited** (formerly known as Aditya Birla MyUniverse Limited) on the Ind AS financial statements for the year ended 31st March 2021]

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls with reference to financial statements of Aditya Birla Capital Technology Services Limited (formerly known as Aditya Birla MyUniverse Limited) ("the Company") as of 31st March 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITORS' RESPONSIBILITY

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

OPINION

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March 2021, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

Sumant Sakhardande
Partner
Membership No. 034828
UDIN: 21034828AAAACF3076

Place: Mumbai
Date: 26th April 2021

Balance Sheet

as at 31st March 2021

(₹ in '00)

Sr. No.	Particulars	Note	As at 31 Mar 21	As at 31 Mar 20
I	**ASSETS**			
(1)	**Non - Current Assets**			
	(a) Property, Plant and Equipment	3	40,215	51,617
	(b) Right of Use Assets	3A	5,00,518	5,58,221
	(c) Intangible Assets	4	-	-
	(d) Intangible Assets under Development		-	-
	(e) Financial Assets			
	(i) Loans	5	27,639	25,400
	(ii) Other Financial Assets	5A	900	900
	(f) Income Tax Assets		38,344	20,529
	(g) Other Non - Current Assets	6	1,89,815	2,54,122
			7,97,431	**9,10,789**
(2)	**Current Assets**			
	(a) Financial Assets			
	(i) Trade Receivables	7	3,77,154	-
	(ii) Cash and Cash Equivalents	8	61,256	117
	(iii) Loans	9	44	100
	(b) Other Current Assets	10	39,407	35,420
			4,77,861	35,637
	Total Assets		**12,75,292**	**9,46,426**
II	**EQUITY AND LIABILITIES**			
(1)	**Equity**			
	(a) Equity Share Capital	11	1,80,011	1,80,011
	(b) Other Equity	12	(37,52,784)	(34,48,653)
	Total Equity		**(35,72,773)**	**(32,68,642)**
(2)	**LIABILITIES**			
	Non - Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	13	12,00,006	12,00,005
	(ii) Lease Liabilities	14	4,77,465	5,06,642
	(b) Provisions	15	52,213	2,765
			17,29,684	**17,09,412**
	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	16	26,00,000	23,47,018
	(ii) Lease Liabilities	16A	29,177	26,898
	(iii) Trade and Other Payables			
	- Dues of micro enterprises and small enterprises	17	36,998	3,487
	- Dues of other than micro enterprises and small enterprises		87,903	3,646
	(iv) Other Financial Liabilities	18	2,86,786	1,16,949
	(b) Other Current Liabilities	19	37,116	5,683
	(c) Provisions	20	40,401	1,975
			31,18,381	**25,05,656**
	Total Liabilities		**48,48,065**	**42,15,068**
	Total Equity and Liabilities		**12,75,292**	**9,46,426**
	Significant Accounting Policies Refer Note:	2.1		

The accompanying Notes are an integral part of the Financial Statements.

As per the Company's Report of even date attached

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration no. 103523W / W100048

Sumant Sakhardande
Partner
Membership No. 034828

Place : Mumbai
Date : 26th April 2021

For and on behalf of the Board of Directors of
Aditya Birla Capital Technology Services Limited Aditya Birla Customer Services Limited
(Formerly Known as Aditya Birla MyUniverse Limited)

Mukesh Malik
Director
DIN : 02125091

Pinky Mehta
Director
DIN : 00020429

Khyati Mistry
Company Secretary
Membership No. ACS57992

Statement of Profit and Loss

for the year ended 31st March 2021

(₹ in '00)

Particulars	Note	Year Ended 31 Mar 21	Year Ended 31 Mar 20
CONTINUING OPERATIONS :			
Revenue from Operations	21	17,95,954	1,72,734
Other Income	22	3,427	15,325
Total Income		**17,99,381**	**1,88,059**
Expenses			
Employee Benefits Expense	23	9,48,488	77,113
Finance Cost	24	2,45,440	2,07,594
Depreciation and Amortisation Expenses	25	75,144	28,056
Other Expenses	26	8,47,652	1,77,220
Total Expenses		**21,16,724**	**4,89,983**
Loss Before Exceptional Item and Tax		**(3,17,343)**	**(3,01,924)**
Exceptional Item		-	-
Loss before tax		(3,17,343)	(3,01,924)
Tax Expenses			
Current Tax		-	-
Deferred Tax		-	-
Loss after tax for the year from Continuing Operations		**(3,17,343)**	**(3,01,924)**
DISCONTINUED OPERATIONS :			
Loss from discontinuing operations		-	(15,74,171)
Tax expense of discontinuing operations		-	-
Loss from Discontinuing operations (after tax)		**-**	**(15,74,171)**
Loss for the year		**(3,17,343)**	**(18,76,095)**
Other Comprehensive Income Statement			
(i) Items that will not be reclassified to profit or loss in subsequent periods			
- Remeasurements gain/(loss) on defined benefit plans		13,212	(6,344)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
Other Comprehensive Income for the Year		**13,212**	**(6,344)**
Total Comprehensive Income for the Year		**(3,04,131)**	**(18,82,439)**
Basic Earnings per share (FV ₹10)	30	(17.63)	(13.43)
Diluted Earnings per share (FV ₹10)	30	(17.63)	(13.43)
Significant Accounting Policies Refer Note :	2.1		

The accompanying Notes are an integral part of the Financial Statements.

As per the Company's Report of even date attached

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration no. 103523W / W100048

Sumant Sakhardande
Partner
Membership No. 034828

Place : Mumbai
Date : 26th April 2021

For and on behalf of the Board of Directors of
Aditya Birla Capital Technology Services Limited Aditya Birla Customer Services Limited
(Formerly Known as Aditya Birla MyUniverse Limited)

Mukesh Malik
Director
DIN : 02125091

Pinky Mehta
Director
DIN : 00020429

Khyati Mistry
Company Secretary
Membership No. ACS57992

Statement of Cash Flows

for the year ended 31st March 2021

(₹ in '00)

Particulars	For the Year Ended 31 Mar 21	For the Year Ended 31 Mar 21
CASH FROM OPERATING ACTIVITIES		
Loss from Continuing Operations	(3,17,343)	(3,01,924)
Loss Before Tax	(3,17,343)	(3,01,924)
Adjustment :		
Interest Income	(2,239)	(1,056)
(Profit) / Loss on Sale of PPE	1,031	-
Depreciation And Amortisation Expenses	75,144	28,056
Foreign Exchange Gain / (Loss)	(353)	-
Interest on Income Tax Refund	(835)	-
Interest Expenses	2,45,440	2,07,645
Operating profit before working capital changes	**845**	**(67,279)**
MOVEMENTS IN WORKING CAPITAL:		
(Increase) / Decrease in Non Current Loans	-	(17,991)
(Increase) / Decrease in Other Non Current Assets	64,307	(1,84,499)
(Increase) / Decrease in Trade Receivables	(3,77,154)	-
(Increase) / Decrease in Current Loans	56	798
(Increase) / Decrease in Other Financial Assets	-	21
(Increase) / Decrease in Other Current Assets	(3,987)	(11,974)
Increase / (Decrease) in Non Current Provisions	62,659	(5,399)
Increase / (Decrease) in Trade Payable	1,17,768	7,133
Increase / (Decrease) in Other Financial Liabilities	1,70,190	1,08,645
Increase / (Decrease) in Other Current Liabilities	31,433	4,284
Increase / (Decrease) in Current Provisions	38,426	(1,359)
Cash Generated from / (used in) Operation from continuing operations	**1,04,543**	**(1,67,621)**
Cash Generated from / (used in) Operation from discontinued operations	-	(7,24,899)
Net Cash Generated from / (used in) Operating activities	**1,04,543**	**(8,92,519)**
Income Tax paid	(17,816)	(11,043)
Interest on Income Tax Refund	835	-
Net Cash Generated from / (used in) Operating activities	**87,562**	**(9,03,562)**
CASH FROM INVESTING ACTIVITIES		
Purchase of PPE	(17,766)	(42,793)
Sale of PPE	10,698	-
Addition/(Deletion) Tangible & Intangible Assets on Demerger	-	(14,119)
Cash Generated from / (used in) Investing Activities from continuing operations	**(7,068)**	**(56,912)**
Cash Generated from / (used in) Investing Activities from discontinued operations	-	6,384
Net Cash Generated from / (used in) Investing activities	**(7,068)**	**(50,528)**
CASH FROM FINANCING ACTIVITIES		
Payment of Lease Liability	(26,898)	(12,360)
Payment of Interest on lease Liability	(42,102)	(13,738)
Interest on Unsecured Loans	(2,03,337)	(1,93,855)
Proceeds from Borrowings	(9,88,018)	4,73,316
Proceeds from Inter Corporate Deposits	27,48,000	7,99,794
Repayment of Inter Corporate Deposits	(15,07,000)	-
Adjustment in Reserves on account of Demerger	-	(8,18,356)
Cash Generated from / (used in) Financing Activities from continuing operations	**(19,355)**	**2,34,801**
Cash Generated from / (used in) Financing Activities from discontinued operations	-	7,18,462
Net Cash Generated from / (used in) Financing activities	**(19,355)**	**9,53,263**
Net increase in Cash and Cash Equivalent	61,139	(827)
Cash and Cash Equivalent at beginning of the year	117	944
Cash and Cash Equivalent at year end	**61,256**	**117**

Statement of Cash Flows

for the year ended 31st March 2021

For the purpose of the statement of cash flow, cash and cash equivalents comprise the following:

Particulars	As at 31 Mar 21	As at 31 Mar 21
Balances with Banks		
Current Accounts	61,256	117
Balance	**61,256**	**117**

Significant Accounting Policies Refer Note: 2.1

The accompanying Notes are an integral part of the Financial Statements.

1 The above Cash Flow Statement has been prepared under the “Indirect Method “ as set out in Indian Accounting Standard (Ind AS) - 7 'Statement of Cash Flows' prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015, the Companies (Indian Accounting Standards) Amendment Rules, 2016 and the Companies (Indian Accounting Standards) Amendment Rules, 2017.

2 Cash and Cash Equivalents in the balance sheet comprises of Cash in Hand and Cash at Bank.

3 There are no non cash activities in Investing and Financing activities.

The accompanying Notes are an integral part of the Financial Statements.

As per the Company's Report of even date attached

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration no. 103523W / W100048

Sumant Sakhardande

Partner

Membership No. 034828

Place : Mumbai

Date : 26th April 2021

For and on behalf of the Board of Directors of

Aditya Birla Capital Technology Services Limited Aditya Birla Customer Services Limited

(Formerly Known as Aditya Birla MyUniverse Limited)

Mukesh Malik

Director

DIN : 02125091

Pinky Mehta

Director

DIN : 00020429

Khyati Mistry

Company Secretary

Membership No. ACS57992

Statement of Changes in Equity
for the year ended 31st March 2021

(A) EQUITY SHARE CAPITAL

Particulars	As at 31 Mar 21		As at 31 Mar 21	
	No. of Shares	(Amount ₹ in'00)	No. of Shares	(Amount ₹ in'00)
Balance at the beginning of the year	18,00,112	1,80,011	1,80,01,124	18,00,112
Issued during the year	-	-	-	-
Capital Reduction during the year	-	-	(1,62,01,012)	(16,20,101)
Balance at the end of the period	**18,00,112**	**1,80,011**	**18,00,112**	**1,80,011**

(B) OTHER EQUITY

₹ in Lakh

Particulars	Reserve and Surplus					Total Other Equity
	Retained Earnings	General Reserve	Share Premium	Capital Reserve	Share Option Outstanding Account	
Balance as at 1st April 2019	(3,40,03,353)	-	63,20,888	-	-	(2,76,82,465)
Loss for the year	(18,76,096)	-	-	-	-	(18,76,096)
Other Comprehensive Income	(6,344)	-	-	-	-	(6,344)
Total Comprehensive Income	**(18,82,440)**	**-**	**-**	**-**	**-**	**(18,82,440)**
ESOP Reserve	-	-	-	-	-	-
Opening Adjustment due to Ind AS 116	(21,902)	-	-	-	-	(21,902)
Transfer of Lease Asset	1,269	-	-	-	-	1,269
Transferred from Capital Reduction Account	1,81,08,942	-	(56,88,799)	-	-	1,24,20,143
Adjustment due to Demerger	-	-	-	87,30,066	-	87,30,066
Transferred from Capital Reserve	87,30,066	-	-	(87,30,066)	-	-
Adjustment in Reserves on account of Demerger	49,86,676	-	-	-	-	49,86,676
Balance as at 31st March 2020	**(40,80,742)**	**-**	**6,32,089**	**-**	**-**	**(34,48,653)**
Loss for the year	(3,17,343)	-	-	-	-	(3,17,343)
Other Comprehensive Income	13,212	-	-	-	-	13,212
Total Comprehensive Income	**(3,04,131)**	**-**	**-**	**-**	**-**	**(3,04,131)**
ESOP Reserve	-	-	-	-	-	-
Balance as at 31st March 2021	**(43,84,873)**	**-**	**6,32,089**	**-**	**-**	**(37,52,784)**

The accompanying Notes are an integral part of the Financial Statements.

As per the Company's Report of even date attached

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration no. 103523W / W100048

For and on behalf of the Board of Directors of
Aditya Birla Capital Technology Services Limited Aditya Birla Customer Services Limited
(Formerly Known as Aditya Birla MyUniverse Limited)

Sumant Sakhardande
Partner
Membership No. 034828

Mukesh Malik
Director
DIN : 02125091

Pinky Mehta
Director
DIN : 00020429

Khyati Mistry
Company Secretary
Membership No. ACS57992

Place : Mumbai
Date : 26th April 2021

Annexure I

DISCLOSURE IN RESPECT OF RELATED PARTY PURSUANT TO INDIAN ACCOUNTING STANDARD (IND AS) 24:

a. List of Related Parties:

A Ultimate Holding Company:-
Grasim Industries Limited

B Holding Company:-
Aditya Birla Capital Limited

C Key Management Personnel
Khyati Mistry - Company Secretary

D Associate of Ultimate Holding Company
Aditya Birla Idea Payment Bank Limited

E Joint Venture Company
Aditya Birla Sunlife AMC Limited

Aditya Birla Wellness Private Limited

F Other related parties with whom the Company has entered into transactions during the year :
Fellow Subsidiaries:-
Aditya Birla Finance Limited

Aditya Birla Housing Finance Limited

Aditya Birla Money Limited

Aditya Birla Insurance Broker Limited

Aditya Birla Sun Life Insurance Company Limited

Aditya Birla Financial Shared Services Limited

Aditya Birla Health Insurance Company Limited

ABCSL-Employee Welfare Trust

Annexure I

STATEMENT OF RELATED PARTY TRANSACTIONS FOR THE QUARTER AND YEAR ENDED AS ON MARCH 31, 2021

The following inter - company transactions and balance with holding companies, ultimate holding company and fellow subsidiaries are included in the below figures under respective heads:-

Figures of the previous periods have been regrouped/ rearranged wherever necessary.

(₹ in '00)

Sr. No.	Particular	Year Ended 31 Mar 21 Audited	Year Ended 31 Mar 20 Audited
1	**Income**		
	Aditya Birla Finance Limited - Business Support Income (IT Development - Mumbai) (Excl. of GST ₹ 28,083/-)	1,53,560	-
	Aditya Birla Finance Limited - Software Development Income (IT Development - Chennai) (Excl. of GST ₹ 8,062/-)	44,791	-
	Aditya Birla Money Limited - Business Support Income (IT Development - Mumbai) (Excl. of GST ₹ 5,204 /-)	28,552	-
	Aditya Birla Money Limited - Transaction Revenue - Equity Broking Commission (Excl. GST of ₹ 3,977/-)	-	22,096
	Aditya Birla Capital Limited - Business Support Income (IT Development - Mumbai) (Excl. of GST ₹ 12,396 /-)	67,944	-
	Aditya Birla Capital Limited - Software Development Income (IT Development - Chennai) (Excl. of GST ₹ 706 /-)	3,920	-
	Aditya Birla Sun Life Asset Management Company Limited - Business Support Income (IT Development - Mumbai) (Excl. of GST ₹ 34,365 /-)	1,89,330	-
	Aditya Birla Sun Life Asset Management Company Limited - Software Development Income (IT Development - Chennai) (Excl. of GST ₹ 22,003 /-)	1,22,236	-
	Aditya Birla Financial Shared Services Limited - Professional Fees IT Development (Excl. GST of ₹ 31,092/-)	-	1,72,734
	Aditya Birla Financial Shared Services Limited - Software Development Income (IT Development - Chennai) (Excl. of GST ₹ 52,971 /-)	2,94,285	-
	Aditya Birla Sun Life Insurance Company Limited - Advertisement Revenue (Excl. GST of ₹ 9,000/-)	-	50,000
	Aditya Birla Insurance Brokers Limited - Business Support Income (IT Development - Mumbai) (Excl. of GST ₹ 4,804 /-)	32,044	-
	Aditya Birla Insurance Brokers Limited - Software Development Income (IT Development - Chennai) (Excl. of GST ₹ 500 /-)	2,777	-
	Aditya Birla Health Insurance Limited - Business Support Income (IT Development - Mumbai) (Excl. of GST ₹ 18,777 /-)	1,03,084	-
	Aditya Birla Health Insurance Limited - Software Development Income (IT Development - Chennai) (Excl. of GST ₹ 2,750 /-)	15,280	-
	Aditya Birla Housing Finance Limited - Business Support Income (IT Development - Mumbai) (Excl. of GST ₹ 10,545 /-)	1,02,535	-
	Aditya Birla Housing Finance Limited - Software Development Income (IT Development - Chennai) (Excl. of GST ₹ 4,984/-)	27,689	-
	Aditya Birla Sun Life Insurance Company Limited - Business Support Income (IT Development - Mumbai) (Excl. of GST ₹ 85,474/-)	4,70,041	-
	Aditya Birla Sun Life Insurance Company Limited - Software Development Income (IT Development - Chennai) (Excl. of GST ₹ 23,833 /-)	1,32,405	-
	Aditya Birla Sun Life Pension Management Limited - Software Development Income (IT Development - Chennai) (Excl. of GST of ₹ 987 /-)	5,482	-
	Aditya Birla Housing Finance Limited - Referral Fees (Excl. GST of ₹ 1,080/-)	-	6,000

Annexure I

(₹ in '00)

Sr. No.	Particular	Year Ended 31 Mar 21 Audited	31 Mar 20 Audited
2	**Recovery of Expense**		
	Aditya Birla Finance Limited - Recovery of Expense - Transfer of Employee (Gratuity / Leave Encashment)	10,055	-
	Aditya Birla Finance Limited - Recovery of expense - Electricity Sharing office premises	-	-
	Aditya Birla Finance Limited - Recovery of expense - Other (Excl. of GST ₹ 23) /-)	3,824	1,801
	Aditya Birla Housing Finance Limited - Recovery of Expense - Other (Excl. of GST ₹ 174 /-)	880	-
	Aditya Birla Financial Shared Services Limited - Employee Transfer - Laptop (Excl. GST of ₹ 107/-)	-	593
	Aditya Birla Financial Shared Services Limited - Other Recovery (Excl. GST of ₹ 3/-)	-	13
	Aditya Birla Capital Limited - Employee Transfer - Gratuity / Leave Encashment	6,073	-
	Aditya Birla Financial Shared Services Limited - Employee Transfer - Gratuity / Leave Encashment	85,809	-
	Aditya Birla Financial Shared Services Limited -Other - (Other Receivables)	-	1,156
	Aditya Birla Finance Limited - ESOP Expense - Recovery	-	570
	Aditya Birla Finance Limited - Employee transfer - (Emp. Salary)- Recovery	-	1,448
	Aditya Birla Finance Limited - R Tech - Security deposit -Recovery	-	8,514
3	**Expenses**		
	Aditya Birla Capital Limited - Interest on ICD	1,21,957	6,46,539
	Aditya Birla Insurance Brokers Limited - Interest on ICD	30,608	-
	Aditya Birla Wellness Private Limited - Multiply Product Expenses (Excl. GST of ₹ 7/-)	41	-
	- Reimbursement of Expenses		
	Aditya Birla Finance Limited - Reimbursement of Expense - Transfer of Employee (Gratuity / Leave Encashment)	-	6,927
	Aditya Birla Financial Shared Services Limited -Other & Prepaid- (Other payment - Support Charges - Software/License Reimbursement (Excl. GST of ₹ 23,20,559/-)	1,17,200	1,71,589
	Aditya Birla Money Limited - Reimbursement of Expense - KRA Service Recovery (Excl. GST of ₹ 25 /-)	-	139
	Aditya Birla Financial Shared Services Limited - Employee Transfer - (GMC Renewal Policy) (Excl. of GST ₹ 1,283 /-)	6,481	-
	Aditya Birla Financial Shared Services Limited - Employee Transfer - Gratuity / Leave Encashment	-	4,930
	Aditya Birla Financial Shared Services Limited - Employee Transfer - (Others)	20,987	-
	Aditya Birla Capital Limited - Salary Expense (Excl. GST of ₹ 15,548/-)	-	78,526
	Aditya Birla Capital Limited - Other (Excl. GST of ₹ 3/-)	12,348	14
	Aditya Birla Capital Limited - Reimbursement - Other for ESOP Charges	-	5,125
	Aditya Birla Capital Limited - Reimbursement - Support Charges (Incl. GST)	18,398	23,857
	Aditya Birla Money Limited - Reimbursement of Support Charges - Software/ License (Excl. GST of ₹ 51/-)	-	284
	Aditya Birla Finance Limited - Reimbursement of Expense - Electricity Sharing office premises	-	1,957
	Aditya Birla Sun Life Insurance Company Limited - Reimbursement of Expense - Transfer of Employee (Gratuity / Leave Encashment/ Incentive Payable)	165	458
	Aditya Birla Idea Payment Bank Limited - Assets Purchase (Excl. GST of ₹ 1,329/-)	-	7,387
	Aditya Birla Finance Limited - Other Reimbursement (Excl. of GST. ₹ 501)	2,530	3,689
	Aditya Birla Money Mart Limited - Other Reimbursement	2,269	-
	Aditya Birla Money Limited - Employee Transfer - Gratuity / Leave Encashment	504	-

Annexure I

(₹ in '00)

Sr. No.	Particular	Year Ended 31 Mar 21 Audited	31 Mar 20 Audited
4	**Other Transactions**		
	- Issue of Inter Company Deposit by Aditya Birla Capital Limited	12,48,000	19,05,000
	- Issue of Inter Company Deposit by Aditya Birla Insurance Brokers Limited	15,00,000	-
	- Repayment of Inter Company Deposit to Aditya Birla Capital Limited	(15,07,000)	-
5	**Outstanding Balances**		
	a) Receivables		
	Aditya Birla Housing Finance Limited - (Trade Receivable)	22,413	-
	Aditya Birla Finance Limited - (Trade Receivable)	46,681	-
	Aditya Birla Money Limited - (Trade Receivable)	2,179	-
	Aditya Birla Financial Shared Services Limited - (Prepaid Expense)	769	-
	Aditya Birla Financial Shared Services Limited - (Trade Receivable)	97,344	-
	Aditya Birla Insurance Brokers Limited - (Trade Receivable)	12,439	-
	Aditya Birla Health Insurance Limited - (Trade Receivable)	9,459	-
	Aditya Birla Health Insurance Limited - Group Insurance Float	-	-
	Aditya Birla Sun Life Insurance Limited - Group Insurance Float	-	-
	ABCSL Employee Trust - Corpus Fund	-	12
	Aditya Birla Capital Limited - (Trade Receivable)	7,155	-
	Aditya Birla Sunlife Asset Management Company Limited - (Trade Receivable)	24,483	-
	Aditya Birla Sun Life Insurance Limited - (Trade Receivable)	1,55,000	-
	ABCAP Trustee Company Limited- (Recovery of other Receivable)	-	-
	b) Payables		
	Grasim Industries Limited - Inter Corporate Deposit - (Short Term)		
	Aditya Birla Capital Limited - Inter Corporate Deposit - (Short Term)	11,00,000	13,59,000
	Aditya Birla Sun Life Insurance Company Limited - (Trade Payable)	-	-
	Aditya Birla Insurance Brokers Limited - Inter Corporate Deposit - (Short Term)	15,00,000	-
	Aditya Birla Financial Shared Services Limited - (Trade Payable)	24,236	2,606
	Aditya Birla Financial Shared Services Limited - (Reimbursement of Payables)	-	-
	Aditya Birla Capital Limited - Reimbursement of Salary , Other of Functional Support - ABFSG team & ESOP Charges	-	294
	Aditya Birla Finance Limited - (Reimbursement of Payables)	-	75,028
	Aditya Birla Money Mart Limited - (Reimbursement of Payables)	-	-
	Aditya Birla Capital Limited - (Advance Income)	925	-
	Aditya Birla Finance Limited - (Advance Income)	2,457	-
	Aditya Birla Housing Finance Limited - (Advance Income)	491	-
	Aditya Birla Health Insurance Limited - (Advance Income)	1,232	-
	Aditya Birla Insurance Broker Limited - (Advance Income)	742	-
	Aditya Birla Money Limited - (Advance Income)	361	-
	Aditya Birla Sunlife Asset Management Company Limited - (Advance Income)	1,589	-
	Aditya Birla Sunlife Insurance Limited - (Advance Income)	4,815	-
	Aditya Birla Wellness Private Limited - (Trade Payables)	48	-
6	**Long-term borrowings**		
	Aditya Birla Capital Limited - Compulsory Convertible Preference Shares	12,00,006	12,00,005
7	**Equity held by the Company**		
	Aditya Birla Capital Limited - Equity Share Capital	8,12,100	8,12,100

Annexure I

(₹ in '00)

Sr. No.	Particulars	Year Ended 31 Mar 21 Audited	Year Ended 31 Mar 20 Audited
1	Salary, Allowances and Others	6,121	1,25,348
2	Contribution to Provident and Other Funds	382	5,651
3	Director Sitting Fees	-	6,800
		6,503	**1,37,800**

The Remuneration to Key Management Personnel does not include Provision for Gratuity and Leave Encashment as they are determined on an actuarial basis for the company as a whole.

Notes

Forming part of financial statements as on 31st March 2021

NOTE: 1 CORPORATE INFORMATION

Aditya Birla Capital Technology Services Limited (Formerly Known as Aditya Birla MyUniverse Limited (the 'Company')) was incorporated on 11th September 2008 under the provisions of Companies Act, 1956. The main object the Company is to engaged in the business of development of advanced digital assets in areas of mobility, digital product management, web/ app, data & analytics and testing maintenance and software development application services .

NOTE: 2 BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015, the Companies (Indian Accounting Standards) Amendment Rules, 2016 and the Companies (Indian Accounting Standards) Amendment Rules, 2017.

All the Assets and Liabilities have been classified as Current and Non-Current as per the Company's normal operating cycle and other criteria set out in the schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of the Assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of Current/Non-Current classification of Assets and Liabilities.

The Financial Statements and notes are presented in INR round off to nearest Hundred as per the requirement of schedule III unless otherwise stated.

2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Use of estimates :

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

(b) Current versus non-current classification:

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

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

All other assets are classified as non-current.

A Liability is Current when:

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

The Company classifies all other liabilities as non-current.

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

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

(c) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

1) In the principal market for the asset or liability, or
2) In the absence of a principal market, in the most advantageous market for the asset or liability, the principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in

Notes

Forming part of financial statements as on 31st March 2021

its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

Level 2) Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3) Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable."

(d) Property, plant and equipment :

(i) Property, Plant And Equipment are stated at cost, less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of Property, Plant And Equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the Property, Plant And Equipment as a replacement if the recognition criteria are satisfied. Any trade discounts and rebates are deducted in arriving at the purchase price.

(ii) Depreciation on Property, Plant And Equipment is provided on Straight Line using the rates arrived at based on the useful lives as specified in the Schedule II of the Companies Act, 2013 or estimated by the management. The Company has used the following useful life to provide depreciation on its fixed Property, Plant And Equipment.

Following rates are used to provide depreciation on Property, Plant And Equipment:-

Assets	Useful Life as prescribed by Schedule II of the Companies Act, 2013	Estimated useful life used by the Company
Furniture and fixtures	10 years	7 years
Computers	3 years	4 years
Office equipments	5 years	4 years
Vehicle	8 years	4 years

(iii) Assets costing ₹ 5,000 or less are written off in the year of purchase Useful life of assets different from those prescribed in Schedule II has been estimated by management supported by technical assessment.

(iv) Subsequent expenditure related to an item of Property, Plant And Equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

(e) Intangible fixed assets :

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any cost comprises the purchase price and any attributable cost of bringing the asset to it's working condition for it's intended use.

Intangible assets, viz. Software are amortised over a period of three financial years (As per Schedule III life is six years). License are amortised over the period of licence or three whichever is earlier.

Impairment of assets:

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis.

If such assets are considered to be impaired, the impairment to be recognised in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment

Notes

Forming part of financial statements as on 31st March 2021

loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

(f) Borrowing costs :

Borrowing Costs are charged to the Statement of profit and loss in the period in which they are incurred. Borrowing cost includes interest incurred in connection with arrangement of borrowings.

(g) Revenue recognition :

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition :

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Rendering of services

Revenue from rendering of services can be estimated reliably, revenue associated with the transaction shall be recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the stage of completion of the transaction at the end of the reporting period can be measured reliably.

Effective from 1st April 2018 the Company has adopted Ind AS 115 "Revenue from Contracts with Customers". Adoption of this standard does not have any impact on the revenue recognition and measurement.

Interest income

For all Financial Instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

(h) Retirement and other employee benefits :

(a) Defined contribution plan :

The Company makes defined contribution to Government Employee Provident Fund which is recognised in the Statement of Profit and Loss on accrual basis. Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered the service entitling them to the contribution. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due of services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre payment will lead to, for example, a reduction in future payment or a cash refund.

(b) Defined benefit plan :

The Company operates two defined benefit plans for its employees, viz., gratuity and leave encashment. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined benefit plans are recognised in full in the period in which they occur in the statement of profit and loss.

Notes

Forming part of financial statements as on 31st March 2021

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

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/ losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the balance sheet date.

(i) Income taxes :

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India.

(j) Deferred tax :

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is reasonable certainty that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

(k) Leases :

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises right – of – use ("ROU") asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The Right-of-Use Assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-Use Assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the under lying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value – in – use) is determined on an individual asset basis unless the asset generates cash flows that are largely dependent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The Lease Liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease Liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment on exercise of an extension or a termination option.

Notes

Forming part of financial statements as on 31st March 2021

Lease Liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognised on a straight line basis over the term of the relevant lease.

(l) Contingent liabilities and provisions :

Contingent liabilities :

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

Provisions

Provision is recognised when the enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

(m) 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

Initial recognition and measurement:

All financial assets are recognised initially at fair value. However, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset are added to the fair value. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in four categories:

1) Debt instruments at amortised cost
2) Debt instruments at fair value through other comprehensive income (FVTOCI)
3) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
4) Equity instruments measured at fair value through other comprehensive income (FVTOCI)"

Debt instruments at amortised cost

A 'Debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables."

Debt instrument at FVTOCI

A 'Financial Instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Notes

Forming part of financial statements as on 31st March 2021

Financial Instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI Financial Instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for Financial Instruments. Any Financial Instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a Financial Instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any Financial Instrument as at FVTPL.

Financial Instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit and loss."

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit and loss.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following :"

i. Trade receivables and lease receivables

ii. Financial assets measured at amortised cost (other than trade receivables and lease receivables)

iii. Financial assets measured at fair value through other comprehensive income (FVTOCI)

In case of trade receivables and lease receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance.

In case of other assets (listed as ii and iii above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognising impairment loss allowance based on 12-month ECL

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared

Notes

Forming part of financial statements as on 31st March 2021

based on historically observed default rates over the expected life of trade receivables and is adjusted for forward[1]looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss under the head 'Other expenses'.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

The financial asset is derecognised the loss allowance for ECL is remeasured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the new terms will lead to a gain or loss on derecognition. The new financial asset will have a loss allowance measured based on 12-month ECL except in the rare occasions where the new loan is considered to be originated-credit impaired. This applies only in the case where the fair value of the new loan is recognised at a significant discount to its revised par amount because there remains a high risk of default which has not been reduced by the modification. The Group monitors credit risk of modified financial assets by evaluating qualitative and quantitative information, such as if the borrower is in past due status under the new terms.

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from

Notes

Forming part of financial statements as on 31st March 2021

the Company's balance sheet) when any of the following occurs:

i. The contractual rights to cash flows from the financial asset expires;

ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;

iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);

iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On Derecognition of a financial asset, (except as mentioned in ii above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the Statement of Profit and Loss.

(n) Cash and cash equivalent :

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

(o) Segment reporting :

Identification of segments

The Company's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

(p) Earnings per share :

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares 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 net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(q) Share-based payment :

Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions :

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised

Notes

Forming part of financial statements as on 31st March 2021

as at the beginning and end of that period and is recognised in employee benefits expense.

(r) Translation of foreign currency items :

Transactions in foreign currency are initially recorded at the spot rate of exchange prevailing on the date of transaction. Monetary asset and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange. A exchange difference on settlement or translation of all other monetary items is recognised in the Statement of Profit and Loss. Non-monetary. Items are measured in terms of historical cost in foreign currency duly translated using the exchange rate at transaction date.

(s) Cash flow statement :

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Notes

Forming part of financial statements as on 31st March 2021

NOTE: 3 PROPERTY, PLANT AND EQUIPMENT

(₹ in '00)

	IT Equipments	Furniture & Fixtures	Office Equipment	Vehicle	TOTAL
Gross Block					
As at 1st April 2019	3,21,371	29,150	15,545	10,404	3,76,470
Additions	6,496	-	890	35,407	42,793
Deletions	1,56,331	-	-	-	1,56,331
Addition/(Deletion) on Demerger	(1,52,123)	(26,028)	(5,023)	(10,404)	(1,93,578)
As at 31st March 2020	**19,413**	**3,122**	**11,412**	**35,407**	**69,354**
Additions	5,256	-	-	12,510	17,766
Deletions	-	-	-	12,510	12,510
As at 31st March 2021	**24,669**	**3,122**	**11,412**	**35,407**	**74,610**
Accumulated Depreciation					
As at 1st April 2019	2,70,525	3,303	6,445	2,384	2,82,657
For the year	25,709	3,393	3,043	2,688	34,833
Deletions	1,55,738	-	-	-	1,55,738
Addition/(Deletion) on Demerger	(1,29,474)	(5,875)	(4,331)	(4,335)	(1,44,015)
As at 31st March 2020	**11,022**	**821**	**5,157**	**737**	**17,737**
For the year	4,720	468	2,617	9,635	17,440
Deletions	-	-	-	782	782
As at 31st March 2021	**15,742**	**1,289**	**7,774**	**9,590**	**34,395**
Net blovk as at 1st April 2019	**50,846**	**25,847**	**9,100**	**8,020**	**93,813**
Net Block as at 31st March 2020	**8,391**	**2,301**	**6,255**	**34,670**	**51,617**
Net Block as at 31st March 2021	**8,927**	**1,833**	**3,638**	**25,817**	**40,215**

NOTE: 3A RIGHT OF USE ASSETS

(₹ in '00)

	As at 31 Mar 21	As at 31 Mar 20
Right of Use Assets - Property-R Tech / Chennai	5,00,518	5,58,221
	5,00,518	**5,58,221**

NOTE: 4 INTANGIBLE ASSETS

(₹ in '00)

	Specialised Software	TOTAL
As at 1st April 2019	17,07,073	17,07,073
Additions	29,995	29,995
Deletions	-	-
Addition/(Deletion) on Demerger	(17,37,068)	(17,37,068)
As at 31st March 2020	**-**	**-**
Additions	-	-
Deletions	-	-
As at 31st March 2021	**-**	**-**
Accumulated Amortisation		
As at 1st April 2019	15,08,394	15,08,394
For the year	1,35,627	1,35,627
Deletions	-	-
Addition/(Deletion) on Demerger	(16,44,021)	(16,44,021)
As at 31st March 2020	**-**	**-**
For the year	-	-
Deletions	-	-
As at 31st March 2021	**-**	**-**
Net blovk as at 1st April 2019	**1,98,679**	**1,98,679**
Net Block as at 31st March 2020	**-**	**-**
Net Block as at 31st March 2021	**-**	**-**

Notes

Forming part of financial statements as on 31st March 2021

NOTE: 5 LOANS

(₹ in '00)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Held at Amortised Cost		
Security Deposits		
Unsecured, Considered Good & Doubtful	27,639	25,400
Less: Impairment Allowance (allowance for bad & doubtful)	-	-
	27,639	**25,400**

NOTE: 5A OTHER FINANCIAL ASSETS

(₹ in '00)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Deposit with NSDL for Dematerialised shares under custody	900	900
	900	**900**

NOTE: 6 OTHER NON - CURRENT ASSETS

(₹ in '00)

Particulars	As at 31 Mar 21	As at 31 Mar 20
VAT, Other Taxes Recoverable, Statutory Deposits and Dues from Government:-		
Unsecured, Considered Good & Doubtful		
- Balance with Revenue Authorities	1,99,379	2,65,110
- Service Tax Refund Receivable	7,006	7,006
- Provision for Doubtful Debt / Service Tax Receivable	(18,006)	(18,006)
	1,88,379	**2,54,110**
Others	-	12
Prepaid Expense	1,436	-
	1,89,815	**2,54,122**

NOTE: 7 TRADE RECEIVABLES

(₹ in '00)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Secured, Considered Good	-	-
Unsecured, Considered Good	3,77,154	-
Unsecured, Considered Doubtful	-	-
	3,77,154	**-**
Less: Impairment Allowance (Allowance for bad & doubtful debts)	-	-
	3,77,154	**-**

Break up of trade receivables:

(₹ in '00)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Trade Receivables from Others	-	-
Receivables from Related parties	3,77,154	-
	3,77,154	**-**

Notes

Forming part of financial statements as on 31st March 2021

NOTE: 8 CASH AND CASH EQUIVALENTS

(₹ in '00)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Balances with Banks		
Current Accounts	61,256	117
	61,256	**117**

There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at 31st March 2021.

NOTE: 9 LOANS

(₹ in '00)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Unsecured, Considered Good		
- Advance to Employees	44	100
	44	**100**

NOTE: 10 OTHER CURRENT ASSETS

(₹ in '00)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Prepaid Expenses	17,679	20,749
Advance to Vendors	21,728	14,671
	39,407	**35,420**

NOTE: 11 EQUITY SHARE CAPITAL

Particulars	Shares 31 Mar 21	Shares 31 Mar 20	As at 31 Mar 21
Authorised:			
Equity Shares of ₹ 10/- each	3,00,00,000	3,00,00,000	30,00,000
Preference Shares of ₹ 10/- each	1,00,00,000	1,00,00,000	10,00,000
	4,00,00,000	**4,00,00,000**	**40,00,000**
Issued:			
EQUITY SHARE CAPITAL			
Equity Shares of ₹ 10/- each	18,00,112	1,80,01,124	1,80,011
Capital Reduction during the year	-	(1,62,01,012)	-
	18,00,112	**18,00,112**	**1,80,011**
Subscribed and Paid-up:			
EQUITY SHARE CAPITAL			
Equity Shares of ₹ 10/- each, fully paid-up	18,00,112	1,80,01,124	1,80,011
Capital Reduction during the year	-	(1,62,01,012)	-
	18,00,112	**18,00,112**	**1,80,011**

1) Reconciliation of the number of shares outstanding at the beginning and at the end of the period.

Sr. No.	Description	As at 31 Mar 21	As at 31 Mar 20
		Equity Shares	
1	No of Shares Outstanding at the beginning of the period	18,00,112	1,80,01,124
	Issued during the year	-	-
	Capital Reduction during the year	-	(1,62,01,012)
2	No of Shares Outstanding at the end of the period	18,00,112	18,00,112

Notes

Forming part of financial statements as on 31st March 2021

2) Terms/Rights attached to equity shares

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

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

3) Shares in the Company held by each shareholder holding more than 5 per cent shares and the number of shares held are as under:

Sr. No.	Name of Share Holder	As at 31 Mar 21		As at 31 Mar 20	
		No of Shares Held	% of Total Paid-up Equity Share Capital	No of Shares Held	% of Total Paid-up Equity Share Capital
1	Aditya Birla Capital Limited	18,00,112	100%	18,00,112	100%

4) There are no Equity Shares issued as fully paid-up pursuant to any contract in consideration of other than cash or bonus shares or bought back during the preceding last five years.

NOTE: 12 OTHER EQUITY

(₹ in '00)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Retained Earnings		
Opening Balance	(40,80,742)	(3,40,03,353)
Loss for the year	(3,17,343)	(18,76,096)
Other Comprehensive Income	13,212	(6,344)
Opening Adjustment due to Ind AS 116	-	(21,902)
Transfer of Lease Asset	-	1,269
Transferred from Capital Reduction Account	-	1,81,08,942
Transferred from Capital Reserve	-	87,30,066
Adjustment in Reserves on account of Demerger	-	49,86,676
Closing Balance (A)	**(43,84,873)**	**(40,80,742)**
Capital Reserve		
Opening Balance	-	-
Add: Adjustment due to Demerger	-	87,30,066
Less: Transferred to Retained Earnings	-	(87,30,066)
Closing Balance (B)	**-**	**-**
Capital Reduction		
Opening Balance	-	-
Add: Adjustment due to Capital Reduction of Share Capital	-	1,81,08,942
Less: Transferred to Retained Earnings	-	(1,81,08,942)
Closing Balance (C)	**-**	**-**
Securities Premium :		
Opening Balance	6,32,089	63,20,888
Add : Securities Premium on issue of Shares	-	-
Less : Transferred to Capital Reduction Account	-	(56,88,799)
Closing Balance (D)	**6,32,089**	**6,32,089**
ESOP Reserve :		
Opening Balance	-	-
Add: Charge for the Year	-	-
Closing Balance (E)	**-**	**-**
Total Balance (A+B+C+D+E)	**(37,52,784)**	**(34,48,653)**

Notes

Forming part of financial statements as on 31st March 2021

NOTE: 13 BORROWINGS

(₹ in '00)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Unsecured		
0.001 % CCPS (Number of Shares - 9,39,188)	12,00,006	12,00,005
At Amortised Cost		
	12,00,006	**12,00,005**

Compulsorily Convertible Preference Shares (CCPS) :

CCPS carry cumulative dividend @0.001% p.a.

The CCPS so issued are convertible on the occurrence of the earlier of the two events, namely:

(i) at the option of the holder

(ii) on the occurrence of the mandatory conversion event

Optional Conversion : Each CCPS shall be convertible at the option of the holder thereof, at any time by a written notice into such number of Equity Shares, calculated in such manner as mentioned in the Shareholders agreement.

Mandatory Conversion : All of the CCPS shall mandatorily be converted in such manner and into such number of fully paid Equity Shares as mentioned in the agreement, upon the occurrence of listing of the entity.

In the event of liquidation before conversion of CCPS, the holders of the CCPS should be eligible for such claim, calculated in such manner as mentioned in the CCPS agreement.

NOTE: 14 LEASE LIABILITY - NON - CURRENT

(₹ in '00)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Lease Liability - Property	4,77,465	5,06,642
	4,77,465	**5,06,642**

NOTE: 15 PROVISIONS- NON - CURRENT

(₹ in '00)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Provision for Employee Benefit		
Provision for Gratuity (Refer Note 33)	52,213	2,765
	52,213	**2,765**

NOTE: 16 BORROWINGS- CURRENT

(₹ in '00)

Particulars	As at 31 Mar 21	As at 31 Mar 21
Unsecured		
Loan from Related Party (Aditya Birla Capital Limited)	11,00,000	13,59,000
Loan from Related Party (Aditya Birla Insurance Brokers Limited)	15,00,000	-
Overdraft Bank Balance	-	9,88,018
	26,00,000	**23,47,018**

Notes

Forming part of financial statements as on 31st March 2021

NOTE: 16A LEASE LIABILITY - CURRENT

(₹ in '00)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Lease Liability - Property	29,177	26,898
	29,177	**26,898**

NOTE: 17 TRADE PAYABLES

(₹ in '00)

Particulars	As at 31 Mar 21	As at 31 Mar 20
TRADE PAYABLES		
- Micro enterprises and small enterprises	36,998	3,487
- Creditors other than micro enterprises and small enterprises	87,903	3,646
	1,24,901	**7,133**

Break up of trade payables

(₹ in '00)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Trade payables to others	1,00,617	4,528
Trade payables to related parties	24,284	2,606
	1,24,901	**7,134**

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March 2021, and no interest payment made during the year to any Micro and Small Enterprises. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

NOTE: 18 OTHER FINANCIAL LIABILITIES

(₹ in '00)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Payable for Employee Benefits	1,29,284	9,770
Provision for Expenses	1,57,502	31,857
Reimbursement of Payables to Related Party	-	75,322
	2,86,786	**1,16,949**

NOTE: 19 OTHER CURRENT LIABILITIES

(₹ in '00)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Advance Income	12,611	-
Statutory Dues	24,505	5,683
	37,116	**5,683**

Notes

Forming part of financial statements as on 31st March 2021

NOTE: 20 PROVISIONS - CURRENT

(₹ in '00)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Provision for Employee Benefit		
Provision for Gratuity (Refer Note 33)	7,849	358
Provision for Leave Encashment (Refer Note 33)	32,552	1,617
	40,401	**1,975**

NOTE: 21 REVENUE FROM SERVICES

(₹ in '00)

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
IT Development Fees	17,95,954	1,72,734
	17,95,954	**1,72,734**

NOTE: 22 OTHER INCOME

(₹ in '00)

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Notional Income on Security deposit	2,239	1,035
Foreign Exchange Gain	353	-
Interest on PFRDA - Deposit	-	21
Excess GST Provision Written Back	-	14,269
Interest on Income Tax Refund	835	-
	3,427	**15,325**

NOTE: 23 EMPLOYEE BENEFITS EXPENSES

(₹ in '00)

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Salaries and Wages	9,09,903	63,380
Contribution to Provident and Other Funds	31,136	3,045
Employee Stock Option Cost	-	488
Stock Appreciation Rights -SARs	5,577	-
Staff Welfare Expenses	1,872	10,200
	9,48,488	**77,113**

Notes

Forming part of financial statements as on 31st March 2021

NOTE: 24 FINANCE COST

(₹ in '00)

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Interest on Bank Overdraft	50,772	87,890
Interest on ICD	1,52,565	1,05,965
Interest - CCPS	1	1
Interest Expense on Property Lease Liability	42,102	13,738
	2,45,440	**2,07,594**

NOTE: 25 DEPRECIATION AND AMORTISATION EXPENSES

(₹ in '00)

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Depreciation of Tangible Assets	17,440	5,296
Depreciation on Property Lease Assets	57,704	22,760
	75,144	**28,056**

NOTE: 26 OTHER EXPENSES

(₹ in '00)

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Rent	40,113	3,462
Repairs & Maintenance :		
Others	7,38,633	1,45,837
Rates and Taxes	586	1,185
Legal and Professional Expenses	8,506	5,653
Audit Fees (Refer Note 26A)	17,500	6,079
Director's Sitting Fees	-	1,410
Staff recruitment expenses	2,748	6
License Expenses	615	288
Outsource Manpower Expenses	1,911	1,107
Insurance	1,665	870
Housekeeping and Security	12,623	3,154
Printing and Stationery	841	543
Travelling & Conveyance	3,741	335
Communication Expenses	1,633	4,015
Electricity Charges	10,450	2,520
Bank Charges	62	84
Miscellaneous Expenses	4,994	669
Interest on GST	-	3
Loss on Sale of Tangible Asset	1,031	-
	8,47,652	**1,77,220**

Notes

Forming part of financial statements as on 31st March 2021

NOTE: 26 A PAYMENT TO AUDITORS

(₹ in '00)

Particulars	As at 31 Mar 21	As at 31 Mar 20
As Auditor:		
Statutory Audit Fees and Other Reporting Fees	16,500	5,736
Tax Audit Fees	1,000	343
Out of Pocket Expenses	525	201
Total Payment to Auditors	**18,025**	**6,280**

NOTE: 27 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

(i) Defined benefit plans (Gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(ii) Property, plant and equipment

Estimation of useful life of Property, plant and equipments - Refer Note no. 2.1 (c) & (d).

NOTE: 28 LEASES :

The Company has taken certain office premises on cancellable and non cancellable operating lease.

Following are the changes in the carrying value of Right of Use Assets for the year ended 31st March 2021:

Particulars	Category of ROU Asset Leasehold Premises (₹ in '00)
Gross Carrying Value	
Balance as at 1st April 2019	4,00,118
Add : Deferred Rent Lease exp	61,802
Additions :	5,39,961
Deletions :	3,50,905
Balance as at 31st March 2020	**6,50,976**
Additions :	-
Deletions :	-
Balance as at 31st March 2021	**6,50,976**
Accumulated Amortisation	
As at 1st April 2019	-
Add : Deferred Rent Lease exp	6,127
Additions :	86,628
Balance as at 31st March 2020	**92,755**
Add : Deferred Rent Lease exp	3,290
Additions :	54,413
Balance as at 31st March 2021	**1,50,458**
Net Carrying Value as at 31st March 2020	**5,58,221**
Net Carrying Value as at 31st March 2021	**5,00,518**

Notes

Forming part of financial statements as on 31st March 2021

Amounts recognised in profit and loss:

(₹ in '00)

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
Depreciation expense on Right-of-Use Assets	57,704	92,755
Interest Expense on Property Lease Liabilities	42,102	34,180

The following is the break-up of Current and Non-Current Lease Liabilities as at 31st March 2021:

(₹ in '00)

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
Current Lease Liabilities	29,177	26,898
Non-Current Lease Liabilities	4,77,465	5,06,642
Total	**5,06,642**	**5,33,540**

The following is the movement in Lease Liabilities during the year ended 31st March 2021:

(₹ in '00)

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
Opening Balance	5,33,539	4,22,020
Additions	-	5,39,961
Deletions	-	(3,62,757)
Finance Cost accrued during the period	42,102	34,180
Payment of Lease Liabilities	(69,000)	(99,865)
Closing Balance	**5,06,641**	**5,33,539**

The table below provides details regarding the contractual maturities of Lease Liabilities as at 31st March 2021 on an undiscounted basis:

(₹ in '00)

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
Less than one year	69,000	69,000
One to Five years	3,14,468	3,00,150
More than Five years	3,34,592	4,17,910
Total	**7,18,060**	**7,87,060**

The group does not face a significant liquidity risk with regard to its Lease Liabilities as the current assets are sufficient to meet the obligations related to Lease Liabilities as and when they fall due.

NOTE: 29 THE BREAKUP OF NET DEFERRED TAX ASSET ARISING ON ACCOUNT OF FOLLOWING TIMING DIFFERENCES IS AS UNDER:

(₹ in '00)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Deferred Tax Liability		
Depreciation / Amortisation	-	(6,753)
Gross Deferred Tax Liability	**-**	**(6,753)**
Deferred Tax Asset		
Depreciation / Amortisation	5,514	-
Unabsorbed Depreciation and Carry forward losses	9,54,007	10,16,475
Provision For Doubtful Debts/Gratuity/Leave Encashment/Service Liability	21,190	1,084
Gross Deferred Tax Assets	9,80,711	10,17,559
Deferred Tax Asset/(Liability) (net)	**9,80,711**	**10,10,807**

Deferred tax asset has been created only to the extent of Deferred tax liability in the absence of Reasonable certainty.

Company does not have any taxable income and there is no provision for tax in books of accounts

Notes

Forming part of financial statements as on 31st March 2021

NOTE: 30 EARNINGS PER SHARE (EPS) IS CALCULATED AS UNDER :

(₹ in '00)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Basic :		
Loss as per Statement of Profit and Loss :	(3,17,343)	(18,76,096)
Weighted Average number of Outstanding Equity Shares for Basic EPS : -	18,001	1,39,730
Basic EPS	(17.63)	(13.43)

(₹ in '00)

Particulars	As at 31 Mar 21	As at 31 Mar 21
Diluted:		
Net loss as per Statement of Profit and Loss	(3,17,343)	(18,76,096)
Net Loss considered for diluted EPS calculation (a)	(3,17,343)	(18,76,096)
Weighted average number of equity shares considered in calculating diluted earnings per share (b) (Refer Note Below)	45,569	1,67,298
Diluted EPS - (a) / (b)	(6.96)	(11.21)
Diluted earnings per share [Since Diluted EPS (a) / (b) is anti dilutive, effect of the same has not been considered while calculating diluted earnings per share. Thus basic earnings per share are considered to be diluted earnings per share].	(17.63)	(13.43)

NOTE: 31 UNHEDGED FOREIGN CURRENCY EXPOSURE (UFCE)

Description	As at 31 Mar 21		As at 31 Mar 20	
	(Amount USD in'00)	(Amount ₹ in '00)	(Amount USD in'00)	(Amount ₹ in '00)
Unhedged Foreign Currency Exposures	-	-	-	-
Total	-	-	-	-

Foreign Exchange earnings and expenditure

There were no Foreign Exchange earnings during the current year as well as during the previous year . However, the Foreign Exchange expenditure was (₹ in '00) 47,797 /- in comparison with Rs.725 /- in the previous year.

NOTE: 32 SEGMENTAL REPORTING

Operating business segment results are reviewed regularly by the Company's Chief Operating Decision Maker (Board of Directors) to make decisions about resources to be allocated to the segments and assess their performance. Business segment is the primary segment comprising of ' Software Technology Development '. As the Company operates only in a single business segment and all other activities revolve around its principal business, no segment information thereof is given as required under Ind AS 108.

Notes
Forming part of financial statements as on 31st March 2021

NOTE: 33 RETIREMENT BENEFITS (UNFUNDED) :

Disclosure in respect of Employee Benefits pursuant to Ind AS -19.The Company has classified the various benefits provided to employees as under :

Defined contribution plan :

The Company has recognised the following amounts as expenses and included in Note 23 in "Contribution to Provident and Other Funds"-

(₹ in '00)

Particulars	31 Mar 21	31 Mar 20
Employer's Contribution to Government Employee Provident Fund	23,927	14,805
Employer's Contribution to Government Employee Pension Fund	7,125	7,445
Employer's Contribution to Government Employee ESIC	84	1,301

Defined benefit plan :

Gratuity plan :
The Company operates Defined Benefit Plan, viz., Gratuity for its employees. Under the Gratuity Plan, every employee who has completed atleast five years of service gets a Gratuity on departure @ 15 days of last drawn salary for each completed year of service. The Scheme is non-funded.

The following tables summarise the components of net benefit expense recognised in Statement of Profit and Loss and the funded status and the amounts recognised in the Balance Sheet for the respective plans:-

Balance sheet

(₹ in '00)

Particulars	Gratuity	
	31 Mar 21	31 Mar 20
Present Value of Defined Benefit Obligation	60,062	3,122
Fair Value of Plan Assets	-	-
Plan (Asset) / Liability	**60,062**	**3,122**

Statement of profit and loss

Net employee benefit expense recognised in the employee cost

(₹ in '00)

Particulars	Gratuity	
	31 Mar 21	31 Mar 20
Current Service Cost	10,285	397
Interest cost on obligation	175	2,745
Net Actuarial (Gain) / Loss recognised	-	-
Expense recognised in Statement of Profit and Loss	**10,460**	**3,142**

Amount recognised in Other Comprehensive Income (OCI) for the year

(₹ in '00)

Particulars	Gratuity	
	31 Mar 21	31 Mar 20
Experience Adjustment	(12,770)	6,081
Demographic Assumptions	-	-
Financial Assumption	(443)	264
Closing amount recognised in OCI outside Profit and Loss account	**(13,213)**	**6,345**

Notes

Forming part of financial statements as on 31st March 2021

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

(₹ in '00)

Particulars	Gratuity	
	31 Mar 21	31 Mar 20
Opening Defined Benefit Obligation	3,122	39,704
Liability in respect of Employees transferred	-	-
Current Service Cost	10,285	397
Interest Cost	175	2,745
Benefits paid	59,692	(46,068)
Actuarial (Gains) / Losses on obligation	(13,212)	6,344
Closing Defined Benefit Obligation	60,062	3,122
Closing amount recognised in OCI outside Profit and Loss account	**(13,213)**	**6,345**

A quantitative sensitive analysis for significant assumptions as on 31st March 2021 is as shown below:-

(₹ in '00)

Assumptions	As at 31 Mar 21 Discount rate		As at 31 Mar 21 Salary Growth	
Sensitivity Level	0.50 % Increase	0.50% Decrease	0.50 % Increase	0.50% Decrease
Impact of defined benefit obligation	57,928	62,339	62,303	57,941

(₹ in '00)

Assumptions	As at 31 Mar 21 Attrition rate		As at 31 Mar 21 Mortality rate	
Sensitivity Level	50 % Increase	50% Decrease	10 % Increase	10% Decrease
Impact of defined benefit obligation	53,344	75,805	60,108	60,015

A quantitative sensitive analysis for significant assumptions as on 31st March 2020 is as shown below:-

(₹ in '00)

Assumptions	As at 31 Mar 20 Discount rate		As at 31 Mar 20 Salary Growth	
Sensitivity Level	0.50 % Increase	0.50% Decrease	0.50 % Increase	0.50% Decrease
Impact of defined benefit obligation	3,015	3,236	3,234	3,016

(₹ in '00)

Assumptions	As at 31 Mar 20 Attrition rate		As at 31 Mar 20 Mortality rate	
Sensitivity Level	50 % Increase	50% Decrease	10 % Increase	10% Decrease
Impact of defined benefit obligation	2,803	3,808	3,125	3,120

The principal assumptions used in determining gratuity and Leave encashment obligations for the Company's plans are shown below:

Assumptions	31 Mar 21	31 Mar 20
Discount Rate	5.70%	5.60%
Salary Growth	7.00%	7.00%
Mortality Rate (% of IALM 06-08)	100%	100%
Attrition / Withdrawal Rates, based on age: (Per Annum) :		
Up to 30 years	30%	30%
31 - 44 years	20%	20%
Above 44 years	10%	10%

Disability :- Leaving service due to disability is included in the provision made for all causes of Leaving service (as above)

Notes

Forming part of financial statements as on 31st March 2021

The estimates of future Salary increase, considered in Actuarial Valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Leave encashment :

Leave Encashment / Sick Leave are entitled to be carried forward for future encashment or availment, at the option of the employee during the tenure of the employment.

The Net Provision for unfunded Leave Encashment/ Sick Leave Liability upto March 2021 is (₹ in '00) 32,552 /- (Previous year (₹ in '00) 1,617 /-)

NOTE: 34 EMPLOYEE STOCK OPTION PLAN :

Pursuant to ESOP Plan being established by the Holding Company (i.e. Aditya Birla Capital Limited), stock options were granted to the employees of the Company during the Financial year. Total cost incurred by the Holding Company till date is being recovered from the Company over the period of vesting. Accordingly, a sum of ₹ Nil has been recovered from the Company during the year(Previous year 4,555, /- (₹ in '00)), which has been charged to the Statement of Profit and Loss.

NOTE: 35

The Company has accumulated losses of (₹ in '00) 43,84,873 /- (Previous year (₹ in '00) 40,80,742 /-) as at the Balance Sheet date, resulting in a complete erosion of Company's Net Worth. However, the Company has been able to meet its obligations in the ordinary course of business by establishing future profitable operations and considering the financial support received and also the Letter of Support received from Aditya Birla Capital Limited (Holding Company) these financial statements have been prepared assuming that the Company will continue as a going concern.

NOTE: 36

There are no Contingent Liabilities as at 31st March 2021 (Previous Year: Nil).

The Company's pending Litigations comprise of claims against the Company with proceedings pending with Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the Contingent Liabilities where applicable, in its Financial Statements . The Company does not expect the outcome of these proceedings to have a material adverse effect on its Financial results at 31st March 2021.

NOTE: 37

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ Nil (Previous year ₹ Nil).

NOTE: 38 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MSMED ACT,2006.

Based on current information/confirmations available with the Company, the amounts of (₹ in '00) 36,998 /- have fallen due for payment to suppliers who are registered under the Micro Small and Medium Enterprise Development Act, 2006 as at March 31, 2021.

NOTE: 39 FAIR VALUES

(₹ in '00)

Description	Carrying Value		Fair Value	
	31 Mar 21	31 Mar 20	**31 Mar 21**	31 Mar 20
Financial Assets				
Security Deposits	27,639	25,400	30,593	27,373
Total	**27,639**	**25,400**	**30,593**	**27,373**

Notes

Forming part of financial statements as on 31st March 2021

(₹ in '00)

Description	Carrying Value		Fair Value (Refer Note 40)	
	31 Mar 21	31 Mar 20	31 Mar 21	31 Mar 20
Financial Liabilities				
Borrowings				
Compulsory Convertible Preference Shares	12,00,006	12,00,005	12,00,006	12,00,005
Total	**12,00,006**	**12,00,005**	**12,00,006**	**12,00,005**

The management assessed that other Assets and Liabilities other than those disclosed above approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the Financial Assets and Liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

NOTE: 40 FAIR VALUE HIERARCHY

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities which are measured in Fair value.

Quantitative disclosures fair value measurement hierarchy for assets as at 31st March 2021.

(₹ in '00)

Particulars	Date of Valuation	Total	Fair Value Measurement Using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets/Liability Measured As Fair Value as at 31st March 2020:-					
Security Deposits	31-Mar-20	27,373	-	-	27,373
Compulsory Convertible Preference Shares	31-Mar-20	12,00,005	-	-	12,00,005
Assets/Liability Measured As Fair Value as at 31st March 2021:-					
Security Deposits	31-Mar-21	30,593	-	-	30,593
Compulsory Convertible Preference Shares	31-Mar-21	12,00,006	-	-	12,00,006

NOTE: 41 RELATED PARTY TRANSACTION :

During the year ended 31st March 2021, the Company had transactions with related parties as defined in IND-AS 24 on "Related Party Disclosures". Related Parties have been identified by the management on the basis of the information available with the Company. Details of these parties with whom the Company had transactions, nature of the relationship, transactions with them and balances at year-end, are detailed in Annexure I.

NOTE: 42 CAPITAL MANAGEMENT

For the purpose of Capital Management, Capital includes Equity share capital, Convertible Preference shares, Share Premium and all Other Equity Reserves attributable to the Equity holders of the parent. The primary objective of the Company's Capital Management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement are met through equity, operating cash flows and borrowing. No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2021.

Notes

Forming part of financial statements as on 31st March 2021

Interest rate risk :

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Floating rate instruments exposes the Company to cash flow interest rate risk, whereas fixed interest rate instruments expose the Company to fair value interest risk. The Company has primarily invested in fixed rate borrowings. Hence the Company is not significantly exposed to interest rate risk.

(₹ in '00)

Particulars	31 Mar 21	31 Mar 20
Borrowing other than Convertible Preferences shares	26,00,000	23,47,018
Trade Payables	1,24,901	7,133
Other Financial Liabilities	2,86,786	1,16,949
Less: Cash and Cash Equivalents	(61,256)	(117)
Net Debt	**29,50,431**	**24,70,983**
Convertible Preferences shares	12,00,006	12,00,005
Equity	1,80,011	1,80,011
Total Capital	**13,80,017**	**13,80,016**
Capital and Net debt	43,30,448	38,50,999
Gearing Ratio	68%	64%

NOTE: 43 RISK MANAGEMENT FRAMEWORK:-

a. Governance framework

The primary objective of the Company's risk and financial management framework is to protect the Company's shareholders from events that hinder the sustainable achievement of financial performance objectives, including failing to exploit opportunities. Key management recognises the critical importance of having efficient and effective risk management systems in place.

b. Approach to capital management

The Company seeks to optimise the structure and sources of capital to ensure that it consistently maximises returns to the shareholders.

The primary source of Capital used by the Company is Equity including CCPS and Short Term Borrowing.

Available capital resources as at 31st March 2021.

(₹ in '00)

Particulars	31 Mar 21	31 Mar 20
Compulsory Convertible Preference Shares	12,00,006	12,00,005
Total Equity	(35,72,773)	(32,68,642)
Borrowings	26,00,000	23,47,018
Total Capital	**2,27,233**	**2,78,381**

Financial risks :

1. **Liquidity risk :**

   Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with Financial Liabilities that are settled by delivering cash or another Financial Asset.

   The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, preference shares. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company manages its Liquidity Risk through temporary funding from its ultimate holding Company and availing bank overdraft as and when require.

Notes

Forming part of financial statements as on 31st March 2021

The table below summarises the Maturity Profile of the Company's Financial Liabilities based on contractual undiscounted payments and relied by Auditors:

(₹ in '00)

Year ended 31st March 2021	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings (other than Convertible Preference Shares)	26,00,000	-	-	-	-	26,00,000
Convertible Preference Shares	-	-	-	12,00,006	-	12,00,006
Lease Liabilities	-	7,103	22,073	2,58,062	2,19,404	5,06,642
Other Financial Liabilities	-	1,58,160	1,28,626	-	-	2,86,786
Trade and Other Payables	-	1,24,901	-	-	-	1,24,901
	26,00,000	**2,90,164**	**1,50,699**	**14,58,068**	**2,19,404**	**47,18,335**

(₹ in '00)

Year ended 31st March 2020	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings (other than convertible preference shares)	23,47,018	-	-	-	-	23,47,018
Convertible Preference Shares	-	-	-	12,00,005	-	12,00,005
Lease Liabilities	-	4,314	22,583	2,16,468	2,90,175	5,33,540
Other Financial Liabilities	-	1,07,179	9,770	-	-	1,16,949
Trade and Other Payables	-	7,133	-	-	-	7,133
	23,47,018	**1,18,626**	**32,353**	**14,16,473**	**2,90,175**	**42,04,645**

The table below summarises the Maturity Profile of the Company's Financial Assets based on contractual undiscounted payments and relied by Auditors:

(₹ in '00)

Year ended 31st March 2021	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Loans	-	44	-	-	27,639	27,683
Trade Receivables	-	3,77,155	-	-	-	3,77,155
Cash and Cash Equivalents	61,256	-	-	-	-	61,256
Other Financial Assets	-	-	-	900	-	900
	61,256	**3,77,199**	**-**	**900**	**27,639**	**4,66,994**

(₹ in '00)

Year ended 31st March 2020	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Loans	-	100	-	-	25,400	25,500
Trade Receivables	-	-	-	-	-	-
Cash and Cash Equivalents	117	-	-	-	-	117
Other Financial Assets	-	-	-	900	-	900
	117	**100**	**-**	**900**	**25,400**	**26,517**

2. **Operational risks :-**

Operational risk is the risk of loss arising from system failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications or can lead to financial loss. The Company cannot expect to eliminate all operational risks, but by initiating a rigorous control framework and by monitoring and responding to potential risks, the Company is able to manage the risks. Controls include effective segregation of duties, access controls, authorisation and reconciliation procedures, staff education and assessment processes, including the use of internal audit. Business risks such as changes in environment,

Notes

Forming part of financial statements as on 31st March 2021

technology and the industry are monitored through the Company's strategic planning and budgeting process. Internal control deficiency are reviewed by management and audit committee on periodic basis.

3. **Credit risks**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to Credit Risk from its operating activities (Primarily Trade Receivables).

Movement of impairment allowance :-

(₹ in '00)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Opening Balances	-	1,61,331
Fresh provisions made	-	-
Provisions written back	-	-
Provisions transfer to ABFL on account of Demerger	-	(1,61,331)
Closing Balances	**-**	**-**

(₹ in '00)

Particulars	As at 31 Mar 21	As at 31 Mar 20
Trade Receivables	3,77,155	-
Provision made	-	-
% of Provision over Trade Receivables	0%	0%

As at 31st March 2021:-

(₹ in '00)

Particulars	Neither Past due not impaired	Past due not impaired					Total
		0 - 30 Days	30 - 60 Days	60 - 90 Days	90 - 120 Days	More Than 120 Days	
Trade Receivables	-	2,26,351	57,793	68,134	17,150	7,726	3,77,154
Loans	27,683	-	-	-	-	-	27,683
Closing Balance	**27,683**	**2,26,351**	**57,793**	**68,134**	**17,150**	**7,726**	**4,04,837**

As at 31st March 2020 :-

(₹ in '00)

Particulars	Neither Past due not impaired	Past due not impaired					Total
		0 - 30 Days	30 - 60 Days	60 - 90 Days	90 - 120 Days	More Than 120 Days	
Trade Receivables	-	-	-	-	-	-	-
Loans	25,500	-	-	-	-	-	25,500
Closing Balance	**25,500**	**-**	**-**	**-**	**-**	**-**	**25,500**

Notes

Forming part of financial statements as on 31st March 2021

NOTE: 44 The novel coronavirus (COVID-19) pandemic continues to spread across the globe including India resulting in significant volatility in financial markets and a significant decrease in global and India's economic activities. Various governments have introduced a variety of measures to contain the spread of the virus. The Indian government had announced countrywide lockdown which is continued at present in many states.

The management has, at the time of approving the financial statements, assessed the potential impact of the COVID-19 on the Company. Barring any future covid 19 related escalations, based on the current assessment, the management is of the view that impact of COVID 19 on the operations of the Company and the carrying value of its assets and liabilities is not likely to be material.

NOTE: 45 The Company has reclassified previous year's figures to confirm to current year's classification. Audited figures for Financial Year 2019-2020 as per Ind AS have been regrouped to be in line with amounts/ disclosures for the Financial Year 2020-2021.

As per the Company's Report of even date attached
For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration no. 103523W / W100048

Sumant Sakhardande
Partner
Membership No. 034828

Place : Mumbai
Date : 26th April 2021

For and on behalf of the Board of Directors of
Aditya Birla Capital Technology Services Limited Aditya Birla Customer Services Limited
(Formerly Known as Aditya Birla MyUniverse Limited)

Mukesh Malik
Director
DIN : 02125091

Pinky Mehta
Director
DIN : 00020429

Khyati Mistry
Company Secretary
Membership No. ACS57992

Aditya Birla Financial Shared
Services Limited

ADITYA BIRLA
CAPITAL

Independent Auditor's Report

To the Members of
Aditya Birla Financial Shared Services Limited

REPORT ON THE AUDIT OF THE IND AS FINANCIAL STATEMENTS

Opinion

We have audited the accompanying Ind AS financial statements of Aditya Birla Financial Shared Services Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2021, 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 then ended and notes to the Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, of the state of affairs of the Company as at 31st March 2021, its profit/loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) 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 Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act and Rules there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Ind AS financial statements.

Other Information

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

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of Management and Those Charged with Governance for the Ind AS Financial Statements

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

(1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in "Annexure 1", 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, 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 Ind AS financial statements comply with the Ind AS prescribed 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 31st March 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021 from being appointed as a director in terms of section 164(2) of the Act;

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2";

g. With respect to the other matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

The Company has not paid / provided for any Managerial Remuneration to its directors during the year.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 28 on Contingent Liabilities to the Ind AS financial statements;

(ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

per **Sumant Sakhardande**
Partner
Membership No. 034828
UDIN: 21034828AAAACG4391

Place: Mumbai
Date: 26th April 2021

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section in the Independent Auditor's Report of even date to the members of Aditya Birla Financial Shared Services Limited on the Ind AS financial statements for the year ended 31st March 2021]

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

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) During the year, the fixed assets of the Company have been physically verified by the management and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) The Company does not have any immovable property recorded as fixed assets in the books of account of the Company during the year. Accordingly, clause 3(i)(c) of the Order is not applicable to the Company.

(ii) The Company is in the business of providing services and it does not maintain any inventory. Accordingly, Clause 3(ii) of the Order is not applicable to the Company.

(iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, clause 3(iii) of the Order is not applicable to the Company.

(iv) There are no loans, guarantees and securities given in respect of which provisions of section 185 and 186 of the Act are applicable to the Company and hence not commented upon. Provisions of section 186 of the Act in respect of investment made have been complied with by the Company.

(v) In our opinion, the Company has not accepted any deposits from the public within the provisions of sections 73 to 76 of the Act and the rules framed there under. Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) The Central Government has not prescribed the maintenance of cost records for any of the products of the Company under sub-section (1) of section 148 of the Act and the rules framed there under.

(vii) (a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and services tax (GST), customs duty, cess and any other material statutory dues applicable to it, except that the delays in deposit have not been serious. During the year 2017-18, sales tax, value added tax, service tax and duty of excise subsumed in GST and are accordingly reported under GST.

No undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, GST, customs duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) There are no dues with respect to income tax, sales tax, service tax, value added tax, GST, customs duty, excise duty which have not been deposited on account of dispute, except as follows:

Name of the statute	Nature of dues	Amount ₹	Period to which the amount relates	Forum where dispute is pending	Remarks
Income Tax Act, 1961	Income Tax	37,31,508	A.Y.2014-15	CIT (Appeals)	-
Income Tax Act, 1961	Income Tax	7,78,272	A.Y.2015-16	CIT(Appeals)	-

(viii) During the year, the Company has not defaulted in repayment of loans or borrowings to bank. The Company has not taken any loans or borrowings from government or financial institution nor has it issued any debentures.

(ix) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) or term loans during the year. Accordingly, clause 3(ix) of the Order is not applicable to the Company.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.

(xi) The Company has not paid or provided managerial remuneration. Therefore, the provisions of section 197 read with Schedule V to the Act is not applicable to the Company. Accordingly, clause 3(xi) of the Order is not applicable to the Company

(xii) In our opinion, the Company is not a Nidhi Company. Therefore, clause 3(xii) of the Order is not applicable to the Company.

(xiii) All transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable, and the details have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, clause 3(xiv) of the Order is not applicable to the Company.

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with them during the year and hence provisions of section 192 of the Act are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 103523W / W100048

per **Sumant Sakhardande**
Partner
Membership No. 034828
UDIN: 21034828AAAACG4391

Place: Mumbai
Date: 26th April 2021

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of Aditya Birla Financial Shared Services Limited on the Ind AS financial statements for the year ended 31st March 2021]

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Aditya Birla Financial Shared Services Limited ("the Company") as of 31st March 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness.

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March 2021, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.103523W / W100048

per **Sumant Sakhardande**
Partner
Membership No. 034828
UDIN: 21034828AAAACG4391

Place: Mumbai
Date: 26th April 2021

Balance Sheet
as at 31st March 2021

₹ in Lakh

Particulars	Note	31 Mar 21	31 Mar 20
I ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	2A	2,391.08	2,603.91
(b) Right-to-Use of Assets		1,093.57	1,119.28
(c) Capital Work-in-Progress		11.00	11.00
(d) Intangible Assets	2B	2,191.44	1,674.21
(e) Intangible Assets Under Development		271.19	208.43
(f) Financial Assets			
(i) Loans	3A	110.73	64.27
(g) Non-Current Tax Assets	4	712.60	1,096.54
(h) Other Non-Current Assets	5A	2.12	4.21
		6,783.73	**6,781.85**
(2) Current Assets			
(a) Financial Assets			
(i) Investments	6	0.88	7.24
(ii) Cash and Cash Equivalents	7	283.93	187.72
(iii) Loans	3B	39.77	124.57
(iv) Others	8	2,295.11	2,498.16
(b) Other Current Assets	5B	1,313.03	1,045.66
		3,932.72	**3,863.35**
Total Assets		**10,716.45**	**10,645.20**
II EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	9	5.00	5.00
(b) Other Equity	9A	121.88	78.43
Total Equity		**126.88**	**83.43**
(2) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	10A	1,531.50	2,825.00
(ii) Lease Liabilities	10B	841.41	742.66
(b) Provisions	11A	173.86	259.56
		2,546.77	**3,827.22**
(3) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		750.00	-
(ii) Trade Payables - Total Outstanding Dues of	13		
Micro Enterprises and Small Enterprises		903.23	273.57
Other than Micro Enterprises and Small Enterprises		1,017.99	600.59
(iii) Lease Liabilities	10B	312.85	344.40
(iv) Other Financial Liabilities	14	3,474.53	3,571.36
(b) Other Current Liabilities	12	516.24	615.76
(c) Provisions	11B	1,067.96	1,328.87
		8,042.80	**6,734.55**
Total Liabilities		**10,589.57**	**10,561.77**
Total Equity and Liabilities		**10,716.45**	**10,645.20**
Significant Accounting Policies, Refer Note: 1			

The accompanying Notes are an integral part of the Financial Statements.
As per the Company's attached Report of even date.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No: 103523W/W100048

Sumant Sakhardande
Partner
Membership No. 034828

Place: Mumbai
Date: 26th April 2021

For and on behalf of the Board of Directors
Aditya Birla Financial Shared Services Limited

A. Dhananjaya
Director
DIN: 01744569

Ajay Kakar
Director
DIN: 02130368

Place: Mumbai
Date: 26th April 2021

Statement of Profit and Loss

for the year ended 31st March 2021

₹ in Lakh

Particulars	Note	Year ended 31 Mar 21	Year ended 31 Mar 20
Revenue from Operation		-	-
Other Income	15	43.46	40.18
Total Income		**43.46**	**40.18**
Expenditure			
(a) Employee Benefits Expenses	16	-	-
(b) Finance Costs	17	-	-
(b) Depreciation and Amortisation Expenses	18	-	-
(c) Other Expenses	19	-	-
Total Expenses		**-**	**-**
Profit Before Tax		43.46	40.18
Tax Expenses			
Current Tax		-	-
Deferred Tax		-	-
Write back of excess provision for Tax related to earlier years		-	(3.04)
Profit for the Year		**43.46**	**43.22**
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss	20	-	-
Remeasurement of Post-Employment Benefit Obligations		-	-
Income Tax relating to items that will not be reclassified to Profit or Loss		-	-
Other Comprehensive Income for the Year		**-**	**-**
Total Comprehensive Income for the Year		**43.46**	**43.22**
Earnings Per Share (Face Value of ₹10 each)	21		
– Basic (₹)		86.91	86.44
– Diluted (₹)		86.91	86.44
Significant Accounting Policies, Refer Note: 1			

The accompanying Notes are an integral part of the Financial Statements.
As per the Company's attached Report of even date.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No: 103523W/W100048

Sumant Sakhardande
Partner
Membership No. 034828

Place: Mumbai
Date: 26th April 2021

For and on behalf of the Board of Directors
Aditya Birla Financial Shared Services Limited

A. Dhananjaya
Director
DIN: 01744569

Ajay Kakar
Director
DIN: 02130368

Place: Mumbai
Date: 26th April 2021

Cash Flow Statement

for the year ended 31st March 2021

₹ in Lakh

Particulars		Year ended 31 Mar 21	Year ended 31 Mar 20
CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit Before Taxes		43.46	43.22
Adjustments for:			
Less: Profit on Sale of Property, Plant and Equipment		(9.89)	(1.81)
Less: (Gain)/Loss on fair valuation of Investments through P&L (Net)		(5.57)	-
Add: Depreciation		1,942.10	1,649.08
		1,970.10	**1,690.49**
Adjustments for:			
(Increase) / Decrease in Loans		38.33	(54.34)
(Increase) / Decrease in Other Financial Assets		203.05	(714.08)
(Increase) / Decrease in Other Non-Financial Assets		2.09	11.58
(Increase) / Decrease in Other Current Assets		(267.38)	(389.90)
Increase / (Decrease) in Trade Payables		1,047.06	221.27
Increase / (Decrease) in Other Financial Liabilities		163.50	259.10
Increase / (Decrease) in Other Liabilities		(99.51)	224.82
Increase / (Decrease) in Provisions		(346.61)	601.38
Cash Generated from Operating Activities		**2,710.63**	**1,850.31**
Less: Income Taxes Paid		383.94	(67.04)
Net Cash Generated from Operating Activities	(A)	**3,094.57**	**1,783.27**
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment		(760.66)	159.58
Purchase of Intangible Assets		(1,178.62)	(561.77)
Sale of Property, Plant and Equipment		9.89	1.81
Purchase of Mutual Fund Units		(1,542.11)	(950.00)
Redemption of Mutual Fund Units		1,554.12	965.00
Dividend Re-Investment of Mutual Funds		(0.09)	(7.87)
Net Cash Used in Investing Activities	(B)	**(1,917.46)**	**(393.26)**
CASH FLOW FROM FINANCING ACTIVITIES			
Proceed of Non-Current Borrowings		818.74	1,030.60
Proceed of Current Borrowings		750.00	-
(Repayment) of Non-Current Borrowings		(2,372.55)	(2,127.12)
(Repayment) of Lease Liabilities		(277.08)	(202.31)
Net Cash Used in Financing Activities	(C)	**(1,080.89)**	**(1,298.88)**
Net Increase / (Decrease) in Cash and Bank Balances (A+B+C)		**96.23**	**91.12**
Cash and Cash Equivalents at the beginning of the Year		187.72	96.59
Cash and Cash Equivalents at the end of the Year		**283.94**	**187.72**
Components of Cash and Cash Equivalents			
Balance in Current Account		283.93	187.72
Total		**283.93**	**187.72**

Cash Flow from Operations includes:

Particulars	Period Ended	
	31 Mar 21	31 Mar 20
a. Interest Paid	550.95	575.05
b. Dividend Received	0.09	7.87

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

Significant Accounting Policies, Refer Note: 1

The accompanying Notes are an integral part of the Financial Statements.
As per the Company's attached Report of even date.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No: 103523W/W100048

Sumant Sakhardande
Partner
Membership No. 034828

Place: Mumbai
Date: 26th April 2021

For and on behalf of the Board of Directors
Aditya Birla Financial Shared Services Limited

A. Dhananjaya
Director
DIN: 01744569

Ajay Kakar
Director
DIN: 02130368

Place: Mumbai
Date: 26th April 2021

Statement of Changes in Equity
for the year ended 31st March 2021

(A) EQUITY SHARE CAPITAL

₹ in Lakh

Particulars	As at 31 Mar 21		As at 31 Mar 20	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares of Face Value of ₹10/- each issued on subscribed and fully paid up				
Balance at the beginning of the Year	50,000	5.00	50,000	5.00
Changes in Equity Share Capital during the Year				
Balance as at 31st March 2021		**5.00**		**5.00**

(B) OTHER EQUITY

₹ in Lakh

Particulars	Reserves and Surplus		Total Other Equity
	Retained Earnings	General Reserve	
Balance as of 1st April 2020	78.43	-	78.43
Profit for the Year	43.46	-	43.46
Total Comprehensive Income	**43.46**	**-**	**43.46**
Balance as at 31st March 2021	**121.88**	**-**	**121.88**

(C) FOR THE YEAR ENDED 31ST MARCH 2020

₹ in Lakh

Particulars	Reserves and Surplus		Total Other Equity
	Retained Earnings	General Reserve	
Balance as at 1st April 2019	52.78	-	52.78
Profit for the Year	43.22	-	43.22
Total Comprehensive Income	**43.22**	**-**	**43.22**
Addition/(Subtraction) during the Year			-
Less: Adjustment on account of adoption of Ind AS 116	(17.58)		(17.58)
Balance as at 31st March 2020	**78.43**	**-**	**78.43**

Significant Accounting Policies, Refer Note: 1

The accompanying Notes are an integral part of the Financial Statements.
As per the Company's attached Report of even date.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No: 103523W/W100048

Sumant Sakhardande
Partner
Membership No. 034828

Place: Mumbai
Date: 26th April 2021

For and on behalf of the Board of Directors
Aditya Birla Financial Shared Services Limited

A. Dhananjaya
Director
DIN: 01744569

Ajay Kakar
Director
DIN: 02130368

Place: Mumbai
Date: 26th April 2021

Notes

Forming part of the Financial Statements as on 31st March 2021

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION (NOTES) FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

A. COMPANY OVERVIEW:

Aditya Birla Financial Shared Services Limited ('the Company') was incorporated on 19th June 2008 under the provisions of the Companies Act, 1956. The registered office of the Company is located at India Bulls Centre, Tower 1, 18th Floor, Senapati Bapat Marg, Elphinstone Road, Mumbai-400 013. It is a 100% subsidiary of Aditya Birla Capital Limited. The object of this Company is to provide a common pool of facilities and resources like providing technology, application and business process services to its group companies, with a view to optimise the benefits of specialisation and minimise the cost for each member Company. The member companies have participated in the common pool of facilities and share the expenses incurred by the Company.

B. SIGNIFICANT ACCOUNTING POLICIES:

1.1 (A) Basis of Preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS), notified under the Companies (Indian Accounting Standards) Rules, 2015, notified on 16th February 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2017. As per notification, Listed Companies with net worth of ₹500 Crore or more are required to prepare IND AS financials from 1st April 2016. Holding, subsidiary and associate companies of aforesaid companies are required to prepare IND AS financials from 1st April 2016. As the Holding Company, i.e., Aditya Birla Capital Limited is a Subsidiary of Grasim Industries Limited, which, a Listed Company, is having net worth more than of ₹500 Crore, the Company has prepared its financials under IND AS for consolidation.

For all the periods up to the year ended 31st March 2016, the Company has prepared its financial statements in accordance with accounting standards notified under the Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). The financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities have been measured at fair value.

(B) Functional and Presentation Currency

These financial statements are presented in Indian Rupees ₹, which is also the Company's functional currency. All the amounts have been rounded off to the nearest lakh rupees, unless otherwise indicated.

Accounting Policies and Notes to the financial statements given hereunder are exhaustive and are in line with Ind AS, however, few of them are not applicable to the Company.

1.2 Use of Estimates

The preparation of financial statements, in conformity with Indian Accounting Standards (Ind AS), requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as at the date of the financial statements and the reported income and expenses during the reporting period. Although, these estimates are based on the management's best knowledge of current events and actions, uncertainly about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amount of assets or liabilities in future periods.

1.3 Cash and Cash Equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and on hand and short-term investments with an original maturity of three months or less.

1.4 Property, Plant and Equipment and Depreciation

Property, plant and equipment is stated at cost, less accumulated depreciation and impairment loss, if any. Cost comprises of the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Any trade discounts and rebates are deducted in arriving at the purchase price.

The Company has elected to regard those values of property as deemed cost at the date of the revaluation since they were broadly comparable to fair value.

All property, plant and equipment are stated at cost net off accumulated depreciation and impairment losses, if any. In case of capital work-in-progress it is stated at cost.

Notes

Forming part of the Financial Statements as on 31st March 2021

Depreciation on property, plant and equipment is provided on straight-line basis using the rates arrived at based on the useful estimated lives by the management.

The Company has used the following useful life to provide depreciation on its fixed assets.

Asset Type	Management's Estimate of Useful Life (in Years)		Useful Life as Prescribed by Schedule II of the Co. Act, 2013
	till 31 Mar 18	w.e.f 1 Apr 18	
i) Office Computers and Servers			
a. Servers	4 years	5 years	6 years
b. Others	4 years	5 years	3 years
ii) Furniture and Fixtures	5 years	5 years	10 years
iii) Vehicles	5 years	5 years	8 years

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of property, plant and equipment over estimated useful lives, which are different from the useful life prescribed in Schedule II of the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Assets individually costing less than Rupees Five Thousand, are fully depreciated in the year of purchase.

Depreciation on the property, plant and equipment added/ disposed off/discarded during the year is provided on pro-rata basis with reference to the month of addition/ disposal/discarding.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

1.5 Intangible Assets and Amortisation

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit and loss in the period in which the expenditure incurred. The Company has used the following useful life on intangible assets:

Asset Type	Management's Estimate of Useful Life (in Years)		Useful Life as Prescribed by Schedule II of the Co. Act, 2013
	till 31 Mar 18	w.e.f 1 Mar 18	
i) Intangible Assets - Software	3 years	5 years	6 years

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss, unless such expenditure forms part of carrying value of another asset.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses, arising from de-recognition of an intangible asset, are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is de-recognised.

1.6 Current versus Non-Current Classification

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

Notes

Forming part of the Financial Statements as on 31st March 2021

1.7 Revenue Recognition

A) Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind AS. The Company recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a goods or services to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract, that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

B) Investments are recorded at cost on the date of purchase, which includes acquisition charges, such as brokerage, stamp duty, taxes, etc. Current investments are stated at market value. Long-term investments are stated at cost after deducting provisions made, if any, for other than temporary diminution in the value.

C) Interest income is recognised in the profit or loss account on accrual basis.

D) Dividend income on investment is accounted for when the right to receive the payment is established, which is generally when shareholders approve the dividend.

E) Realised profit/loss on sale/redemption of mutual fund units is computed on weighted-average cost basis.

1.8 Foreign Currency Transactions

Transactions in foreign currency are recorded at the rate of exchange prevailing at the date of the transaction. Monetary assets and liabilities in foreign currency are translated at the rates existing as at the Balance Sheet date. The resulting exchange gain or loss for revenue transactions is reflected in the Statement of Profit and Loss. Non-monetary items are measured in terms of historical cost in foreign currency, duly translated using the exchange rate at transaction date.

1.9 Retirement and other Employee Benefits

A) Defined Contribution Plan

The Company has no obligation, other than the contribution payable to the provident fund under defined contribution plan. The Company recognises contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability, after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

B) Defined Benefit Plan

The Company operates three defined benefit plans for its employees, viz., gratuity, leave encashment, and long-term incentive plan. The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to separately administered fund.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods. The costs of providing benefits under these plans

Notes

Forming part of the Financial Statements as on 31st March 2021

are determined based on actuarial valuation at each year end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Actuarial gains and losses for both defined benefit plans are recognised in full in the period in which they occur in the Statement of Profit and Loss.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

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

The Company treats accumulated leave expected to be carried forward beyond 12 months, as long-term employee benefit for measurement and presentation purpose. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss, and are not deferred.

The Company has long-term incentive plan for different cadre of employees. The current year provision is based on the management estimates.

1.10 Finance Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is or contains lease, if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys; a right-to-use the asset or assets, even if that right is not explicitly specified in an arrangement. For arrangements entered into prior to 1st April 2015, the Company has determined whether the arrangement contains lease on the basis of facts and circumstances existing on the date of transition to Ind AS.

Leases, where substantially all the risks and benefits incidental to ownership of the leased item are transferred to the Lessee, are classified as finance lease. The Company has capitalised the leased item at lower of fair value and present value of the minimum lease payments at the inception of the lease and disclosed as leased assets.

Lease payments are apportioned between the finance charges and reduction of the lease liability, based on implicit rate of return.

Assets acquired under finance leases are capitalised at the fair value of the leased asset at the inception of the lease, and are depreciated on a straight-line basis over the useful life, in accordance with the Company's depreciation policy.

1.11 Operating Lease

Leases, in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee, are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease, unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

The Group as a Lessee:

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

(1) the contract involves the use of an identified asset,

(2) the Group has substantially all the economic benefits from the use of the asset through the period of the lease, and

(3) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises right–of–use ("ROU") asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term.

Notes

Forming part of the Financial Statements as on 31st March 2021

ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use asset, if the Group changes its assessment on exercise of an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet, and lease payments have been classified as financing cash flows.

The Group as a Lessor:

Leases, for which the Company is a lessor, are classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease.

1.12 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

1.13 Income Tax

Tax expense comprises of current and deferred tax. Provision for current tax is made on the basis of estimated taxable income for the current accounting year, in accordance with the Income-tax Act, 1961. Tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts, and there is an intention to settle the asset and the liability on a net basis. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date, and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. The Company off sets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. The income tax provision for the inter-imperiod is made based on the best estimate of the annual average tax rate, expected to be applicable for the full fiancial year. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

1.14 Impairment of Assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivables and credit risk exposure:

a. **Impairment of financial assets**

Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no

Notes

Forming part of the Financial Statements as on 31st March 2021

significant financingcomponent ismeasured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition, in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal), that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised, is recognised as an impairment gain or loss in profit or loss.

b. **Non-Financial Assets**

Intangible Assets and Equipment

Intangible assets, and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis.

If such assets are considered to be impaired, the impairment to be recognised in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss, if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

1.15 Financial Instruments

a. **Financial Liabilities**

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss. All financial liabilities are recognised initially at fair value, in the case of loans and borrowings, and payables net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payable loans and borrowings, including bank overdrafts, and any other financial instruments.

Subsequent Measurement

i) **Financial liabilities at fair value through profit or loss:**

Financial liabilities, designated upon initial recognition at fair value through profit or loss, are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities, designated as FVTPL, fair value gains/losses attributable to changes in own credit risk is recognised in OCI. These gains/losses are not subsequently transferred to Profit and Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss. The Company has not designated any financial liability as at fair value through profit and loss.

ii) **Loans and Borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. This category generally applies to borrowings.

iii) **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

b. **Financial Assets**

Initial Recognition and Measurement:

A All financial assets are recognised initially at fair value plus in the case of financial assets not recorded at fair value through profit or loss

Notes

Forming part of the Financial Statements as on 31st March 2021

transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

For the purpose of subsequent measurement, financial assets are classified in four categories

i) **Debt Instruments at Amortised Cost**

A 'debt instrument' is measured at the amortised cost, if both the following conditions are met

a) **Business Model Test :** The objective of the Company's model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).

b) **Cash Flow Characteristics Test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

ii) **Debt Instruments at Fair Value Through Other Comprehensive Income (FVTOCI)**

A 'debt instrument' is classified as at the FVTOCI, If both of the following criteria are met:

a) **Business Model Test:** The financial asset is held within a business model, whose objective is achieved both by collecting contractual cash flows and selling the financial assets.

b) **Cash Flow Characteristics Test:** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income impairment losses and reversals in the P&L. On derecognition of the asset cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned, whilst holding FVTOCI debt instrument, is reported as interest income using the EIR method.

iii) **Debt Instruments Equity Instruments at Fair Value Through Profit or Loss (FVTPL)**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed, only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

iv) **Equity Instruments Measured at Fair Value Through Other Comprehensive Income (FVTOCI)**

All equity investments, in scope of lnd AS 109, are measured at fair value. Equity instruments, which are held for trading and contingent consideration recognised by an acquirer in a business combination to which lnd AS 103 applies, are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The

Notes

Forming part of the Financial Statements as on 31st March 2021

classification is made on initial recognition, and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

Effective from September 2020, prepaid assets individually costing less than Fifty Thousand are fully amortise in the year of purchase.

Financial assets and financial liabilities are offset, and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

1.16 Contingent Liabilities/Assets and Commitments

Contingent liability is disclosed in the case of

- Present obligation arising from past event, when it is not probable that an outflow of resources will be required to settle the obligation.
- A present obligation arising from past event, when no reliable estimate is possible.
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent liabilities are disclosed by way of notes.

Contingent assets are possible assets that arise from a past event and whose existence is confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Where inflow of economic benefits is probable, the Company shall disclose a brief description of the nature of the contingent assets at the Balance Sheet date and, where practicable, an estimate of their financial estimate. Where any of the information required above is not disclosed because it is not practicable to do so, the fact shall be disclosed. In extremely rare circumstances, when disclosure of any or all the above information is considered to be seriously prejudicial to the position of the entity in a dispute with other parties on the subject matter of the contingent asset, the Company does not need to disclose the information, but will disclose the general nature of the dispute, together with the fact and reason why the information, has not been disclosed. Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each Balance Sheet date.

1.17 Cash Flow Statement

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

1.18 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted-average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net 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.

Notes

Forming part of the Financial Statements as on 31st March 2021

NOTE: 2A PROPERTY, PLANT AND EQUIPMENT

₹ in Lakh

	Computer & Servers	Furniture& Fixtures	Office Equipment	Vehicles	TOTAL
Gross Block					
As at 1st April 2019	4,612.20	314.41	32.11	198.58	5,157.30
Additions	186.87	3.51	1.14	-	191.52
Deletions/Adjustments	(116.56)	-	-	(18.93)	(135.48)
Adjustments	(0.09)	-	0.09	-	-
As at 31st March 2020	**4,682.42**	**317.93**	**33.34**	**179.65**	**5,213.34**
Additions	774.37	-	4.40	7.20	785.98
Deletions/Adjustments	(7.66)	-	-	(35.87)	(43.52)
Adjustments					
As at 31st March 2021	**5,449.13**	**317.93**	**37.74**	**150.99**	**5,955.79**
Accumulated Depreciation					
As at 1st April 2019	1,633.62	64.88	6.82	55.55	1,760.88
For the Year	861.68	63.27	7.02	36.37	968.35
Deletions/Adjustments	(116.56)	-	-	(3.24)	(119.80)
As at 31st March 2020	**2,378.75**	**128.14**	**13.85**	**88.68**	**2,609.43**
For the Year	872.53	62.77	6.94	31.49	973.73
Deletions/Adjustments	(2.65)	-	-	(15.80)	(18.45)
As at 31st March 2021	**3,248.64**	**190.91**	**20.79**	**104.37**	**3,564.71**
Net Book Amount as at 31st March 2021	**2,200.50**	**127.01**	**16.95**	**46.62**	**2,391.08**
Net Book Amount as at 31st March 2020	**2,303.66**	**189.78**	**19.49**	**90.97**	**2,603.91**

NOTE: 2B INTANGIBLE ASSETS

₹ in Lakh

	Specialised Software	TOTAL
As at 31st March 2019	2,625.22	2,625.22
Additions	446.21	446.21
Deletions/Adjustments		
Adjustments		
As at 31st March 2020	**3,071.44**	**3,071.44**
Additions	1,115.86	1,115.86
Deletions/Adjustments		
Adjustments		
As at 31st March 2021	**4,187.29**	**4,187.29**
Accumulated Depreciation		
As at 31st March 2019	918.20	918.20
For the Year	479.03	479.03
Deletions/Adjustments	-	-
As at 31st March 2020	**1,397.23**	**1,397.23**
For the Year	598.62	598.62
Deletions/Adjustments	-	-
As at 31st March 2021	**1,995.85**	**1,995.85**
Net Book Amount as at 31st March 2021	**2,191.44**	**2,191.44**
Net Book Amount as at 31st March 2020	**1,674.21**	**1,674.21**

Notes

Forming part of the Financial Statements as on 31st March 2021

NOTE: 3A LONG-TERM LOANS AND ADVANCES

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Security Deposits - Held at Amortised Cost		
Unsecured, Considered Good	110.73	64.27
	110.73	**64.27**

NOTE: 3B SHORT-TERM LOANS AND ADVANCES

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Security Deposits - Held at Amortised Cost		
Unsecured, Considered Good	39.77	124.57
	39.77	**124.57**

NOTE: 4 NON-CURRENT TAX ASSETS

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Advance Tax/TDS (Net of Provision of Tax ₹21.04 Lakh, P.Y.: ₹21.04 Lakh)	712.60	1,096.54
	712.60	**1,096.54**

NOTE: 5A OTHER NON-CURRENT ASSETS

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Prepaid Expenses	2.12	4.21
	2.12	**4.21**

NOTE: 5B OTHER CURRENT ASSETS

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Other Taxes Recoverable, and Dues from Government Goods and Services Tax		-
Prepaid Expenses	208.95	365.60
Gratuity (Funded)	1,084.01	670.31
Advance for Expenses - Others	20.07	9.75
	1,313.03	**1,045.66**

NOTE: 6 INVESTMENTS

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
- Unquoted		
- Classified at FVTPL		
- Mutual Funds	-	7.24
Nil Units (P.Y.: 14,329.104) ABSL Liquid Fund - Daily Dividend - Direct Plan - Re-Investment Repurchase Price ₹ Nil (P.Y.: ₹7.24 Lakh)		
266.260 Units ABSL Liquid Fund - Growth - DIRECT Repurchase Price ₹0.88 Lakh (P.Y.: ₹Nil)	0.88	-
	0.88	**7.24**

Notes

Forming part of the Financial Statements as on 31st March 2021

NOTE: 7 CASH AND CASH EQUIVALENTS

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Balances with Banks		
Current Accounts	283.93	187.72
	283.93	**187.72**

NOTE: 8 OTHER FINANCIAL ASSETS

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Current		
Reimbursement of Expenses Receivables from Related Parties. (Refer Annexure 1)	2,295.11	2,498.16
	2,295.11	**2,498.16**

- For ageing analysis of Other Financial Assets, refer to Note 25.

NOTE: 9 EQUITY SHARE CAPITAL

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Authorised:		
50,000 Equity Shares (P.Y.: 50,000 Equity Shares) of ₹10 each	5.00	5.00
Total	**5.00**	**5.00**
Issued, Subscribed and Paid-up:		
50,000 Equity Shares (P.Y.: 50,000 Equity Shares) of ₹10 each	5.00	5.00
Total	**5.00**	**5.00**

1 Term/Right attached to Equity Shares:

The Company has only one class of Equity Shares having a par value of ₹10 per Share. Each holder of Equity Shares is entitled to one vote per Share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

2 Reconciliation of the number of Shares outstanding at the beginning and at the end of the year

Sr. No.	Description	As at 31 Mar 21		As at 31 Mar 20	
		Equity Shares	Rupees	Equity Shares	Rupees
1	No. of Shares Outstanding at the beginning of the Year	50,000	5,00,000	50,000	5,00,000
2	Add/(Less): Issued/Buyback	-	-	-	-
3	No. of Shares Outstanding at the end of the Year	50,000	5,00,000	50,000	5,00,000

3 All the Equity Share Capital are held by its Holding Company, i.e., Aditya Birla Capital Limited.

Name of Shareholder	As at 31 Mar 21		As at 31 Mar 20	
	No. of Shares Held	% of Total Paid-up Equity Share Capital	No. of Shares Held	% of Total Paid-up Equity Share Capital
Aditya Birla Capital Limited	50,000	100%	50,000	100%

Notes

Forming part of the Financial Statements as on 31st March 2021

4 Shares in the Company held by each shareholder holding more than 5 per cent Shares specifying the number of Shares held.

Name of Share Holder	As at 31 Mar 21		As at 31 Mar 20	
	No. of Shares Held	% of Total Paid-up Equity Share Capital	No. of Shares Held	% of Total Paid-up Equity Share Capital
Aditya Birla Capital Limited	50,000	100%	50,000	100%

5 There are no Equity Shares issued as fully paid-up pursuant to any contract in consideration of other than cash or bonus shares or bought back during the preceding last five years.

NOTE: 9A RETAINED EARNINGS

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
i) Surplus in Profit and Loss Account		
Opening Balance	78.43	52.78
Surplus in Profit and Loss Account	43.46	43.22
Less: Adjustment on account of adoption of Ind AS 116	-	(17.58)
	121.88	**78.43**
Total Balance of Other Equity	**121.88**	**78.43**

NOTE: 10A BORROWINGS

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Secured		
Finance Lease Liabilities	321.17	1,028.26
Taken from Hewlett Packard Financial Services (India) Private Limited against IT hardware of the Company.		
Repayment Terms: Between 1 - 16 Quarterly Instalments from 1st April 2021 till 1st January 2024 with interest ranging from 10.21% to 10.92% per annum.		
	321.17	**1,028.26**
Unsecured		
Rupee Term Loans from		
Others	1,210.33	1,796.74
Repayment Terms: Between 1 - 16 Quarterly Instalments from 1st April 2021 till 1st August 2024 with interest ranging from 9.15% to 10.92% per annum.		
	1,210.33	**1,796.74**
Total Long-Term Borrowings	**1,531.50**	**2,825.00**

- For explanations on the Company's Liquidity Risk Management processes, refer to Note 25.

NOTE: 10B LEASE LIABILITIES

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Finance Lease Liabilities - Premises	1,154.27	1,087.06
	1,154.27	**1,087.06**
Current	312.85	344.40
Non-Current	841.41	742.66

Notes

Forming part of the Financial Statements as on 31st March 2021

NOTE: 11A NON-CURRENT PROVISIONS

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Provision for Employee Benefits		
Provision for Leave Encashment (Unfunded)	58.91	105.49
Provision for Sick Leave (Unfunded)	114.94	154.07
	173.86	**259.56**

NOTE: 11B CURRENT PROVISIONS

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Provision for Employee Benefits		
Provision for Long-term Incentive Plan	347.15	312.53
Provision for Leave Encashment (Unfunded)	7.90	2.26
Provision for Sick Leave (Unfunded)	59.14	62.14
Provision for Gratuity Obligations	653.77	951.94
	1,067.96	**1,328.87**

NOTE: 12 OTHER CURRENT LIABILITIES

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Withholding Tax Payables	136.61	163.28
GST Payables	140.23	188.67
Other Statutory Dues	51.30	43.32
Income Received in Advance - Refer Annex 1	188.09	220.48
	516.24	**615.76**

NOTE: 13 TRADE PAYABLES - TOTAL OUTSTANDING DUES OF

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
- Micro Enterprises and Small Enterprises	903.23	273.57
- Other than Micro Enterprises and Small Enterprises	1,017.99	600.59
	1,921.22	**874.16**

There are no Micro and Small Enterprises to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March 2021, and no interest payment made during the year to any Micro and Small Enterprises. This information, as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

Notes

Forming part of the Financial Statements as on 31st March 2021

NOTE: 14 OTHER FINANCIAL LIABILITIES

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Current:		
Current Maturity of Unsecured Borrowings	1,263.48	1,275.36
Current Maturity of Secured Borrowings	716.29	964.74
Interest Accrued but not Due	57.70	86.98
Accrued Expenses	763.77	640.28
Other Employee Related Obligations	673.28	604.00
	3,474.53	**3,571.36**

- For explanations on the Company's Liquidity Risk Management processes, refer to Note 25.

NOTE: 15 OTHER INCOME

₹ in Lakh

	Year ended 31 Mar 21	Year ended 31 Mar 20
Dividend Income	0.09	7.87
Gain/(Loss) on fair valuation of Investment through P&L (Net)	5.57	-
Miscellaneous Income	-	0.01
Profit on Sale of Assets	9.89	1.81
Interest on Income Tax Refund	27.91	30.49
	43.46	**40.18**
Realised	5.55	-
Unrealised	0.02	-

NOTE: 16 EMPLOYEE BENEFIT EXPENSES

₹ in Lakh

	Year ended 31 Mar 21	Year ended 31 Mar 20
Salaries, Wages and Bonus	4,129.35	4,337.52
Contribution to Provident and Other Funds	381.81	366.92
Employee Stock Options	21.12	43.19
Staff Welfare Expenses	57.00	73.41
	4,589.28	**4,820.74**
Less : Recovery as Professional Services Cost	(4,589.28)	(4,820.74)
	-	-

NOTE: 17 FINANCE COSTS

₹ in Lakh

	Year ended 31 Mar 21	Year ended 31 Mar 20
Interest on Finance Lease/Loan Obligations	550.95	575.05
Interest on ICD	9.92	-
Less: Recovery as Professional Services Cost	(560.87)	(575.05)
	-	-

Notes

Forming part of the Financial Statements as on 31st March 2021

NOTE: 18 DEPRECIATION AND AMORTISATION EXPENSES

₹ in Lakh

	Year ended 31 Mar 21	Year ended 31 Mar 20
Depreciation on Property, Plant and Equipment	973.73	968.35
Depreciation on Right-of-Use Assets	369.75	201.70
Amortisation on Intangible Assets	598.62	479.03
	1,942.10	**1,649.08**
Less: Recovery as Professional Services Cost	(1,942.10)	(1,649.08)
	-	-

NOTE: 19 OTHER EXPENSES

₹ in Lakh

	Year ended 31 Mar 21	Year ended 31 Mar 20
Rent - Premises	(6.22)	16.06
Rent - Others	-	32.95
Repairs and Maintenance (Others)	66.29	67.13
insurance	50.40	25.76
Legal and Professional Charges	1,826.90	2,367.47
Auditors' Remuneration		
- Audit Fees	4.50	4.50
- Tax Audit Fees	1.00	1.00
- Other Services	1.80	1.80
- Reimbursement of Expenses	0.22	0.24
Software and Support Expenses	1,962.54	2,087.66
Electricity Charges	27.32	22.09
Printing and Stationery	0.87	16.11
Travelling and Conveyance	46.54	111.59
Communication Expenses	256.54	181.80
Postage and Telegram	0.58	1.44
Call Centre Expenses	1,017.60	405.73
Security Expenses	23.42	16.56
Service Charges	86.84	39.41
Rates and Taxes	16.15	21.68
Reward and Recognition	35.29	72.99
Training, Seminar and Membership Expenses	19.76	44.77
Interest on TDS and Service Tax	1.61	1.83
Miscellaneous Expenses	9.98	14.17
Recruitment Expenses	1.89	3.11
	5,451.81	**5,557.85**
Less: Recovery as Professional Services Cost	(5,451.81)	(5,557.85)
	-	-

NOTE: 20 OTHER COMPREHENSIVE INCOME

₹ in Lakh

	Year ended 31 Mar 21	Year ended 31 Mar 20
Employee Benefit Expenses (Gratuity)	(497.55)	95.03
Less: Recovery (Net) as Professional Services Cost	497.55	(95.03)
	-	-

Notes

Forming part of the Financial Statements as on 31st March 2021

NOTE: 21 EARNINGS PER SHARE

₹ in Lakh

		Year ended 31 Mar 21	Year ended 31 Mar 20
Earnings Per Share (EPS) is calculated as under:			
Net Profit as per the Statement of Profit and Loss		43.46	43.22
Net Profit for EPS	(A)	43.46	43.22
Weighted-Average Number of Equity Shares for calculation of Basic EPS	(B)	50,000	50,000
Basic EPS (₹)	(A/B)	86.91	86.44
Weighted-Average Number of Equity Shares Outstanding		50,000	50,000
Weighted-Average Number of Equity Shares for calculation of Diluted EPS	(C)	50,000	50,000
Diluted EPS (₹)	(A/C)	86.91	86.44
Nominal Value of Shares (₹)		10	10

NOTE: 22 EMPLOYEE BENEFITS

The Company has classified the various benefits provided to employees as under:

Defined Contribution Plans

Contributions to defined contribution plans recognised as expense for the year are as under:

₹ in Lakh

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
Employer's Contribution to Government Employee Provident Fund	126.08	129.89
Employer's Contribution to Government Employee Pension Fund	78.23	64.08
Employer's Contribution to Government Employee State Insurance Claim	19.62	18.02

Defined Benefit Plans

The Company recognised costs related to its post-employment defined benefit plans on an actual basis. Remeasurements [comprising of actuarial gains and losses, the effect of the asset ceiling], excluding amounts included in net interest on the net defined benefit liability, and the return on plan assets, excluding amounts included in net interest on the net defined benefit liability, are recognised in Balance Sheet through other comprehensive income. Thus, employee benefits expense is decreased by ₹497.55 Lakh, and is recognised in other comprehensive income during the year ended 31st March 2021, and the same has been allocated to related parties.

Gratuity is payable to all eligible employees on superannuation, death or on separation/termination in terms of the provisions of the Payment of Gratuity Act or as per the Company's policy, whichever is beneficial to the employees.

Leave Encashment/Sick Leave is entitled to be carried forward for future encashment or availment, at the option of the employee, during the tenure of the employment.

Notes

Forming part of the Financial Statements as on 31st March 2021

A. Gratuity

The following table sets out the funded status of the gratuity plan and unfunded status of paid leave encashment and the amounts recognised in the Company's financial statements as at 31st March 2021.

i Amounts recognised in the Balance Sheet in respect of Gratuity

₹ in Lakh

	Year ended 31 Mar 21	Year ended 31 Mar 20
Present Value of the Funded Defined Benefit Obligations at the end of the Year	653.77	951.94
Fair Value of Plan Assets	1,084.01	670.31
Net (Assets)/Liabilities	**(430.24)**	**281.63**
Amounts recognised in Employee Benefits Expenses in the Statement of Profit and Loss in respect of Gratuity		
Current Services Cost	138.60	137.08
Interest on Net Defined Benefit Liabilities/(Assets)	19.28	17.85
Past Service Cost	-	-
Net Gratuity Cost	**157.88**	**154.93**
Amount recognised in Other Comprehensive Income (OCI) for the Year		
Actual Return on Plan Assets excluding interest income	(86.19)	(14.28)
Actuarial Changes Arising from Changes in Demographic Assumptions	(89.13)	1.09
Actuarial Changes Arising from Changes in Financial Assumptions	(143.03)	125.57
Actuarial Changes Arising from Changes in Experience Assumptions	(179.19)	(17.35)
Closing Amount Recognised in OCI outside Profit and Loss Account	**(497.55)**	**95.03**

ii Reconciliation of present value of the Obligations and the Fair Value of the Plan Assets:

₹ in Lakh

	Year ended 31 Mar 21	Year ended 31 Mar 20
Change in Net Liabilities/ Assets		
Opening Net Defined Benefit Liabilities/(Assets)	281.63	229.84
Expenses Charged to Profit and Loss Account	157.88	154.93
Amount Recognised outside Profit and Loss Account - OCI	(497.55)	95.03
Employer Contributions	(372.20)	(198.16)
Closing Net Defined Benefit Liabilities/(Assets)	**(430.24)**	**281.63**
Change in Present Value of the Obligations:		
Opening Defined Benefit Obligations	951.94	625.31
Current Service Cost	138.60	137.08
Interest Cost	65.16	48.56
Actuarial Changes Arising from Changes in Demographic Assumptions	(89.13)	1.09
Actuarial Changes Arising from Changes in Financial Assumptions	(143.03)	125.57
Actuarial Changes Arising from Changes in Experience Assumptions	(179.19)	(17.35)
Benefits Paid	(90.57)	31.68
Closing Defined Benefit Obligations	**653.77**	**951.94**
Change in Fair Value of the Plan Assets:		
Opening Fair Value of the Plan Assets	670.31	395.47
Interest Income on Plan Assets	45.88	30.71
Actual Return on Plan Assets less interest on Plan Assets	86.19	14.28
Contributions by the Employer	372.20	198.16
Benefits Paid	(90.57)	31.68
Closing Fair Value of the Plan Assets	**1,084.01**	**670.31**

Notes

Forming part of the Financial Statements as on 31st March 2021

iii **Funding Arrangement and Policy**

The money contributed by the Company to the fund, to finance the liabilities of the plan, has to be invested. The trustees of the plan are required to invest the funds as per the prescribed pattern of investments laid out in the Income Tax Rules for such approved schemes. Due to the restrictions in the type of investments, that can be held by the fund, it is not possible to explicitly follow an asset-liability matching strategy to manage risk actively.

There is no compulsion on the part of the Company to fully pre-fund the liability of the plan. The Company's philosophy is to fund the benefits based on its own liquidity and tax position, as the well as the level of underfunding of the plan.

Estimated amount of contribution expected to be paid to the fund during the annual period being after the Balance Sheet date is ₹ Nil (Previous Year: ₹457.54 Lakh).

Maturity Profile of Defined Benefit Obligations

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Within the next 12 months (next annual reporting period)	27.00	5.06
Between 2 and 5 years	91.08	48.22
Between 6 and 10 years	231.10	135.47
Above 10 years	1,197.14	3,104.69

The weighted-average duration to the payment of these cash flows is 12 years (Previous Year: 17 years).

iv **Quantitative sensitivity analysis for significant assumption is as below:**

Increase/decrease on present value of defined benefits obligations at the end of the year

₹ in Lakh

	As at 31 Mar 21		As at 31 Mar 20	
i) 50 bps Increase in Discount Rate	616.43	-5.70%	879.29	-7.60%
ii) 50 bps Decrease in Discount Rate	694.21	6.20%	1,032.05	8.40%
i) 50 bps Increase in Salary Growth Rate	693.33	6.10%	1,029.38	8.10%
ii) 50 bps Decrease in Salary Growth Rate	616.86	-5.60%	880.87	-7.50%
i) 50% Increase in Attrition Rate	620.05	-5.20%	920.14	-3.30%
ii) 50% Decrease in Attrition Rate	705.79	8.00%	988.72	3.90%
i) 10% Increase in Mortality Rate	653.46	0.00%	950.70	-0.10%
ii) 10% Decrease in Mortality Rate	654.09	0.00%	953.18	0.10%

v **Sensitivity Analysis Method**

These sensitivities have been calculated to show the movement in defined benefit obligations 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.

₹ in Lakh

Disaggregation of Plan Assets	Period Ended 31 Mar 21	
	Quoted Value	Total
Government Debt Instruments	65.37	65.37
Other Debt Instruments	67.43	67.43
Special Deposit Scheme	-	-
Insurer Managed Funds	435.88	435.88
Others	515.34	515.34
Grand Total	**1,084.01**	**1,084.01**

Notes

Forming part of the Financial Statements as on 31st March 2021

₹ in Lakh

Disaggregation of Plan Assets	Period Ended 31 Mar 20	
	Quoted Value	Total
Government Debt Instruments	29.43	29.43
Other Debt Instruments	4.76	4.76
Special Deposit Scheme	-	-
Insurer Managed Funds	258.00	258.00
Others	378.12	378.12
Grand Total	**670.31**	**670.31**

There are no amount included in the Fair Value of Plan Assets for:

i) Company's own Financial Instrument

ii) Properties occupied by or other assets used by the Company.

vi **Principal Actuarial Assumptions at the Balance Sheet Date**

	As at 31 Mar 21	As at 31 Mar 20
Discount Rate	6.35%	6.85%
Salary Growth		
Salary Growth Rate	8.25%	10.00%
Mortality Rate during Employment	100.00%	100.00%
Rate of Employee Turnover		
Age - Up to 30 Years	11.90%	11.90%
Age 31 to 44 Years	11.90%	2.40%
Age 44 and above	0.00%	0.00%

Disability:- Leaving service due to disability is included in the provision made for all causes of leaving service (as above).

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

B) The net provision for unfunded leave encashment/sick leave liability upto 31st March 2021 is ₹240.90 Lakh (P.Y.: ₹323.96 Lakh).

C) Employee Stock Options Plan

ESOP Scheme of Aditya Birla Capital Limited for employees employed in various group companies, including Aditya Birla Financial Shared Services Limited (ABFSSL). Based on fair valuation of ESOP liability, ABCL has charged ₹21.12 Lakh to ABFSSL during FY 2020-21 being its proportionate share of benefits, and the same has been recovered by ABFSSL from its Business Units.

NOTE: 23 RELATED PARTY TRANSACTIONS

During the year ended 31st March 2021, the Company had transactions with related parties as defined in Ind AS 24 on "Related Party Disclosures". Related parties have been identified by the management on the basis of the information available with the Company. Details of these parties, with whom the Company had transactions, nature of the relationship, transactions with them and balances at year end, are detailed in Annexure 1.

CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

Notes

Forming part of the Financial Statements as on 31st March 2021

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirements are met through equity, operating cash flows and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2021.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Floating rate instrument exposes the Company to cash flow interest rate risk, whereas fixed interest rate instruments expose the Company to the fair value interest risk.

The Company has primarily invested in fixed rate borrowings. Hence, the Company is not significantly exposed to interest rate risk.

NOTE: 24 FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Principles for Estimating Fair Value

- The following summarises the major methods and assumptions used in estimating the fair values of financial instruments reflected in the table.
- The carrying value of trade receivables, trade payables, capital creditors, and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

Trade and Other Receivables

Interest-free receivables are discounted if it has a material impact on fair value. The carrying amount has been reduced for impaired receivables, and reflects a reasonable approximation of fair value due to limited credit risk and short time to maturity.

Cash and Short-term Deposits

Fair value is assumed to be equal to the carrying amount.

Long-term Interest-bearing Debt and Other Long-term Liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows. Since there are no active market with quoted prices the Group has used valuation techniques to estimate the fair value. It is evaluated by the Group based on parameters such as interest rates, creditworthiness of the Company, etc.

Trade Payables and Other Short-term Debts

Interest-free short-term payables are discounted if it has material impact on fair value. Fair value is assumed to be equal to the carrying amount due to limited credit risk and short time to maturity.

- The fair values for loans and security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as Level 3 fair value hierarchy, due to the inclusion of unobservable inputs including counterparty credit risk.

Fair Value Hierarchy

The table below analyses financial instruments carried at fair value, by valuation method at 31st March 2021. The different levels have been defined as follows:

Level 1: category includes financial assets and liabilities that are measured in whole or in significant part by reference to published quotes in an active market.

Level 2: category includes financial assets and liabilities measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions. These include assets and liabilities for which pricing is

Notes

Forming part of the Financial Statements as on 31st March 2021

obtained via pricing services, but where prices have not been determined in an active market, financial assets with fair values based on broker quotes and assets that are valued using the Group's own valuation models, whereby the material assumptions are market observable. The majority of the Company's over-the-counter derivatives and several other instruments not traded in active markets fall within this category.

Level 3: category includes financial assets and liabilities measured using valuation techniques based on non-market observable inputs. This means that fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. However, the fair value measurement objective remains the same, that is, to estimate an exit price from the perspective of the Company. The main asset classes in this category are unlisted equity investments, as well as unlisted funds.

As at 31st March 2021

₹ in Lakh

Particulars	Carrying Amount	Fair Value		
	As at 31 Mar 21	Level 1	Level 2	Level 3
Financial Assets at Amortised Cost				
Security Deposits - Non-Current	110.73	-	-	110.73
	110.73	**-**	**-**	**110.73**
Financial Assets at Fair Value Through Profit or Loss				
Investments in Mutual Funds	0.88	-	0.88	-
Total	**0.88**	**-**	**0.88**	**-**
Total Financial Assets	**111.61**	**-**	**0.88**	**110.73**
Financial Liabilities				
Measured at Amortised Cost for which fair values are disclosed				
Fixed Rate Borrowings	2,473.81	-	-	2,482.53
Finance Lease Obligations, if any	1,037.46	-	-	1,041.79
Total	**3,511.27**	**-**	**-**	**3,524.32**

As at 31st March 2020

₹ in Lakh

Particulars	Carrying Amount	Fair Value		
	As at 31 Mar 20	Level 1	Level 2	Level 3
Financial Assets at Amortised Cost				
Security Deposits - Non-Current	64.27	-	-	64.27
	64.27	**-**	**-**	**64.27**
Financial Assets at Fair Value Through Profit or Loss				
Investments in Mutual Funds	7.24	-	7.24	-
Total	**7.24**	**-**	**7.24**	**-**
Total Financial Assets	**71.51**	**-**	**7.24**	**64.27**
Financial Liabilities				
Measured at Amortised Cost for which fair values are disclosed				
Fixed Rate Borrowings	3,072.10	-	-	3,075.60
Finance Lease Obligations, if any	1,993.00	-	-	1,997.68
Total	**5,065.10**	**-**	**-**	**5,073.28**

The fair value of unquoted investment has been calculated using NAV.

The fair value of fixed rate borrowings and finance lease obligations have been calculated using Discounted Cash Flow Method.

The management has assessed that cash and cash equivalents, short-term loans and advances, and other receivables from related parties, short-term deposits received, trade payable approximate their carrying amount largely due to short term maturities of these instruments, hence, are valued at there carrying cost.

Notes

Forming part of the Financial Statements as on 31st March 2021

NOTE: 25 FINANCIAL RISK MANAGEMENT OBJECTIVES

To manage associated financial risks, the Company reviews its investments and loans on each reporting date. All its investments are approved by the Board of Directors.

Credit Risk

Credit risk arises from the possibility that counterparty may not be able to settle their obligations as agred. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analyses of historical bad debts and ageing of accounts receivable. Majority of receivables are from related parties, hence, the Company has nominal credit risk as on Balance Sheet date.

Exposure to Credit Risk

₹ in Lakh

	As at 31 Mar 21	As at 31 Mar 20
Long-term Loans and Advances	110.73	64.27
Cash and Bank Balances	283.93	187.72
Short-term Loans and Advances	39.77	124.57

Trade Receivables

₹ in Lakh

As at 31 Mar 21	Neither Past Due nor Impaired	Past Due but Not Impaired					Total
		< 30 Days	30 to 60 Days	61 to 90 Days	91 to 120 Days	> 120 Days	
Other Financial Assets Receivable from Related Parties	1,315.15	-	-	-	-	-	1,315.15
	1,315.15	**-**	**-**	**-**	**-**	**-**	**1,315.15**

₹ in Lakh

As at 31 Mar 20	Neither Past Due nor Impaired	Past Due but Not Impaired					Total
		< 30 Days	30 to 60 Days	61 to 90 Days	91 to 120 Days	> 120 Days	
Other Financial Assets Receivable from Related Parties	2,498.16	-	-	-	-	-	2,498.16
	2,498.16	**-**	**-**	**-**	**-**	**-**	**2,498.16**

No significant changes in estimation techniques or assumptions were made during the reporting period.

Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations or at a reasonable price. The Company's treasury department is responsible for liquidity, funding, as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The management monitors the Company's net liquidity position.

Maturity Profile of Financial Liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Notes

Forming part of the Financial Statements as on 31st March 2021

₹ in Lakh

As at 31 Mar 21	Less than 3 Months	3 to 12 Months	1 to 2 Years	2 to 3 Years	3 to 5 Years	> 5 Years	Total
Borrowings	626.30	1,411.17	1,020.27	433.36	77.87	-	3,568.97
Trade and Other Payables	2,685.00	-	-	-	-	-	2,685.00
	3,311.30	**1,411.17**	**1,020.27**	**433.36**	**77.87**	**-**	**6,253.97**

₹ in Lakh

As at 31 Mar 20	Less than 3 Months	3 to 12 Months	1 to 2 Years	2 to 3 Years	3 to 5 Years	> 5 Years	Total
Borrowings	680.28	1,646.80	1,795.58	800.86	228.56	-	5,152.08
Trade and Other Payables	1,514.44	-	-	-	-	-	1,514.44
	2,194.72	**1,646.80**	**1,795.58**	**800.86**	**228.56**	**-**	**6,666.52**

NOTE: 26 DEFERRED TAX

The Company has not recognised deferred tax in books.

NOTE: 27 SEGMENT INFORMATION

Ind AS 108 introduces a 'Management Approach' to identifying and measuring the financial performance of an entity's operating segments. Segment information provided in financial statements is based on the information used internally by the management. The Company's operations are to provide common pool of facilities to its group companies. The member companies participate in common pool of facilities and share the expenses incurred by the Companies. Accordingly, there is no revenue which is accounted in the Statement of Profit and Loss of the Company related to its operation. Hence, there is no segment-wise internal reporting, which is used by the management for taking key decision.

NOTE: 28 CONTINGENT LIABILITIES AND COMMITMENTS

(a) Contingent Liabilities:

Contingent liabilities related to income tax matters (AY 2014-15) net off payment (₹6.59 Lakh) ₹37.31 Lakh as on 31st March 2021 (₹37.31 Lakh as on 31st March 2020). This is related to depreciation claimed by the Company on assets purchased from HPFS on lease. The Company has claimed depreciation on such assets which was disallowed by the Income Tax Department. The Company has preferred appeal against the order passed by the Income Tax Department. The appeal has been filed with CIT (Appeals).

Contingent liabilities related to income tax matters (AY 2015-16) net off payment (₹1.95 Lakh) ₹7.78 Lakh as on 31st March 2021 (₹7.78 Lakh as on 31st March 2020). This is related to depreciation claimed by the Company on assets purchased from HPFS on lease. The Company has claimed depreciation on such assets which was disallowed by the Income Tax Department. The Company has preferred appeal against the order passed by the Income Tax Department. The appeal has been filed with CIT (Appeals).

(b) Capital Commitments:

Value of estimated contracts remaining to be executed on capital account not provided for is ₹213.51 Lakh (Previous Year: ₹1,036.61 Lakh).

Notes

Forming part of the Financial Statements as on 31st March 2021

NOTE: 29 LEASES

a. Assets Acquired under Finance Leases

Fixed assets stated below as at 31st March 2021, have been acquired on finance lease.

₹ in Lakh

Particulars	31 Mar 21	31 Mar 20
Computer and Servers		
Acquired during the Year	-	-
Carrying Amount as at Balance Sheet	3.94	70.17

b. Leased Liabilities

Effective 1st April 2019, the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1st April 2019, using the modified retrospective method, and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right-of-use assets at its carrying amount, as if the standard had been applied since the commencement date of the lease, but discounted at the lessee's incremental borrowing rate at the date of initial application.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

2. Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.

3. Excluded the initial direct costs from the measurement of the, right-of-use assets at the date of initial application.

4. Applied the practical expedient to grandfather the assessment, of which transactions are leases. Accordingly, for all contracts as on 1st April 2019, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

The weighted-average incremental borrowing rate, applied to lease liabilities for the year ended 31st March 2021, is between the range of 6.50% to 8.00% for a period varying from 1 to 10 years.

Critical Accounting Judgements and Key Sources of Estimation Uncertainty

Critical Judgements required in the application of Ind AS 116 may include, among others, the following:

- Identifying whether a contract (or part of a contract) includes a lease;
- Determining whether it is reasonably certain that an extension or termination option will be exercised;
- Classification of lease agreements (when the entity is a lessor);
- Determination of whether variable payments are in-substance fixed;
- Establishing whether there are multiple leases in an arrangement; and
- Determining the stand-alone selling prices of lease and non-lease components.

Notes

Forming part of the Financial Statements as on 31st March 2021

Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:

- Estimation of the lease term;
- Determination of the appropriate rate to discount the lease payments; and
- Assessment of whether a right-of-use asset is impaired.

Following are the changes in the carrying value of right-of-use assets for the year ended 31st March 2021:

₹ in Lakh

Particulars	Category of ROU Asset Leasehold Premises
Gross Carrying Value	
Balance as at 1st April 2019	401.91
Additions	918.84
Deletions	-
Balance as on 31st March 2020	**1,320.75**
Additions	643.90
Deletions	299.87
Balance as on 31st March 2021	**1,664.79**
Accumulated Amortisation	
Balance as at 1st April 2019	-
Additions	201.47
Balance as on 31st March 2020	**201.47**
Additions	369.75
Balance as on 31st March 2021	**571.22**
Net Carrying Value as at 31st March 2020	1,119.28
Net Carrying Value as at 31st March 2021	**1,093.57**

The following is the break-up of current and non-current lease liabilities as at 31st March 2021

₹ in Lakh

Particulars	31 Mar 21	31 Mar 20
Current Lease Liabilities	312.85	344.40
Non-Current Lease Liabilities	841.41	742.66
Total	**1,154.27**	**1,087.06**

The following is the movement in lease liabilities during the year ended 31st March 2021:

₹ in Lakh

Particulars	Amount
Balance as at 1st April 2020	1,087.06
Additions	344.28
Additions through Business Combinations	-
Deletions	-
Finance Cost Accrued during the Period	110.22
Payment of Lease Liabilities	387.30
Balance as at 31st March 2021	**1,154.26**

Notes
Forming part of the Financial Statements as on 31st March 2021

₹ in Lakh

Particulars	Amount
Balance as at 1st April 2019	395.61
Additions	893.76
Additions through Business Combinations	-
Deletions	-
Finance Cost Accrued during the Period	27.43
Payment of Lease Liabilities	229.74
Balance as at 31st March 2020	**1,087.06**

The table below provides details regarding the contractual maturities of lease liabilities as at 31st March 2020, on an undiscounted basis:

₹ in Lakh

Particulars	31 Mar 21	31 Mar 20
Less than One Year	244.13	419.47
One to Five Years	859.56	859.56
More than Five Years	-	-
Total	**1,103.68**	**1,279.03**

The lease rentals charged during the current year and the maximum obligations on finance leases payable at the Balance Sheet date, as per the rentals stated in the agreements, are as follows:

₹ in Lakh

Particulars	31 Mar 21	31 Mar 20
Lease Payments Made	3.15	119.47
Interest Paid	0.07	6.91
Present Value of Lease Payments	3.08	112.55

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

NOTE: 30 INCOME TAX DISCLOSURE

The major components of income tax expense for the years ended 31st March 2021 and 31st March 2020, are:

₹ in Lakh

Particulars	31 Mar 21	31 Mar 20
Current Income Tax:		
Current Income Tax Charges	-	-
Adjustments in respect of Current Income Tax of Previous Year	-	(3.04)
Deferred Tax:		
Relating to origination and reversal of temporary differences		
Income Tax Expenses reported in the Statement of Profit and Loss	**-**	**(3.04)**

Notes

Forming part of the Financial Statements as on 31st March 2021

OCI section - Deferred tax related to items recognised in OCI during in the year:

₹ in Lakh

Particulars	31 Mar 21	31 Mar 20
Net Loss/(Gain) on Remeasurements of Defined Benefit Plans	-	-
Unrealised	-	-
Income tax expense charged to OCI	**-**	**-**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31st March 2021 and 31st March 2020:

₹ in Lakh

Particulars	31 Mar 21	31 Mar 20
Accounting Profit Before Tax from continuing operations	-	-
Profit/(Loss) Before Tax from Other Income	43.46	40.18
	43.46	**40.18**
Enacted Tax Rates in India / MAT	22.88%	22.88%
Accounting Profit Before Income Tax		
At India's Statutory Income Tax Rate of 22.88% (31st March 2020: 22.88%)	9.94	9.19
Less: Income Not Taxable	(9.94)	(9.19)
Add: Write Back of Previous Year Tax		
Income Tax Expenses as per Effective Tax Rate	**-**	**-**

Pursuant to the Taxation Laws (Amendment) Ordinance, 2019, promulgated on 20th September 2019, the Company intends to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 to compute income tax at the revised rate (i.e., 22.88%) effective from 31st March 2020.

NOTE: 31 Previous year's figures have been regrouped/rearranged to confirm to the current year's presentation, wherever necessary.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No: 103523W/W100048

Sumant Sakhardande
Partner
Membership No. 034828

Place : Mumbai
Date: 26th April 2021

For and on behalf of the Board of Directors
Aditya Birla Financial Shared Services Limited

A. Dhananjaya
Director
DIN: 01744569

Ajay Kakar
Director
DIN: 02130368

Place : Mumbai
Date: 26th April 2021

Notes

Forming part of the Financial Statements as on 31st March 2021

ANNEXURE 1

The following Inter-Company transactions/balances with Holding Company/Subsidiaries/Fellow Subsidiaries/Joint Ventures/Associates have taken place during the period, under review, and are included in the above figures under respective heads:

Particulars	Country	Nature of Relationship
Aditya Birla PE Advisors Private Limited	India	Fellow Subsidiary
Aditya Birla Money Limited	India	Fellow Subsidiary
Aditya Birla Insurance Brokers Limited	India	Fellow Subsidiary
Aditya Birla Finance Limited	India	Fellow Subsidiary
Aditya Birla Sun Life Insurance Company Limited	India	Fellow Subsidiary
Aditya Birla Capital Technology Services Limited (Formerly known as Aditya Birla MyUniverse Limited)	India	Fellow Subsidiary
Aditya Birla Sun Life Asset Management Company Limited	India	JV/Associate of Parent Company
Aditya Birla Housing Finance Limited	India	Fellow Subsidiary
Aditya Birla Health Insurance Company Limited	India	Fellow Subsidiary
Aditya Birla Capital Limited	India	Holding Company
Grasim Industries Limited	India	Ultimate Holding Company
Aditya Birla Management Corporation Private Limited	India	Fellow Subsidiary
UltraTech Cement Limited	India	Fellow Subsidiary

₹ In Lakh

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
Trade Receivables		
Aditya Birla Sun Life Insurance Company Limited	1,060.05	823.92
Aditya Birla Money Limited	40.44	28.52
Aditya Birla Insurance Brokers Limited	71.06	101.42
Aditya Birla Housing Finance Limited	126.35	118.46
Aditya Birla Health Insurance Co. Limited	390.97	345.80
Aditya Birla Finance Limited	176.84	483.49
Aditya Birla PE Advisors Private Limited	-	12.20
Aditya Birla Capital Limited	106.42	128.41
Aditya Birla Sun Life Asset Management Company Limited	322.97	453.34
Aditya Birla Capital Technology Services Limited (Formerly known as Aditya Birla MyUniverse Limited)	-	2.61
Other Comprehensive Income/(Loss)		
Aditya Birla Sun Life Insurance Company Limited	(167.07)	26.52
Aditya Birla Sun Life Asset Management Company Limited	(61.05)	14.73
Aditya Birla Money Limited	(8.49)	1.72
Aditya Birla Insurance Brokers Limited	(3.39)	1.26
Aditya Birla Housing Finance Limited	(41.79)	7.35
Aditya Birla Health Insurance Co. Limited	(113.00)	20.47
Aditya Birla Capital Limited	(53.36)	9.70
Aditya Birla Finance Limited	(47.44)	12.21
Aditya Birla Capital Technology Services Limited (Formerly known as Aditya Birla MyUniverse Limited)	(1.96)	0.91
Aditya Birla PE Advisors Private Limited	-	0.15
Expenses Recovered		
Aditya Birla Sun Life Insurance Company Limited (Other Expenses Recovered)	-	55.68
Aditya Birla Sun Life Insurance Company Limited (Employee Benefit Expenses - Transfer of Employee Dues)	33.51	11.74

Notes

Forming part of the Financial Statements as on 31st March 2021

₹ In Lakh

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
Aditya Birla Sun Life Asset Management Company Limited (Employee Benefit Expense - Transfer of Employee Dues)	-	0.53
Aditya Birla Housing Finance Limited (Employee Benefit Expense - Transfer of Employee Dues)	0.50	0.75
Aditya Birla Housing Finance Limited (Transfer of Assets)	2.55	-
Aditya Birla Housing Finance Limited (Other Expenses - Recovery)	3.93	-
Aditya Birla Health Insurance Co. Limited (Electricity Expenses Recovered)	0.18	2.23
Aditya Birla Health Insurance Co. Limited (Employee Benefit Expense - Transfer of Employee Dues)	1.18	0.62
Aditya Birla Finance Limited (Employee Benefit Expenses - Transfer of Employee Dues)	-	20.75
Aditya Birla Finance Limited (Other Expenses - Recovery)	213.71	63.25
Aditya Birla Finance Limited (Fixed Assets Transferred)	15.00	-
Aditya Birla Finance Limited (GST Recovery)	45.29	-
Aditya Birla PE Advisors Private Limited (Fixed Assets Transferred)	0.03	-
Aditya Birla Capital Limited (Other Expenses Recovered)	-	10.18
Aditya Birla Capital Limited (ESOP Recovered)	21.12	43.19
Aditya Birla Capital Technology Services Limited (Formerly known as Aditya Birla MyUniverse Limited) (GST Recovery)	52.97	31.20
Aditya Birla Capital Technology Services Limited (Formerly known as Aditya Birla MyUniverse Limited) (Fixed Assets - Transfer of Assets)	16.81	0.59
Aditya Birla Capital Technology Services Limited (Formerly known as Aditya Birla MyUniverse Limited) (Capital WIP)	135.81	-
Aditya Birla Capital Technology Services Limited (Formerly known as Aditya Birla MyUniverse Limited) (Employee Transfer)	92.20	-
Aditya Birla Capital Technology Services Limited (Formerly known as Aditya Birla MyUniverse Limited) (Transfer to ABFL)	-	14.83
Aditya Birla Capital Technology Services Limited (Formerly known as Aditya Birla MyUniverse Limited) (Other Expenses - Recovery)	158.48	173.90
Aditya Birla Money Limited (Other Expenses- Recovery)	9.24	39.85
Aditya Birla Money Limited (Employee Benefit Expenses - Transfer of Employee Dues)	-	2.69
Aditya Birla Management Corporation Private Limited (Employee Deposit)	0.50	-
Aditya Birla Wellness Private Limited (Other Expenses - Recovery)	0.53	-
Aditya Birla Wellness Private Limited (GST Recovery)	0.09	-
Aditya Birla ARC Limited (Other Expenses - Recovery)	1.26	1.90
Aditya Birla ARC Limited (GST Recovery)	0.23	0.34
Aditya Birla PE Advisors Private Limited (GST Recovery)	0.01	-
Expenses Reimbursed		
Aditya Birla Money Limited (Other Expenses)	150.51	203.07
Aditya Birla Money Limited (Prepaid Expenses)	31.94	57.78
Aditya Birla Money Limited (Employee Dues Transferred)	19.81	-
Aditya Birla Money Limited (Employee Benefits)	67.07	86.64
Aditya Birla PE Advisors Private Limited (Other Expenses)	-	12.16
Aditya Birla PE Advisors Private Limited (Prepaid Expenses)	-	13.39
Aditya Birla PE Advisors Private Limited (Employee Benefits)	-	7.57
Aditya Birla PE Advisors Private Limited (Employee Dues Transferred)	-	2.54
Aditya Birla Insurance Brokers Limited (Other Expenses)	135.64	189.83
Aditya Birla Insurance Brokers Limited (Prepaid Expenses)	78.25	56.00
Aditya Birla Insurance Brokers Limited (Employee Benefits)	27.28	63.37
Aditya Birla Finance Limited (Other Expenses)	1,092.15	1,271.91
Aditya Birla Finance Limited (Prepaid Expenses)	283.67	331.29
Aditya Birla Finance Limited (Employee Benefits)	373.12	617.02
Aditya Birla Finance Limited (Employee Loan Transfer)	-	1.46

Notes

Forming part of the Financial Statements as on 31st March 2021

₹ In Lakh

Particulars	Year ended 31 Mar 21	31 Mar 20
Aditya Birla Finance Limited (Transferred from ABMU due to merger)	-	14.83
Aditya Birla Finance Limited (Employee Dues Transferred)	1.77	-
Aditya Birla Sun Life Insurance Company Limited (Employee Dues Transferred)	0.61	38.96
Aditya Birla Sun Life Insurance Company Limited (Other Expenses)	2,464.26	2,088.14
Aditya Birla Sun Life Insurance Company Limited (Prepaid Expenses)	699.67	747.12
Aditya Birla Sun Life Insurance Company Limited (Employee Benefits)	1,329.40	1,354.00
Aditya Birla Sun Life Insurance Company Limited (Fixed Assets Transferred)	-	15.68
Aditya Birla Capital Technology Services Limited (Formerly known as Aditya Birla MyUniverse Limited) (Other Expenses)	109.84	31.95
Aditya Birla Capital Technology Services Limited (Formerly known as Aditya Birla MyUniverse Limited) (Prepaid Expenses)	2.61	93.18
Aditya Birla Capital Technology Services Limited (Formerly known as Aditya Birla MyUniverse Limited) (Employee Benefits)	15.41	46.46
Aditya Birla Capital Technology Services Limited (Formerly known as Aditya Birla MyUniverse Limited) (Employee Dues Transferred)	6.39	4.93
Aditya Birla Sun Life Asset Management Company Limited (Other Expenses)	1,167.30	1,238.69
Aditya Birla Sun Life Asset Management Company Limited (Prepaid Expenses)	265.48	343.67
Aditya Birla Sun Life Asset Management Company Limited (Employee Benefits)	478.31	738.60
Aditya Birla Sun Life Asset Management Company Limited (Employee Dues Transferred)	1.62	3.23
Aditya Birla Housing Finance Limited (Other Expenses)	317.19	242.75
Aditya Birla Housing Finance Limited (Prepaid Expenses)	76.69	68.60
Aditya Birla Housing Finance Limited (Employee Dues Transferred)	4.69	-
Aditya Birla Housing Finance Limited (Employee Benefits)	336.96	378.41
Aditya Birla Health Insurance Co. Limited (Other Expenses)	867.73	621.77
Aditya Birla Health Insurance Co. Limited (Prepaid Expenses)	176.91	159.89
Aditya Birla Health Insurance Co. Limited (Employee Dues Transferred)	0.67	-
Aditya Birla Health Insurance Co. Limited (Employee Benefits)	902.74	1,042.06
Aditya Birla Capital Limited (Other Expenses)	416.32	376.65
Aditya Birla Capital Limited (Prepaid Expenses)	79.57	48.39
Aditya Birla Capital Limited (Employee Benefits)	418.57	485.29
Aditya Birla Capital Limited (Transfer of Assets)	0.71	-
Aditya Birla Money Limited (GST)	49.41	61.63
Aditya Birla Insurance Brokers Limited (GST)	47.75	61.22
Aditya Birla Finance Limited (GST)	346.29	428.22
Aditya Birla Sun Life Insurance Company Limited (GST)	889.14	822.37
Aditya Birla Capital Technology Services Limited (Formerly known as Aditya Birla MyUniverse Limited) (GST)	25.39	33.97
Aditya Birla Sun Life Asset Management Company Limited (GST)	378.40	459.55
Aditya Birla Housing Finance Limited (GST)	144.00	136.57
Aditya Birla Health Insurance Co. Limited (GST)	385.54	360.65
Aditya Birla Capital Limited (GST)	181.20	178.23
Aditya Birla PE Advisors Private Limited (GST)	-	6.56
Trade Payables		
Aditya Birla ARC Limited	-	2.05
Aditya Birla Management Corporation Private Limited	0.50	0.50
Aditya Birla Capital Technology Services Limited (Formerly known as Aditya Birla MyUniverse Limited)	73.11	-
Aditya Birla PE Advisors Private Limited	0.04	-
Aditya Birla Wellness Private Limited	0.58	-

Notes

Forming part of the Financial Statements as on 31st March 2021

₹ In Lakh

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
Other Current Liabilities (Non-Financial)		
Aditya Birla Sun Life Insurance Company Limited (Prepaid Balance)	84.98	85.63
Aditya Birla Sun Life Asset Management Company Limited (Prepaid Balance)	23.44	40.10
Aditya Birla Money Limited (Prepaid Balance)	5.95	6.18
Aditya Birla Insurance Brokers Limited (Prepaid Balance)	5.80	8.73
Aditya Birla Housing Finance Limited (Prepaid Balance)	6.03	7.43
Aditya Birla Health Insurance Co. Limited (Prepaid Balance)	25.02	19.88
Aditya Birla Capital Limited (Prepaid Balance)	1.85	5.03
Aditya Birla Finance Limited (Prepaid Balance)	34.24	46.40
Aditya Birla Capital Technology Services Limited (Formerly known as Aditya Birla MyUniverse Limited) (Prepaid Balance)	0.77	-
Aditya Birla PE Advisors Private Limited (Prepaid Balance)	0.01	1.12
Inter-Corporate Deposits		
Aditya Birla Insurance Brokers Limited (Inter-Corporate Deposit Receipt)	750.00	-
Aditya Birla Insurance Brokers Limited (Interest on Inter-Corporate Deposit)	9.92	-

For and on behalf of the Board of Directors

Aditya Birla Financial Shared Services Limited

A. Dhananjaya
Director
DIN: 01744569

Ajay Kakar
Director
DIN: 02130368

Place : Mumbai
Date: 26th April 2021

Aditya Birla PE Advisors
Private Limited

ADITYA BIRLA
CAPITAL

Independent Auditor's Report

To the members of
Aditya Birla PE Advisors Private Limited

REPORT ON THE AUDIT OF THE IND AS FINANCIAL STATEMENTS

Opinion

We have audited the accompanying Ind AS financial statements of Aditya Birla PE Advisors Private Limited ("the Company"), which comprise the Balance sheet as at 31st March 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for opinion

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

Emphasis of matter – going concern

We draw attention to Note 2.1 to the Financial Statements, which indicates that the Company is not considered to be a going concern and hence, in the financial statements of Company, the assets and liabilities are stated at their realisable values.

Our opinion is not qualified in respect of this matter.

Other information

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

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

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

Responsibility of management for the Ind AS financial statements

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

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

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

Auditor's responsibilities for the audit of the Ind AS financial statements

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

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

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

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

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

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report 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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

    (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

    (e) The going concern matter described in Emphasis of Matter – Going Concern paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;

    (f) On the basis of the written representations received from the directors as on 31st March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

(g) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(h) The provisions of Section 197 read with Schedule V of the Act are not applicable to the Company for the year ended 31st March 2021;

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 24 to the Ind AS 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.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Shrawan Jalan**
Partner
Membership Number: 102102
UDIN: 21102102AAAAGM9828

Place of Signature: Mumbai
Date: 26th April 2021

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

Re: Aditya Birla PE Advisors Private Limited ('the Company')

(i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the Company and accordingly, the requirements under paragraph 3(i) (c) of the Order are not applicable to the Company.

(ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of Sections 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, service tax, goods and service tax, and other statutory dues applicable to it. The provisions relating to employees' state insurance, sales-tax, duty of customs, duty of excise and value added tax are not applicable to the Company.

(vii) (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, service tax, goods and service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to employees' state insurance, sales-tax, duty of customs, duty of excise and value added tax are not applicable to the Company.

(vii) (c) According to the records of the Company, the dues of income tax on account of dispute are as follows:

Name of the statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax Demand	51,36,601	AY 2011-12	CIT (Appeals)
Income Tax Act, 1961	Income Tax Demand	89,33,150	AY 2012-13	CIT (Appeals)

(viii) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.

(ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer/ further public offer/ debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud/material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the provisions of Section 197 read with Schedule V of the Act is not applicable to the Company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.

(xii) In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with Section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of Section 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) insofar as it relates to Section 177 of the Act is not applicable to the Company and hence not commented upon.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Shrawan Jalan**
Partner
Membership Number: 102102
UDIN: 21102102AAAAGM9828

Place of Signature: Mumbai
Date: 26th April 2021

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON IND AS FINANCIAL STATEMENTS OF ADITYA BIRLA PE ADVISORS PRIVATE LIMITED

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

We have audited the internal financial controls over financial reporting of Aditya Birla PE Advisors Private Limited ("the Company") as of 31st March 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

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

Auditor's responsibility

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

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

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

Meaning of internal financial controls over financial reporting with reference to these financial statements

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

Inherent limitations of internal financial controls over financial reporting with reference to these Ind AS financial statements

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

Opinion

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

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Shrawan Jalan**
Partner
Membership Number: 102102
UDIN: 21102102AAAAGM9828

Place of Signature: Mumbai
Date: 26th April 2021

Balance Sheet
as at 31st March 2021

Amount in ₹

Particulars		Note	As at 31 Mar 21	As at 31 Mar 20
I.	**ASSETS**			
(1)	**Non-current assets**			
	(a) Property, Plant and Equipment	3	1,40,858	15,85,183
	(b) Financial Assets			
	(i) Loans	4A	18,000	18,000
	(c) Advance Tax (net)	5	42,75,325	2,17,35,573
	(d) Other non-current assets	6A	-	-
	Total non-current assets		**44,34,183**	**2,33,38,756**
(2)	**Current assets**			
	(a) Financial Assets			
	(i) Current Investments	7	3,27,98,774	6,14,68,276
	(ii) Cash and cash equivalents	8	1,01,67,255	11,05,779
	(iii) Loans	4B	-	-
	(iv) Others	4B	-	-
	(v) Other Financial Assets		-	-
	(c) Current tax assets (net)		-	-
	(b) Other current assets	6B	41,38,848	31,92,131
	Total current assets		**4,71,04,877**	**6,57,66,186**
	Total assets		**5,15,39,060**	**8,91,04,942**
II.	**EQUITY AND LIABILITIES**			
(1)	**Equity**			
	(a) Equity Share capital	9	3,50,00,000	3,50,00,000
	(b) Other Equity		1,02,07,641	2,16,58,648
	(i) Retained Earnings	10	1,02,07,641	2,16,58,648
	Equity attributable to equity holders of the Company		**4,52,07,641**	**5,66,58,648**
	Total equity		**4,52,07,641**	**5,66,58,648**
	LIABILITIES			
(1)	**Current liabilities**			
	(a) Financial Liabilities			
	(i) Trade Payables	11	28,10,711	2,51,88,773
	(b) Other Current Liabilities	12	4,11,050	6,08,365
	(c) Provisions	13	31,09,658	66,49,156
	Total current liabilities		**63,31,419**	**3,24,46,294**
	Total liabilities		**63,31,419**	**3,24,46,294**
	Total Equity and Liabilities		**5,15,39,060**	**8,91,04,942**
Significant Accounting Policies		2		

The accompanying notes are an integral part of the Financial Statements

As per the Company's attached Report of even date
For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

per **Shrawan Jalan**
Partner
Membership No. 102102

Place: Mumbai
Date: 26th April 2021

For and on behalf of the Board of Directors
Aditya Birla PE Advisors Private Limited

A. Dhanajaya
Director
DIN: 01744569

Pinky Mehta
Director
DIN: 00020429

Sunil K. Jain
Chief Financial Officer

Piyush Shah
Company Secretary

Place: Mumbai
Date: 26th April 2021

Statement of Profit and Loss

for the year ended 31st March 2021

Amount in ₹

	Note	Year ended 31 Mar 21	Year ended 31 Mar 20
CONTINUING OPERATIONS			
INCOME			
Revenue from Operations	14	-	-
Net gain on fair value changes	15	31,21,366	52,40,510
Other income	15	27,85,930	24,23,726
Total income		**59,07,296**	**76,64,236**
EXPENSES			
(a) Employee benefits expenses	16	1,44,17,287	4,02,15,069
(b) Depreciation and amortisation expenses	17	5,83,377	14,81,385
(c) Other expenses	18	42,21,391	2,19,51,221
Total expenses		**1,92,22,055**	**6,36,47,675**
Loss before tax from continuing operation		**(1,33,14,759)**	**(5,59,83,439)**
Tax expenses			
Current Tax		-	-
Tax provision reversed for earlier years		(6,051)	-
Deferred tax		-	-
Total Tax Expenses		**(6,051)**	**-**
Loss after tax		**(1,33,08,708)**	**(5,59,83,439)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Actuarial Gain/(Loss) on retirement benefits		18,57,702	(7,15,362)
Other comprehensive income for the year, net of tax:		**18,57,702**	**(7,15,362)**
Total comprehensive (loss) for the year, net of tax:		**(1,14,51,006)**	**(5,66,98,801)**
Earnings per equity share (EPS), Face Value of ₹ 10 each:	**19**		
Basic & Diluted EPS for continuing operations		(3.80)	(16.00)
Significant Accounting Policies	2		

The accompanying notes are an integral part of the Financial Statements

As per the Company's attached Report of even date
For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

per **Shrawan Jalan**
Partner
Membership No. 102102

Place: Mumbai
Date: 26th April 2021

For and on behalf of the Board of Directors
Aditya Birla PE Advisors Private Limited

A. Dhananjaya
Director
DIN: 01744569

Pinky Mehta
Director
DIN: 00020429

Sunil K. Jain
Chief Financial Officer

Piyush Shah
Company Secretary

Place: Mumbai
Date: 26th April 2021

Cash Flow Statement

for the year ended 31st March 2021

Amount in ₹

Particulars	Year ended 31 Mar 21	Year ended 31 Mar 20
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Loss before tax and prior period item	(1,33,14,759)	(5,59,83,438)
Adjustments for:		
Dividend reinvestment	-	-
Depreciation/amortisation	5,83,377	14,81,385
(Profit)/Loss on sale of fixed assets	1,69,189	5,75,765
Actuarial Gain/(Loss) on retirement benefits	18,57,702	(7,15,362)
Deferred Rent Expense	-	-
Interest Income	(27,85,930)	(24,23,726)
MTM Gain on Investment – Held at FVTPL	(31,21,366)	(52,40,510)
Operating profit before working capital changes	**(1,66,11,788)**	**(6,23,05,886)**
Adjustment for changes in working capital:		
Increase/(decrease) in liabilities	**(2,61,14,876)**	**(6,90,56,033)**
Increase/(Decrease) in Trade Payables	(2,25,30,024)	(1,76,26,200)
Increase/(Decrease) in Provisions	(53,97,200)	(2,14,80,752)
Increase/(Decrease) in other Financial Liabilities	20,09,664	(2,97,38,501)
Increase/(Decrease) in Non-Financial Liabilities	(1,97,316)	(2,10,580)
(Increase)/decrease in Assets	**(9,46,717)**	**8,81,35,536**
Decrease/(Increase) in Loans	-	6,22,45,619
Decrease/(Increase) in other Financial Assets	-	45,35,482
Decrease/(Increase) in Non-Financial Assets	(9,46,717)	2,13,54,435
Cash from operating activities	**(4,36,73,380)**	**(4,32,26,383)**
Tax Refund/(Paid)	1,94,34,096	1,15,91,320
Net cash from operating activities	**(2,42,39,284)**	**(3,16,35,064)**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Interest Income	8,18,132	14,66,643
Dividend from mutual fund units	-	-
Sale of fixed assets	6,91,759	15,49,574
Purchase of fixed assets	-	-
Purchase of investments	-	(5,36,64,664)
Sale of investments	3,17,90,869	8,23,50,000
Dividend received from mutual fund units	-	-
Net cash used in investing activities	**3,33,00,759**	**3,17,01,553**
Net increase/(decrease) in cash and cash equivalents during the year (A+B)	90,61,476	66,490
Cash and cash equivalents at beginning of the period	11,05,779	10,39,289
Cash and cash equivalents at end of the period	1,01,67,255	11,05,779

Notes:

1. The above Cash Flow Statement has been prepared under the ""Indirect Method"" as set out in Indian Accounting Standard (Ind AS) – 7 'Statement of Cash Flow's prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
2. Cash and cash equivalents in the balance sheet comprise of Cash on hand and Cash at Bank.

The accompanying Notes are an integral part of the Financial Statements.

As per the Company's attached Report of even date
For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

per **Shrawan Jalan**
Partner
Membership No. 102102

Place: Mumbai
Date: 26th April 2021

For and on behalf of the Board of Directors
Aditya Birla PE Advisors Private Limited

A. Dhananjaya
Director
DIN: 01744569

Pinky Mehta
Director
DIN: 00020429

Sunil K. Jain
Chief Financial Officer

Piyush Shah
Company Secretary

Place: Mumbai
Date: 26th April 2021

Statement of Changes in Equity

for the year ended 31st March 2021

	Equity share capital	Equity Component of other financial Instrument	Retained earnings	Total Equity
	₹	₹	₹	₹
CURRENT YEAR:				
Opening balance as on 1st April 2020	3,50,00,000	-	2,16,58,648	5,66,58,648
Addition/(Deletion) during the year	-	-	(1,33,08,708)	(1,33,08,708)
Comprehensive gain/(loss) during the year	-	-	18,57,702	18,57,702
Closing balance as on 31st March 2021	**3,50,00,000**	**-**	**1,02,07,641**	**4,52,07,641**
PREVIOUS YEAR:				
Opening balance as on 1st April 2019	3,50,00,000	-	7,83,57,448	11,33,57,448
Addition/(Deletion) during the year	-	-	(5,59,83,438)	(5,59,83,440)
Comprehensive gain/(loss) during the year	-	-	(7,15,362)	(7,15,362)
Closing balance as on 31st March 2020	**3,50,00,000**	**-**	**2,16,58,648**	**5,66,58,647**

As per the Company's attached Report of even date
For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

per **Shrawan Jalan**
Partner
Membership No. 102102

Place: Mumbai
Date: 26th April 2021

For and on behalf of the Board of Directors
Aditya Birla PE Advisors Private Limited

A. Dhananjaya
Director
DIN: 01744569

Pinky Mehta
Director
DIN: 00020429

Sunil K. Jain
Chief Financial Officer

Piyush Shah
Company Secretary

Place: Mumbai
Date: 26th April 2021

Notes

Forming part of financial statements as on 31st March 2021

1. CORPORATE INFORMATION

Aditya Birla PE Advisors Private Limited (the 'Company') was incorporated on 22nd February 2008. The Company is a Private Limited Company incorporated under the provisions of the Companies Act, 1956 and a wholly-owned subsidiary of Aditya Birla Capital Limited and the ultimate holding is Grasim Industries Limited (Previously ultimate holding was of Aditya Birla Nuvo Limited). The registered office of the Company is located at One India Bulls Centre, S. B. Marg, Elphinstone Road, Mumbai, Maharashtra, India. The main object of the Company is to provide financial advisory services and management services and to carry on business of advising and managing venture capital funds. The Company is the Investment Manager to the Aditya Birla Private Equity-Fund I and Aditya Birla Private Equity – Sunrise Fund ("Sunrise Fund"), both of which are Domestic Venture Capital Funds registered with SEBI.

The financial statements are approved for issue by the Company's Board of Directors by resolution passed in the meeting dated 26th April 2021.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The Company's Ultimate Holding Company, Grasim Industries Limited is a listed Company with net worth of more than ₹500 Crores and is required to adopt IND AS in terms of rule of the Companies (Indian Accounting Standards) Rules, 2015. All subsidiaries of such companies are also required to adopt IND AS as prescribed under the said Rules. Accordingly, the Company has adopted Ind AS and has prepared financial statement under Ind AS.

Sunrise Fund has closed its operations during the year ended 31st March 2019 and ABPE Fund – I, the term of which was extended till 13th January 2021 is continuing as a liquidation vehicle pending final realisation of some of the assets. The Company has not accrued and not received any income from management fees or any other operating income during the year ended 31st March 2021. Further the management of the Company is currently not having any future business plan for the operations of the Company, considering the present macro environment. These conditions indicate significant uncertainty about the Company's ability to continue as going concern and hence financial statements have not been prepared on a going concern basis. Accordingly, the assets and liabilities as at 31st March 2021 are stated at their current realisable values. The ultimate realisation values of these assets and liabilities may be different.

The Company has prepared financial statements in accordance with Indian Accounting Standards ('Ind AS') under the historic cost convention on the accrual basis except financial instrument which are measured at fair value, and the provisions of the Companies Act, 2013, The Ind AS are prescribed under Section 133 of the act read with rule of the Companies (Indian Accounting Standards) Rules, 2015 as amended.

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

2.2 Summary of significant accounting policies

(a) Use of estimate

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

(b) Property, plant and equipment

Property, plant and equipment and Capital Work-in-progress are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Cost comprises of purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates including directly attributable cost of bringing the assets to its working condition for its intended use. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred. Capital work-in-progress includes cost of property, plant and equipment under installation/under development as at the reporting date.

The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on the property, plant and equipment is provided on straight-line method using the rates arrived as per estimates made by the management supported by technical assessment which coincides with the useful lives of assets as specified in Schedule II

Notes

Forming part of financial statements as on 31st March 2021

to the Companies Act, 2013, except for the assets specified below. The Company has used the following useful lives of the property, plant and equipment to provide depreciation.

Following rates are used to provide depreciation on Property, Plant and Equipment:-

Asset Category	Useful life prescribed by Schedule II of The Companies Act, 2013	Estimated useful life
Furniture and fixtures	10 years	4 years
Office Equipment's	5 years	4 years
Vehicles	6 years	4 years
Computer	3 years	4 years

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Assets costing ₹5,000 or less are written-off in the year of purchase Useful life of assets different from those prescribed in Schedule II has been estimated by management supported by technical assessment.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

(c) Intangible assets and amortisation

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Intangible assets are amortised on a straight-line basis over their estimated useful life which is estimated at 3 years.

The amortisation period and the amortisation method are reviewed at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

(d) Transactions in foreign currency items

Transactions in foreign currency are initially recorded at the spot rate of exchange prevailing on the date of transaction. Exchange difference on settlement or translation of all other monetary items is recognised in the Statement of Profit and Loss. Non-monetary items are measured in terms of historical cost in foreign currency duly translated using the exchange rate at the date of initial transaction.

(e) Revenue recognition

Revenue net of Goods and Service Tax ('GST') (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind ASs.

The Company recognises revenue from contracts with customers based on a five steps model as set out in Ind 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Notes

Forming part of financial statements as on 31st March 2021

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation

The Company recognises revenue on contract with customers based on above model. The contract with each customer is identified and revenue is recognised based on the terms of the contract, period of engagement and quantum of assets under management. Revenue is recognised on satisfaction of the performance obligation of the contract.

Management fee income
Revenue recognition for management fees can be divided into the following two categories:

i) **Management fees – over time**
Management fees is recognised on completion of the period and performance of the service.

ii) **Management fees – point in time**
Certain incomes are recognised only upon completion of the performance obligation of the Contract.

Carried Interest
Carried Interest is recognised on receipt basis and is also considered as revenue from services.

Dividends
Dividend income on investments is accounted for when the right to receive the payment is established.

Interest income
For all Financial Instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Disposal of investments
On disposal of an investment the difference between carrying amount and net disposal proceeds is charged or credited to the statement of Profit and Loss using weighted average cost.

(f) Retirement and other employee benefits

Retirement benefit in the form of provident fund, pension fund and superannuation scheme are defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund, pension fund and superannuation scheme. The Company recognises contribution payable to the provident fund, pension fund and superannuation scheme as an expense, when an employee renders the related service. If the contribution payable to the schemes for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

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

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

The Company treats accumulated leave as a non-contributory defined benefit arrangement providing benefits expressed in terms of a multiple of final monthly salary. It is carried as a current liability since it is to be utilised over a maximum period of one year in terms of the leave policy of the Company. The leave which gets availed whilst in service is valued on employee's CTC basis whereas the leave encashment is valued on the basis of the definition prescribed in the Company's leave encashment policy. Based on the above principles, an actuarial valuation is made to determine the liability the Company needs to hold on its balance sheet date.

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

Notes

Forming part of financial statements as on 31st March 2021

retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

(g) Taxation

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised 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.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set-off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Minimum Alternative Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. MAT credit is recognised as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the ICAI, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period and adjustments if any are included is tax cost for the year.

Deferred taxes

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. The impact of such recognition and derecognition is included in the profit and loss statement of that year.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(h) Operating lease

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on the borrowing costs Contingent rentals are recognised as expenses in the periods in which they are incurred.

(i) Contingent liabilities & provisions:

Contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more

Notes

Forming part of financial statements as on 31st March 2021

uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(j) 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

Initial recognition and measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Company commits to purchase or sell the asset.

Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in four categories:

1. Debt instruments at amortised cost
2. Debt instruments at fair value through other comprehensive income (FVTOCI)
3. Debt instruments, Mutual Fund and equity instruments at fair value through profit or loss (FVTPL)
4. Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Financial instruments at amortised cost

A 'Financial instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Financial instrument at FVTOCI

A 'Financial instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Financial Instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI Financial Instrument is reported as interest income using the EIR method.

Notes

Forming part of financial statements as on 31st March 2021

Financial instrument at FVTPL

FVTPL is a residual category for Financial Instruments. Any Financial Instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a Financial Instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Financial Instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

Equity investments and Mutual funds at FVTPL

All equity investments and Mutual fund in scope of Ind AS 109 are measured at fair value. Equity instruments, Mutual fund which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, Mutual Fund, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments, Mutual fund included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) 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.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Financial assets that are debt instruments and are measured as at FVTOCI

c) Lease receivables under Ind AS 17

d) Trade receivables

e) Loan commitments which are not measured as at FVTPL

f) Financial guarantee contracts which are not measured as at FVTPL

For recognition of impairment loss allowance on Trade receivables; and all lease receivables resulting from transactions within the scope of Ind AS 17 the Company follows 'simplified approach'

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade

Notes

Forming part of financial statements as on 31st March 2021

receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

1. All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
2. Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, are recognised net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if

Notes

Forming part of financial statements as on 31st March 2021

there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(k) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date. The 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(l) Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(m) Cash flow statement

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(n) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares 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 net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

Notes

Forming part of financial statements as on 31st March 2021

NOTE: 3 PROPERTY, PLANT AND EQUIPMENT

Particulars	Leasehold Improvements	Funitures & Fixtures	Computers & Printers	Office Equipment	Vehicles	Total
COST OR VALUATION						
As at 31st March 2019	**2,27,627**	**59,206**	**14,37,949**	**1,61,405**	**1,05,72,362**	**1,24,58,549**
Additions	-	-	-	-	-	**-**
Deletions	2,27,627	8	2,15,033	9	77,08,286	**81,50,963**
As at 31st March 2020	**-**	**59,198**	**12,22,916**	**1,61,396**	**28,64,076**	**43,07,586**
Additions	-	-	-	-	-	**-**
Deletions					17,21,895	**17,21,895**
As at 31st March 2021	**-**	**59,198**	**12,22,916**	**1,61,396**	**11,42,181**	**25,85,691**
DEPRECIATION AND IMPAIRMENT						
As at 31st March 2019	**2,27,627**	**44,545**	**13,11,325**	**1,53,044**	**56,87,409**	**74,23,950**
For the year	-	7,439	71,086	8,238	12,37,314	**13,24,076**
Deletions	2,27,627	8	1,97,130	6	56,00,851	**60,25,622**
As at 31st March 2020	**-**	**51,976**	**11,85,281**	**1,61,276**	**13,23,871**	**27,22,404**
For the year	-	7,215	25,824		5,50,338	**5,83,377**
Deletions					8,60,948	**8,60,948**
As at 31st March 2021	**-**	**59,191**	**12,11,105**	**1,61,276**	**10,13,261**	**24,44,833**
Net Book Value as at 31st March 2020	**-**	**7,222**	**37,635**	**120**	**15,40,205**	**15,85,182**
Net Book Value as at 31st March 2021	**-**	**7**	**11,811**	**120**	**1,28,920**	**1,40,858**

INTANGIBLE ASSET

Particulars	Computer Software	
COST OR VALUATION		
As at 31st March 2019	**2,97,500**	**2,97,500**
Additions	-	**-**
Deletions	-	**-**
As at 31st March 2020	**2,97,500**	**2,97,500**
Additions	-	**-**
Deletions	-	**-**
As at 31st March 2021	**2,97,500**	**2,97,500**
AMORTISATION AND IMPAIRMENT		
As at 31st March 2019	**1,40,190**	**1,40,190**
For the year	1,57,310	**1,57,310**
Deletions	-	**-**
As at 31st March 2020	**2,97,500**	**2,97,500**
As at 31st March 2021	**2,97,500**	**2,97,500**
Net Book Value as at 31st March 2020	**(0)**	**(0)**
Net Book Value as at 31st March 2021	**(0)**	**(0)**

The Company has elected to apply previous GAAP carrying amount of its property, plant and equipments as on 1st April 2015 (date of transition to Ind AS) as deemed cost for the purpose of accounting standard Ind AS 16.

Notes

Forming part of financial statements as on 31st March 2021

NOTE: 4A NON-CURRENT FINANCIAL ASSETS – LOANS

Amount in ₹

	As at 31 Mar 21	As at 31 Mar 20
(Unsecured, Considered Good, except otherwise stated)		
(carried at amortised cost)		
Security Deposits		
Unsecured, Considered Good	18,000	18,000
Less: Allowances for Doubtful		
	18,000	**18,000**

NOTE: 4B CURRENT FINANCIAL ASSETS – LOANS

Amount in ₹

	As at 31 Mar 21	As at 31 Mar 20
(Unsecured, Considered Good, except otherwise stated)		
(carried at amortised cost)		
Security Deposit		
Unsecured, Considered Good	-	-
Unsecured, Considered Doubtful	1,66,632	1,66,632
Less: Provision for Doubtful	(1,66,632)	(1,66,632)
Other Recieveables		
- Receivable from Fund III	2,10,44,383	2,10,44,383
Less: Provision in respect of receivable from Fund III	(2,10,44,383)	(2,10,44,383)
	-	**-**
(Unsecured, Considered Good, except otherwise stated)		
(carried at amortised cost)		
Considered Good		
- Others	-	-
Total	**-**	**-**

NOTE: 5 ADVANCE TAX (NET)

Amount in ₹

	As at 31 Mar 21	As at 31 Mar 20
Advance Tax (net of provision)	42,75,325	2,17,35,573
	42,75,325	**2,17,35,573**

NOTE: 6A OTHER NON-CURRENT ASSETS

Amount in ₹

	As at 31 Mar 21	As at 31 Mar 20
(Unsecured, Considered Good, except otherwise stated)		
Deferred Staff Cost	-	-
Deferred Rent Expenses	-	-
	-	**-**

Notes

Forming part of financial statements as on 31st March 2021

NOTE: 6B OTHER CURRENT ASSETS

Amount in ₹

	As at 31 Mar 21	As at 31 Mar 20
(Unsecured, Considered Good, except otherwise stated)		
GST, Taxes Recoverable, Statutory Deposits & Dues from Government	56	(1)
Prepaid Expenses	5,22,811	7,75,541
Other Current Assets	36,15,981	24,16,591
	41,38,848	**31,92,131**

NOTE: 7 CURRENT FINANCIAL ASSETS – INVESTMENTS

Amount in ₹

	As at 31 Mar 21	As at 31 Mar 20
Unquoted		
- Investments at Fair Value Through Profit & Loss		
44517.471 units (previous year 44517.471) of Aditya Birla SunLife Floating Rate Fund	1,20,50,140	1,12,31,571
nil units (previos year 433.387) of Aditya Birla Sunlife Liquid Fund – Growth– Direct Plan	-	1,38,493
48610.295 units (previous year 124986.496) of Aditya Birla Sunlife Savings Fund – Growth	2,07,48,634	5,00,98,212
	3,27,98,774	**6,14,68,276**

NOTE: 8 CASH AND CASH EQUIVALENTS

Amount in ₹

	As at 31 Mar 21	As at 31 Mar 20
Balances with Banks		
Current Accounts	1,28,833	11,00,328
Deposit Accounts	1,00,33,452	-
Cash on Hand	4,970	5,451
	1,01,67,255	**11,05,779**

NOTE: 9 EQUITY SHARE CAPITAL

In ₹

	Numbers	As at 31 Mar 21	As at 31 Mar 20
Authorised Share Capital:			
Equity shares of ₹10/- each of the Company	50,00,000	5,00,00,000	5,00,00,000
		5,00,00,000	**5,00,00,000**
Issued, Subscribed & paid-up			
Equity Shares of ₹10/- each fully paid-up	35,00,000	3,50,00,000	3,50,00,000
		3,50,00,000	**3,50,00,000**

1. Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Sr. No.	Description	As at 31 Mar 21 Equity Shares	As at 31 Mar 20 Equity Shares
1.	Number of shares outstanding at the beginning of the year @ ₹10 each	35,00,000	35,00,000
2.	Number of shares outstanding at the end of the year @ ₹10 each	35,00,000	35,00,000

Notes

Forming part of financial statements as on 31st March 2021

2. Term/right attached to equity shares

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

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

3. As per records of the Company, including register of shareholder/members and other declrations received from the shareholders regarding beneficial interest, the above shareholdng represents both legal and beneficial ownership of shares.

4. The entire share capital is held by Aditya Birla Capital Limited, the holding Company and its nominee.

5. Shares in the Company held by each shareholder holding more than 5% shares and the number of shares held are as under:-

Equity Shares

Sr. No.	Name of Share Holder	As at 31 Mar 21		As at 31 Mar 20	
		No. of Shares held	% of total paid-up equity share capital	No. of Shares held	% of total paid-up equity share capital
1.	Aditya Birla Capital Limited with its nominees	35,00,000	100.00%	**35,00,000**	**100.00%**

NOTE: 10 OTHER EQUITY

Amount in ₹

	As at 31 Mar 21	As at 31 Mar 20
Reserve and Surplus		
Surplus/(Deficit) in the statement of Profit and Loss		
Opening Balance as per last Financial Statement	2,16,58,647	7,83,57,448
Surplus in Profit and Loss accounts	(1,33,08,708)	(5,59,83,439)
Other Comprehensive Income/(Loss) for the year		
- Remeasurement gain/(loss) on defined benefit plans	18,57,702	(7,15,362)
	1,02,07,641	**2,16,58,647**

NOTE: 11 CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

Amount in ₹

	As at 31 Mar 21	As at 31 Mar 20
(Carried at amortised cost, except otherwise stated)		
Trade Payables – Total Outstanding Dues To		
- Micro enterprises and small enterprises	-	-
- Creditors other than micro enterprises and small enterprises	10,91,195	2,36,21,219
Trade Payables for employee cost & benefits	17,19,516	15,67,554
Acceptances	-	-
	28,10,711	**2,51,88,773**

Notes

Forming part of financial statements as on 31st March 2021

NOTE: 12 OTHER CURRENT LIABILITIES

Amount in ₹

	As at 31 Mar 21	As at 31 Mar 20
Statutory Dues	1,50,191	6,08,365
Others	2,60,859	-
	4,11,050	**6,08,365**

NOTE: 13 CURRENT PROVISIONS

Amount in ₹

	As at 31 Mar 21	As at 31 Mar 20
Provision for:		
Employee Benefits		
- Provision for Leave encashment	5,46,304	13,55,397
- Provision for Gratuity	25,63,354	52,93,759
	31,09,658	**66,49,156**

NOTE: 14 REVENUE FROM OPERATIONS

Amount in ₹

	Year ended 31 Mar 21	Year ended 31 Mar 20
Fees Income recognised over a certain period of time	-	-
Other Operating Income at point in time	-	-
	-	**-**

NOTE: 15 OTHER INCOME

Amount in ₹

	Year ended 31 Mar 21	Year ended 31 Mar 20
Interest Income – Others	27,85,930	24,23,726
Net Gain/(loss) on Fair Value Changes – Held at FVTPL	31,21,366	52,40,510
Miscellaneous Income (Net)	-	-
	59,07,296	**76,64,236**

NOTE: 16 EMPLOYEE BENEFITS EXPENSES

Amount in ₹

	Year ended 31 Mar 21	Year ended 31 Mar 20
Salaries and Wages	1,26,82,974	4,70,65,502
Contribution to Provident and Other Funds	9,42,176	25,14,409
Gratuity Expense	8,03,674	26,77,517
Expense on Employee Stock Options Scheme	(92,387)	(1,37,10,731)
Staff Welfare Expenses	80,850	8,56,372
Unwinding of Deferred Staff Expenses	-	8,12,000
	1,44,17,287	**4,02,15,069**

Notes

Forming part of financial statements as on 31st March 2021

NOTE: 17 DEPRECIATION AND AMORTISATION EXPENSES

Amount in ₹

	Year ended 31 Mar 21	Year ended 31 Mar 20
Depreciation of Property, plant and equipment	5,83,377	13,24,076
Amortisation of Intangible Assets	-	1,57,309
	5,83,377	**14,81,385**

NOTE: 18 OTHER EXPENSES

Amount in ₹

	Year ended 31 Mar 21	Year ended 31 Mar 20
Rent	-	22,60,909
Repairs & Maintenance – Building	-	2,12,868
Repairs & Maintenance – Others	-	30,568
Insurance	10,16,664	10,67,868
Rates & Taxes	5,07,485	1,04,22,089
Auditor's Remuneration	4,00,024	4,41,589
Directors' Fees	6,00,000	6,00,000
Loss on Sale of Fixed Assets	1,69,189	5,75,765
Legal & Professional Expenses	8,03,672	17,45,139
Travelling & Conveyance	12,812	1,39,608
Printing and Stationery	9,935	63,644
Communication Expenses	7,330	1,04,096
Electricity Charges	-	1,73,048
Information Technology Expenses	1,682	2,01,066
Membership & Subscription	1,000	59,340
Security & Housekeeping	16,200	2,65,816
Asset Utilsation charges	1,10,242	27,05,197
Miscellaneous Expenses	5,65,156	8,82,611
Total	**42,21,391**	**2,19,51,221**

NOTE: 19 DISCLOSURE AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 33 EARNINGS PER SHARE

Amount in ₹

		Year ended 31 Mar 21	Year ended 31 Mar 20
Earnings per Share (EPS) is calculated as under:			
Weighted-average Number of Equity Shares for calculation of Basic EPS	(A)	35,00,000	35,00,000
Nominal Value of Shares (₹)		10.00	10.00
Net Profit as per the Statement of Profit and Loss		(1,33,08,708)	(5,59,83,439)
Net Profit for EPS	(B)	(1,33,08,708)	(5,59,83,439)
Basic and Diluted EPS – Continuing Operations	**(B/A)**	**(3.80)**	**(16.00)**

Notes

Forming part of financial statements as on 31st March 2021

NOTE: 20 DURING THE YEAR, THE COMPANY HAS PAID FOLLOWING AMOUNT TO STATUTORY AUDITORS:

(Amount in ₹)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Audit Fees	4,00,000	4,00,000
Reimbursement of expenses	-	41,589
Total	**4,00,000**	**4,41,589**

NOTE: 21 DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS PER MSMED ACT, 2006

Based on the information available with the Company, no amounts have fallen due for payment to suppliers who have registered under the Micro, Small and Medium Enterprise Development Act, 2006 as at 31st March 2021.

NOTE: 22 SEGMENT REPORTING

IND AS 108 introduces a 'management approach' to identifying and measuring the financial performance of an entity's operating segments. The Company's operations is to render management services. There is no segment-wise internal reporting which is used by the Management for taking key decision.

NOTE: 23 RELATED PARTY DISCLOSURE

Name and relation with parties where control exits:-		
Ultimate Holding Company	:	Grasim Industries Limited w.e.f. 1st July 2017 (Aditya Birla Nuvo Limited up to 30th June 2017)
Holding Company	:	Aditya Birla Capital Limited
Fellow Subsidiary	:	Aditya Birla Trustee Company Private Limited
	:	ABCAP Trustee Company Private Limited
	:	Aditya Birla Sun Life Insurance Company Limited (Previously known as Birla Sun Life Insurance Company Limited)
	:	Aditya Birla Sun Life AMC Limited
	:	Aditya Birla Health Insurance Company Limited
	:	Aditya Birla Finance Limited
	:	Aditya Birla Financial Shared Services Limited
	:	Aditya Birla Housing Finance Limited
	:	Aditya Birla ARC Limited
Entity in which KMP's exercise Control	:	Aditya Birla Management Corporation Private Limited
Key Managerial Personnel's	:	Mr. D. Muthukumaran (Chief Executive Officer up to 30th June 2019))
	:	Mr. Sunil K. Jain, (Chief Financial Officer)
	:	Mr. Piyush Shah, (Company Secretary)

The following table provides the total amount of transactions that have been entered into with related parties and balance outstanding for the relevant financial year:

Notes

Forming part of financial statements as on 31st March 2021

(Amount in ₹)

Sr. No.	Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
A	**HOLDING COMPANY/ULTIMATE HOLDING COMPANY**		
	Transactions during the year		
	Aditya Birla Capital Limited		
	(a) Employee Benefit Expenses	-	1,517,667
	(b) Other Expenditure	-	328,890
	(c) ESOP Charge	(353,246)	(13,710,731)
	Balance outstanding		
	Aditya Birla Capital Limited – Equity Share Capital	3,50,00,000	3,50,00,000
	Aditya Birla Capital Limited – Payable/ (Receivable)	(51,627)	2,13,72,828
B	**FELLOW SUBSIDIARIES**		
	Brief description Company & item wise:		
	Transactions during the year		
	Aditya Birla Financial Shared Services Limited		
	(a) Employee Benefit Expenses	-	7,57,331
	(b) Reimbursement of expenses	-	12,15,783
	(c) Reimbursement of Prepaid	1,10,318	13,39,362
	(d) Employee/asset transfer	3,000	2,54,234
	Balance outstanding		
	- Aditya Birla Financial Shared Services Limited	(3,972)	12,20,145
	Prepaid to be amortised		
	- Aditya Birla Financial Shared Services Limited	1,224	1,11,542
	Aditya Birla Sunlife Insurance Company Limited		
	Insurance premium paid/Asset transfer	26,168	(2)
	Outstanding amount Payable	-	-
	Aditya Birla Housing Finance Limited		
	Asset transfer/Reimbursement of expenses	75,250	(12)
	Outstanding amount Payable	-	-
	Aditya Birla Finance Limited		
	Asset transfer	-	(2)
	Outstanding amount Payable	-	-
	Aditya Birla Health Insurance Company Limited		
	Group Deposit GMC & Top Up	-	(22,381)
	Outstanding amount payable	-	-
	Aditya Birla Management Corporation Private Limited		
	Amount receivable	-	-
	Employee/Asset Transfer	-	31,68,856
	Others:		
	Transaction with ex-CEO (D. Muthukumaran)		
	Remuneration	-	1,11,45,412
	Employee Loan (Repayment)	-	(6,36,00,000)
	Interest on Employee Loan	-	13,62,000

Notes

Forming part of financial statements as on 31st March 2021

NOTE: 24 CAPITAL COMMITMENT, LONG-TERM CONTRACT & PENDING LITIGATIONS –

Estimated amounts of contracts remaining to be executed on capital account not provided for amounts to ₹ NIL (previous year NIL).

The Company has a process whereby periodically review all long-term contracts, if any, are assessed for material foreseeable losses. During the year, the Company did not have any long-term contracts including derivative contracts.

The Company's pending litigations comprise of claims against the Company primarily by the proceedings pending with Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial results at 31st March 2021.

The Company has received a tax recovery notice of ₹ 51.36 Lakh for AY 2011-12 on 21st November 2016 and ₹ 89.33 Lakh for AY 2012-13 on 29th April 2019. These demands are arising due to (1) rectifications orders passed by the tax authorities not considered in the records of the tax department; (2) short withholding tax credit provided to the Company; (3) certain amounts of refunds issued to the Company in the records of the tax department which are actually not received by the Company. During the year, the Company has received a notice to adjust the refund of earlier Assessment years against these two outstanding tax demands. The Management is of the view that, the above mentioned demands are mistakes apparent on records and the same has been represented to the authorities on several occasions. Hence, the outstanding demands are not considered as tenable.

NOTE: 25 OPERATING LEASES

(Amount in ₹)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Lease payments recognised in the profit and loss	Nil	2,260,909

Lease for office premises has been cancelled w.e.f. 30th June 2019.

NOTE: 26 CURRENT TAX

Current tax for the year of ₹ nil/- (previous year ₹ nil). Excess provision of Income Tax of earlier years written back ₹ 6,051/- (previous year nil)

NOTE: 27 RETIREMENT BENEFIT

Disclosure in respect of Employee Benefits pursuant to IND AS 19

(Amount in ₹)

	As at 31 Mar 21	As at 31 Mar 20
Amounts recognised in the Balance Sheet in respect of Gratuity		
Present Value of the funded Defined Benefit Obligations at the end of the year	25,63,354	52,93,759
Fair Value of Plan Assets	36,15,981	24,16,591
Net (Asset)/ Liability	**(10,52,627)**	**28,77,168**
Amounts recognised in Employee Benefits Expenses in the Statement of Profit and Loss in respect of Gratuity		
Current Service cost	6,83,535	21,29,932
Interest on net defined benefit liability/(assets)	1,20,139	5,22,678
Net Gratuity Cost	**8,03,674**	**26,52,610**
Amount recognised in Other Comprehensive Income (OCI) for the year		
Opening amount recognised in OCI outside profit & loss A/c.	61,76,587	54,76,391
Actual return on plan assets less interest on plan assets	(2,28,672)	18,42,147
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	(22,378)	5,28,970
Actuarial changes arising from changes in experience assumptions	(16,06,652)	(16,70,921)
Closing amount recognised in OCI outside profit and loss account	**43,18,885**	**61,76,587**

Notes

Forming part of financial statements as on 31st March 2021

(Amount in ₹)

	As at 31 Mar 21	As at 31 Mar 20
Reconciliation of Present Value of the Obligation and the Fair Value of the Plan Assets:		
Change in net liability/assets		
Opening net defined benefit liability/(assets)	28,77,168	78,77,349
Expense charged to profit and loss account	8,03,674	26,52,610
Amount recognised outside profit and loss account – OCI	(18,57,702)	7,00,196
Employer Contributions	(28,75,767)	(83,52,987)
Closing net defined benefit liability/(asset)	**(10,52,627)**	**28,77,168**
Change in Present Value of the Obligations:		
Opening Defined Benefit Obligations	52,93,759	2,29,06,698
Current Service Cost	6,83,535	21,29,932
Interest Cost	3,28,922	16,86,244
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	(22,378)	5,28,970
Actuarial changes arising from changes in experience assumptions	(16,06,652)	(16,70,921)
Benefits Paid	(21,13,832)	(2,02,87,164)
Closing Defined Benefit Obligations	**25,63,354**	**52,93,759**
Change in Fair Value of the Plan Assets:		
Opening Fair Value of the Plan Assets	24,16,591	1,50,29,349
Interest Income on plan assets	2,08,783	11,63,566
Actual return on plan assets less interest on plan assets	2,28,672	(18,42,147)
Contributions by the Employer	28,75,767	83,52,987
Benefits Paid	(21,13,832)	(2,02,87,164)
Closing Fair Value of the Plan Assets	**36,15,981**	**24,16,591**

Funding arrangement and policy

The money contributed by the Company to the fund to finance the liabilities of the plan has to be invested. The trustees of the plan are required to invest the funds as per the prescribed pattern of investments laid out in the income tax rules for such approved schemes. Due to the restrictions in the type of investments that can be held by the fund, it is not possible to explicitly follow an asset-liability matching strategy to manage risk actively.

There is no compulsion on the part of the Company to fully pre fund the liability of the Plan. The Company's philosophy is to fund the benefits based on its own liquidity and tax position as well as level of underfunding of the plan.

Estimated amount of contribution expected to be paid to the fund during the annual period being after the Balance Sheet date is ₹ 20,00,000 (previous year: ₹ 28,00,000).

Maturity Profile of defined benefit obligation	As at 31 Mar 21	As at 31 Mar 2020
Within the next 12 months (next annual reporting period)	1,50,550	3,08,715
Between 2 and 5 years	5,41,188	11,38,220
Between 6 and 9 years	5,20,832	10,55,308
10 years and Above	35,03,729	73,17,946

The weighted average duration to the payment of these cash flows is 8.68 years (previous year 7.92 Years).

Principal Actuarial Assumptions at the Balance Sheet Date

Discount Rate	6.50%	6.40%
Salary escalation		
Salary escalation – Staff	8.50%	8.50%
Estimated Rate of Return on the Plan Assets	6.50%	6.40%

Notes

Forming part of financial statements as on 31st March 2021

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

Quantitative sensitivity analysis for significant assumption is as below:
Increase/decrease on present value of defined benefits obligation at the end of the year

	Discount Rate	Salary escalation rate
i) 50 bps increase in discount rate	-4.22%	4.36%
ii) 50 bps decrease in discount rate	4.46%	-4.16%

Sensitivity analysis method

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.

Disaggregation of Plan Assets	Year ended 31 Mar 21		
	Quoted Value	Non-Quoted Value	Total
Government debt instruments	-	4,42,901	4,42,901
Other debt instruments	-	34,699	34,699
Insurer Managed Funds	-	31,29,773	31,29,773
Others	-	8,608	8,608
Grand Total	**-**	**36,15,981**	**36,15,981**

Disaggregation of Plan Assets	Year ended 31 Mar 20		
	Quoted Value	Non-Quoted Value	Total
Government debt instruments	-	1,21,858	1,21,858
Other debt instruments	-	6,776	6,776
Insurer Managed Funds	-	22,85,469	22,85,469
Others	-	2,488	2,488
Grand Total	**-**	**24,16,591**	**24,16,591**

There are no amounts included in Fair Value of Plan Assets for:

i) Company's own financial instrument

ii) Property occupied by or other assets used by the Company

	Year ended 31 Mar 21	Year ended 31 Mar 20
Defined Contribution Plans –		
Contribution to Superannuation Fund	3,15,564	7,00,884
Contribution to Employee Pension Scheme	22,500	66,689
Contribution to Company – Owned Employees' Provident Fund Trust	6,04,112	17,45,846

NOTE: 28 FINANCIAL INSTRUMENT – ACCOUNTING CLASSIFICATION & FAIR VALUE MEASUREMENTS

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values.

	Carrying value		Fair value	
	31 Mar 21	31 Mar 20	31 Mar 21	31 Mar 20
Financial assets				
Investments	3,27,98,774	6,14,68,276	3,27,98,774	6,14,68,276

The management assessed that cash and cash equivalents, trade and other payables, other financial assets and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Notes

Forming part of financial statements as on 31st March 2021

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of the Company's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's market borrowing rate and lending rate as at the end of the reporting period.

Fair value hierarchy

	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
As at 31st March 2021				
Financial assets				
Investments[1]	3,27,98,774	-	3,27,98,774	-
As at 31st March 2020				
Financial assets				
Investments[1]	6,14,68,276	-	6,14,68,276	-

Note 1: Fair value of Investment in Unquoted Mutual Funds done based on NAV of Units

NOTE: 29 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities, comprise trade and other payables and liability to employees dues. The Company principal financial assets include Investments into mutual funds, loans & advances and cash & cash equivalents that are derived directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company has formulated suitable Risk Control Matrix (RCM) to provide an assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All Investment activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that surplus assets are invested in low risk financial instruments with high liquidity. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk for Mutual Fund investments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As interest rates increase, the market price of the mutual fund experiences a reduction in value and a reduction in yields of underlying securities result in an increase in value of the Mutual Fund. The Company does not have any debt resulting in any direct impact of interest rates changes on profitability. The Company manages its interest rate risk by having a portfolio in short-term and liquid mutual fund.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not have any significant foreign currency assets or liabilities and hence there is no need for any foreign currency hedges.

Notes

Forming part of financial statements as on 31st March 2021

Credit risk

The Company gets its revenue in advance from the Fund that it manages. Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its investment in Mutual funds. Since these are large entities regulated by SEBI we do not perceive any credit risk on such investments.

Liquidity risk

Liquidity risk relates to the risk that the entity may not be able to meet its obligations from available resources. The Company does not perceive any liquidity risk as investments are made in highly liquid schemes of a Mutual Fund.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed by investing in scheme of a Mutual fund having a diversified portfolio in a particular asset class rather than a specific investment on its own.

NOTE: 30 SIGNIFICANT JUDGEMENTS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

i) Employee benefit (Refer Note 27 & Note 16):

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates and yields of government bonds and other debt securities.

The mortality rate is based on publicly available mortality tables. Future salary increases and gratuity increases are based on expected future inflation rates.

Provision for Leave encashment are also determined using actuarial valuations. These involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and future availment of leave which is determined on the basis of management estimate. All assumptions are reviewed at each reporting date.

ii) Fair value of certain financial instrument (Refer Note 28):

Fair value of Investment in Unquoted Mutual Funds done based on NAV of Units.

Notes

Forming part of financial statements as on 31st March 2021

iii) Property, plant and equipment (Refer Note 2.2.b):

Property, Plant and Equipment (PPE) has been restated at fair value as on 1st April 2015 and net WDV as on 31st March 2015 has been assumed to be the fair value as on that date.

Depreciation has been provided on PPE based on Original cost and an estimate of the useful life of PPE as explained in Note 2.2.b.

iv) Taxes

Deferred tax liability are recognised for timing difference in various head of Assets and Liabilities to the extent that this will be set-off against future tax expense in subsequent years. In view of recurring losses and no reasonable certainty of recovery, no deferred tax assets are recognised.

NOTE: 31 ESOP EXPENSE

Pursuant to Employee Stock Option Plan (ESOP) being established by the Aditya Birla Capital Limited (holding Company), stock options were granted to the employees of the Company during the financial year. During the year, net gain towards fair value of ESOP given to employees of the Company is ₹ 3,53,246 in view of cancellation of units upon resignation/retirement. (previous year gain of ₹ 1,37,10,731).

NOTE: 32 LIQUIDITY RISK MATURITY PROFILE

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of undrawn credit facilities to meet obligations when due. The Company's Corporate Finance team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

As at 31 Mar 21	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Trade and Other Payable	-	12,41,386	-	2,60,859	-	15,02,245
Payable to Employees	-	-	19,62,554	9,95,004	18,71,616	48,29,174

As at 31 Mar 20	On Demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Trade and Other Payable	28,56,756	-	2,13,72,828	-	-	2,42,29,584
Payable to Employees	-	1,67,550	21,12,615	20,89,721	38,46,824	82,16,710

NOTE: 33 previous year's figures have been regrouped/rearranged to confirm to the current year's presentation, wherever necessary.

As per the Company's attached Report of even date
For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

per **Shrawan Jalan**
Partner
Membership No. 102102

Place: Mumbai
Date: 26th April 2021

For and on behalf of the Board of Directors
Aditya Birla PE Advisors Private Limited

A. Dhananjaya
Director
DIN: 01744569

Pinky Mehta
Director
DIN: 00020429

Sunil K. Jain
Chief Financial Officer

Piyush Shah
Company Secretary

Place: Mumbai
Date: 26th April 2021

Aditya Birla Trustee Company
Private Limited

ADITYA BIRLA
CAPITAL

Independent Auditor's Report

To the members of
Aditya Birla Trustee Company Private Limited

REPORT ON THE AUDIT OF THE IND AS FINANCIAL STATEMENTS

Opinion

We have audited the accompanying Ind AS financial statements of Aditya Birla Trustee Company Private Limited ("the Company"), which comprise the Balance sheet as at 31st March 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for opinion

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

Emphasis of matter – going concern

We draw attention to Note 2.1 to the Financial Statements, which indicates that the Company is not considered to be a going concern and hence, in the financial statements of Company, the assets and liabilities are stated at their realisable values.

Our opinion is not qualified in respect of this matter.

Other information

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

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

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

Responsibility of management for the Ind AS financial statements

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

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

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

Auditor's responsibilities for the audit of the Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report 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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

    (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

    (e) The going concern matter described in Emphasis of Matter - Going Concern paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;

(f) On the basis of the written representations received from the directors as on 31st March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

(g) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(h) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended 31st March 2021;

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 18 to the Ind AS 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.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Shrawan Jalan**
Partner
Membership Number: 102102
UDIN: 21102102AAAAHE3593

Place of Signature: Mumbai
Date: 27th April 2021

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

Re: Aditya Birla Trustee Company Private Limited ('the Company')

(i) The Company did not have any property plant and equipment during the year, accordingly, the requirements under paragraph 3(i) (a)(b)(c) of the Order are not applicable to the Company.

(ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax, goods and service tax, and other statutory dues applicable to it. The provisions relating to provident fund, employees' state insurance, sales-tax, duty of customs, duty of excise and value added tax are not applicable to the Company.

(vii) (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, goods and service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to provident fund, employees' state insurance, sales-tax, duty of customs, duty of excise and value added tax are not applicable to the Company.

(vii) (c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, goods and service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute. The provisions relating to provident fund, employees' state insurance, sales-tax, duty of customs, duty of excise and value added tax are not applicable to the Company.

(viii) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.

(ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments) and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud / material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act is not applicable to the Company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.

(xii) In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of sec 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Shrawan Jalan**
Partner
Membership Number: 102102
UDIN: 21102102AAAAHE3593

Place of Signature: Mumbai
Date: 27th April 2021

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON IND AS FINANCIAL STATEMENTS OF ADITYA BIRLA TRUSTEE COMPANY PRIVATE LIMITED

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

We have audited the internal financial controls over financial reporting of Aditya Birla Trustee Company Private Limited ("the Company") as of 31st March 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's responsibility for internal financial controls

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

Auditor's responsibility

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

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

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

Meaning of internal financial controls over financial reporting with reference to these financial statements

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

Inherent limitations of internal financial controls over financial reporting with reference to these Ind AS financial statements

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

Opinion

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

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **Shrawan Jalan**
Partner
Membership Number: 102102
UDIN: 21102102AAAAHE3593

Place of Signature: Mumbai
Date: 27th April 2021

Balance Sheet
as at 31st March 2021

Amount in ₹

Particulars	Note	As at 31 Mar 21	As at 31 Mar 20
I ASSETS			
(1) Non-current assets			
(a) Financial Assets			
(i) Others	3	10,000	10,000
(b) Advance Tax (net)		-	-
Total non-current assets		**10,000**	**10,000**
(2) Current assets			
(a) Financial Assets			
(i) Current Investments	4	44,45,428	43,16,797
(ii) Cash and cash equivalents	4A	20,821	12,781
(b) Other current assets	5	-	-
Total current assets		**44,66,249**	**43,29,578**
Total assets		**44,76,249**	**43,39,578**
II EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share capital	6	5,00,000	5,00,000
(b) Other Equity	7	37,66,732	35,34,633
(i) Retained Earnings		37,66,732	35,34,633
Equity attributable to equity holders of the Company		42,66,732	40,34,633
Total equity		**42,66,732**	**40,34,633**
LIABILITIES			
(2) Non-current liabilities			
(a) Deferred tax liabilities ((net of MAT Credit Entitlement))	19	1,19,257	2,48,646
Total non-current liabilities		**1,19,257**	**2,48,646**
(3) Current liabilities			
(a) Financial Liabilities			
(i) Trade Payables	8	55,820	43,550
(b) Other Current Liabilities	9	2,400	-
(c) Current tax liabilities (net)		32,040	12,749
Total current liabilities		**90,260**	**56,299**
Total liabilities		**2,09,517**	**3,04,945**
Total Equity and Liabilities		**44,76,249**	**43,39,578**
Significant Accounting Policies	2		

The accompanying Notes are an integral part of the Financial Statements
As per the Company's attached Report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.301003E/E300005

per **Shrawan Jalan**
Partner
Membership no.102102

Place: Mumbai
Date: 27th April 2021

For and on behalf of the Board of Directors
Aditya Birla Trustee Company Private Limited

Anil Chirania
Director
DIN Nos. 01082719

Shriram Jagetiya
Director
DIN Nos. 01638250

Place: Mumbai
Date: 27th April 2021

Statement of Profit and Loss

for the year ended 31st March 2021

Amount in ₹

	Note	Year Ended 31 Mar 21	Year Ended 31 Mar 20
CONTINUING OPERATIONS			
INCOME			
Revenue from Operations	10	-	-
Net Gain on fair value changes		2,68,631	3,13,793
Other Income	11	24	930
Total Income		**2,68,655**	**3,14,723**
EXPENSES			
(a) Other expenses	12	1,38,350	3,08,080
Total Expenses		**1,38,350**	**3,08,080**
Profit before tax from continuing operations		**1,30,305**	**6,643**
Tax Expenses			
Current Tax		28,951	9,660
Short/(Excess) Provision for Tax Related to Earlier Years (Net)		-	-
MAT Credit		91,514	(2,826)
Deferred Tax		(2,22,259)	66,658
Total Tax Expenses		**(1,01,794)**	**73,492**
Profit for the period		**2,32,099**	**(66,849)**
Total Comprehensive Income for the year, net of tax :		2,32,099	(66,849)
Earnings per equity share :			
Basic and Diluted	13	4.64	(1.34)
Significant Accounting Policies	2		

The accompanying Notes are an integral part of the Financial Statements
As per the Company's attached Report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.301003E/E300005

per **Shrawan Jalan**
Partner
Membership no.102102

Place: Mumbai
Date: 27th April 2021

For and on behalf of the Board of Directors
Aditya Birla Trustee Company Private Limited

Anil Chirania
Director
DIN Nos. 01082719

Shriram Jagetiya
Director
DIN Nos. 01638250

Place: Mumbai
Date: 27th April 2021

Cash Flow Statement

for the year ended 31st March 2021

Amount in ₹

Particulars		Year ended 31 Mar 21	Year ended 31 Mar 20
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit/ (Loss) before tax		1,30,305	6,643
Adjustments for:			
Less: Dividend & Gain/(Loss) from Mutual Fund		2,68,631	3,13,793
Less: Interest Income/ expenses		(1,336)	-
Operating (Loss) before working capital changes		**(1,36,990)**	**(3,07,150)**
Adjustment for:			
Increase/(Decrease) in Financial Liabilities		14,670	(23,530)
(Increase)/Decrease in current assets		-	1,03,936
Cash from operating activities		**(1,22,320)**	**(2,26,744)**
Adjustment for Tax paid / (Refund)		(9,640)	(3,360)
Net cash from operating activities	A	**(1,31,960)**	**(2,30,104)**
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of investments		(31,00,000)	-
Sale of investments		32,40,000	2,37,193
Net cash used in investing activities	B	**1,40,000**	**2,37,193**
Net increase/(Decrease) in Cash and Cash equivalent (A+B)		8,040	7,088
Cash and Cash equivalent at beginning of the year		12,781	5,693
Cash and Cash equivalent at end of the year		20,821	12,781

Notes :

1. The above Cash Flow Statement has been prepared under the ""Indirect Method"" as set out in Indian Accounting Standard (Ind AS) - 7 'Statement of Cash Flow's prescribed under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
2. Cash and cash equivalents in the balance sheet comprise of Cash on hand and Cash at Bank.

The accompanying Notes are an integral part of the Financial Statements
As per the Company's attached Report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.301003E/E300005

per **Shrawan Jalan**
Partner
Membership no.102102

Place: Mumbai
Date: 27th April 2021

For and on behalf of the Board of Directors
Aditya Birla Trustee Company Private Limited

Anil Chirania
Director
DIN Nos. 01082719

Shriram Jagetiya
Director
DIN Nos. 01638250

Place: Mumbai
Date: 27th April 2021

Statement of changes in equity

for the year ended 31st March 2021

Amount in ₹

	Equity share capital	Retained earnings	Total Equity
Current year :			
Opening balance as on 1st April 2020	5,00,000	35,34,633	40,34,633
Addition during the period	-	2,32,099	2,32,099
Comprehensive gain/(loss) during the period	-	-	-
Closing balance as on 31st March 2021	**5,00,000**	**37,66,732**	**42,66,732**
Previous year :			
Opening balance as on 1st April 2019	5,00,000	36,01,482	41,01,482
Addition during the period	-	(66,849)	(66,849)
Comprehensive gain/(loss) during the period	-	-	-
Closing balance as on 31st March 2020	**5,00,000**	**35,34,633**	**40,34,633**

As per the Company's attached Report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.301003E/E300005

per **Shrawan Jalan**
Partner
Membership no.102102

Place: Mumbai
Date: 27th April 2021

For and on behalf of the Board of Directors
Aditya Birla Trustee Company Private Limited

Anil Chirania
Director
DIN Nos. 01082719

Shriram Jagetiya
Director
DIN Nos. 01638250

Place: Mumbai
Date: 27th April 2021

Notes

Forming part of financial statements as on 31st March 2021

1. CORPORATE INFORMATION

Aditya Birla Trustee Company Private Limited (the 'Company') was incorporated on 11th September 2008. The Company is a Private Limited Company incorporated under the provisions of the Companies Act, 1956 and a wholly owned subsidiary of Aditya Birla Capital Limited and the ultimate holding is Grasim Industries Limited (Previously ultimate holding was Aditya Birla Nuvo Limited). The registered office of the Company is located at Aditya Birla Centre, S. K. Ahire Marg, Worli, Mumbai, Maharashtra, India. The main object of the Company is to act as trustee and provide trustee related services.

The financial statements are approved for issue by the Company's Board of Directors by resolution passed in the meeting dated 27th April 2021.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The Company's ultimate holding Company, Grasim Industries Limited is a listed Company with networth of over ₹500 Crore and required to adopt IND AS in terms of rule of the Companies (Indian Accounting Standards) Rules, 2015. All subsidiaries of such companies are also required to adopt IND AS as prescribed under said Rules. Accordingly, the Company has adopted Ind AS and has prepared financial statement under Ind AS.

Sunrise Fund has closed its operations during the year ended 31st March 2019 and ABPE Fund – I, the Term of which was extended till 13th January 2021 is continuing as a liquidation vehicle pending final realisation of some of the assets. The Company has not accrued and received any income from Trusteeship fees or any other operating income during the year ended 31st March 2021. Further the management of the Company is currently not having any future business plan for the operations of the Company, considering the present macro environment. These conditions indicate significant uncertainty about the Company's ability to continue as going concern and hence financial statements have not been prepared on a going concern basis. Accordingly, the assets and liabilities as at 31st March 2021 are stated at their current realisable values. The ultimate realisation values of these assets and liabilities may be different.

The Company has prepared financial statements in accordance with Indian Accounting Standards ('Ind AS') under the historic cost convention on the accrual basis except financial instrument which are measured at fair value, and the provisions of the Companies Act 2013. The IND AS are prescribed under section 133 of the act read with rule of the Companies (Indian Accounting Standards) Rules, 2015 as amended.

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

2.2 Summary of significant accounting policies

(a) Use of estimate

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

(b) Revenue recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind ASs.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Notes

Forming part of financial statements as on 31st March 2021

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation

The Company recognises revenue on contract with customers based on above model. The contract with each customer is identified and revenue is recognised based on the terms of the contract, period of engagement and quantum of assets under management. Revenue is recognised on satisfaction of the performance obligation of the contract.

Trusteeship fee income

Revenue recognition for trusteeship fees can be divided into the following two categories:

i) **Trusteeship fees – over time**

Fees is recognised on completion of the period and performance of the service.

ii) **Trusteeship fees – point in time**

Certain incomes are recognised only upon completion of the performance obligation of the Contract.

Dividends

Dividend income on investments is accounted for when the right to receive the payment is established.

Disposal of investments

On disposal of an investment the difference between carrying amount and net disposal proceeds is charged or credited to the statement of Profit and Loss using weighted average cost.

(c) Taxation

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised 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

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Minimum Alternative Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. MAT credit is recognised as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the ICAI, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

Deferred taxes

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based

Notes

Forming part of financial statements as on 31st March 2021

on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(d) Contingent liabilities & provisions:

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

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(e) 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

Initial recognition and measurement:

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in four categories:

1) Financial instruments at amortised cost
2) Financial instruments at fair value through other comprehensive income (FVTOCI)
3) Financial instruments, Mutual Fund and equity instruments at fair value through profit or loss (FVTPL)
4) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Financial instruments at amortised cost

A 'Financial instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Financial Instrument at FVTOCI

A 'Financial Instrument' is classified as at the FVTOCI if both of the following criteria are met:

Notes

Forming part of financial statements as on 31st March 2021

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Financial Instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI Financial Instrument is reported as interest income using the EIR method.

Financial instrument at FVTPL

FVTPL is a residual category for Financial Instruments. Any Financial Instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a Financial Instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any Financial Instrument as at FVTPL.

Financial Instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

Equity investments and mutual funds at FVTPL

All equity investments and Mutual fund in scope of Ind AS 109 are measured at fair value. Equity instruments, Mutual fund which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, Mutual Fund, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments, Mutual fund included within the FVTPL category are measured at fair value with all changes recognised in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) 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.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

Notes
Forming part of financial statements as on 31st March 2021

b. Financial assets that are debt instruments and are measured as at FVTOCI

c. Lease receivables under Ind AS 17

d. Trade receivables

e. Loan commitments which are not measured as at FVTPL

f. Financial guarantee contracts which are not measured as at FVTPL

For recognition of impairment loss allowance on Trade receivables; and all lease receivables resulting from transactions within the scope of Ind AS 17 the Company follows 'simplified approach'

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

1. All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

2. Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and In the case of loans and borrowings and payables, are recognised net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Notes

Forming part of financial statements as on 31st March 2021

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(f) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date. The 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- in the absence of a principal market in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(g) Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

Notes

Forming part of financial statements as on 31st March 2021

(h) Cash flow statement

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(i) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares 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 net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(j) Contingent liabilities and provisions

The Company's has no pending litigations with Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements.

Notes

Forming part of financial statements as on 31st March 2021

NOTE: 3 NON-CURRENT FINANCIAL ASSETS - LOANS

Amount in ₹

	As at 31 Mar 21	As at 31 Mar 20
(Unsecured, Considered Good, except otherwise stated)		
(carried at amortised cost)		
Security Deposits	10,000	10,000
	10,000	**10,000**

NOTE: 4 CURRENT FINANCIAL ASSETS - INVESTMENTS

Amount in ₹

	As at 31 Mar 21	As at 31 Mar 20
- Unquoted		
- Investments at Fair Value through profit and loss		
9,351.036 units (Previous year nil) of Aditya Birla Sunlife Liquid Fund - Growth	31,00,175	-
3,182.477 units (previous year 10,859.296 units) of Aditya Birla Sunlife Saving Fund - Growth	13,45,253	43,16,797
	44,45,428	**43,16,797**

NOTE: 4A CASH AND CASH EQUIVALENTS

Amount in ₹

	As at 31 Mar 21	As at 31 Mar 20
Balances with Banks		
Current Accounts	19,339	11,299
Cash on Hand	1,482	1,482
	20,821	**12,781**

NOTE: 5 OTHER CURRENT ASSETS

Amount in ₹

	As at 31 Mar 21	As at 31 Mar 20
(Unsecured, Considered Good, except otherwise stated)		
VAT, Other Taxes Recoverable, Statutory Deposits and Dues from Government	-	-
	-	**-**

NOTE: 6 EQUITY SHARE CAPITAL

Amount in ₹

	Numbers	As at 31 Mar 21	As at 31 Mar 20
Authorised Share Capital:			
Equity shares of ₹ 10/- each of the company	50,000	5,00,000	5,00,000
		5,00,000	**5,00,000**
Issued, Subscribed & paid-up			
Equity Shares of ₹ 10/- each fully paid-up	50,000	5,00,000	5,00,000
		5,00,000	**5,00,000**

Notes

Forming part of financial statements as on 31st March 2021

1 Reconciliation of the number of shares outstanding at the beginning and at the end of the period

S. No.	Description	As at 31 Mar 21 Equity Shares	As at 31 Mar 20 Equity Shares
1	Number of shares outstanding at the beginning of the period @ ₹10 each	50,000	50,000
2	Number of shares outstanding at the end of the period @ ₹10 each	50,000	50,000

2 Term/right attached to equity shares

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

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

3 As per records of the Company , including register of shareholder/ members and other declarations received from the shareholders regarding beneficial interest, the above shareholdng represents both legal and beneficial ownership of shares.

4 The entire share capital is held by Aditya Birla Capital Limited, the holding Company and its nominee.

5 Shares in the Company held by each shareholder holding more than 5% shares and the number of shares held are as under:-

Equity Shares

S. No.	Name of Share Holder	As at 31 Mar 21		As at 31 Mar 20	
		No of Shares held	% of total paid-up equity share capital	No of Shares held	% of total paid-up equity share capital
1	Aditya Birla Capital Limited with its nominees	50,000	100.00%	50,000	100.00%

NOTE: 7 RETAINED EARNINGS

Amount in ₹

	As at 31 Mar 21	As at 31 Mar 20
Opening balance as per last audited financial statement	35,34,633	36,01,482
Surplus/(Deficit) in the profit and loss accounts	2,32,099	(66,849)
	37,66,732	**35,34,633**

NOTE: 8 CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

Amount in ₹

	As at 31 Mar 21	As at 31 Mar 20
(Carried at amortised cost, except otherwise stated)		
Trade Payables - Total outstandings due to		
- Micro enterprises and small enterprises	-	-
- Creditors other than micro enterprises and small enterprises	55,820	43,550
	55,820	**43,550**

Notes

Forming part of financial statements as on 31st March 2021

NOTE: 9 OTHER CURRENT LIABILITIES

Amount in ₹

	As at 31 Mar 21	As at 31 Mar 20
Statutory Dues	2,400	-
	2,400	**-**

NOTE: 10 REVENUE FROM OPERATIONS

Amount in ₹

	As at 31 Mar 21	As at 31 Mar 20
Sale of Services		
Income from Other Financial Services	-	-
Income from Investing Activity of Financial Services	-	
	-	**-**

NOTE: 11 OTHER INCOME

Amount in ₹

	As at 31 Mar 21	As at 31 Mar 20
Interest Income - Others	24	930
Net Gain on Investment sold- Held at FVTPL	11,23,468	49,009
MTM Gain on Investment- Held at FVTPL	(8,54,837)	2,64,784
	2,68,655	**3,14,723**

NOTE: 12 OTHER EXPENSES

Amount in ₹

	As at 31 Mar 21	As at 31 Mar 20
Rates & Taxes	19,790	1,44,883
Auditors' Remuneration	75,000	75,000
Directors' Fees	-	20,000
Legal & Professional Expenses	40,500	57,000
Miscellaneous Expenses	3,060	11,197
Total	**1,38,350**	**3,08,080**

NOTE: 13 DISCLOSURE AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND AS) 33 EARNINGS PER SHARE

Amount in ₹

		Year Ended 31 Mar 21	Year Ended 31 Mar 20
Earnings per Share (EPS) is calculated as under:			
Weighted-average Number of Equity Shares for calculation of Basic & Diluted EPS	(A)	50,000	50,000
Nominal Value of Shares (₹)		10.00	10.00
Profit attributable to equity holders for basic and dilution:			
Continuing Operations	(C)	2,32,099	(66,849)
Basic EPS (₹)	(C/A)	4.64	(1.34)
Diluted EPS (₹)	(C/A)	4.64	(1.34)

Notes

Forming part of financial statements as on 31st March 2021

NOTE: 14 DURING THE YEAR, THE COMPANY HAS PAID FOLLOWING AMOUNT TO STATUTORY AUDITORS:

Amount in ₹

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
Audit Fees	75,000	75,000
Total	**75,000**	**75,000**

NOTE: 15 DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS PER MSMED ACT, 2006

Based on the information available with the Company, no amounts have fallen due for payment to suppliers who have registered under the Micro, Small and Medium Enterprise Development Act, 2006 as at 31st March 2021.

NOTE: 16 SEGMENT REPORTING

The Company operates in single segment (i.e. rendering of trusteeship services), no further disclosure is required to be given as per the notified IND AS-108 'Operating Segments'.

NOTE: 17 RELATED PARTY DISCLOSURE

Name and relation with parties where control exits:-

Ultimate Holding Company	:	Grasim Industries Limited w.e.f. 1st July 2017 (Previously it was Aditya Birla Nuvo Limited upto 30th June 2017)
Holding Company	:	Aditya Birla Capital Limited
Related Parties with whom transactions have taken place during the year:-		
Entity being governed by the Company as Trustee	:	Aditya Birla Private Equity - Fund I (A scheme floated by the Aditya Birla Private Equity Trust)
	:	Aditya Birla Private Equity - Sunrise Fund (A Scheme floated by the Aditya Birla Private Equity Trust)
Fellow Subsidiary	:	Aditya Birla PE Advisors Private Limited (Previously it was known as Aditya Birla Capital Advisors Private Limited)

The following table provides the total amount of transactions that have been entered into with related parties and balance outstanding for the relevant financial year:

Amount in ₹

	31 Mar 21	31 Mar 20
Transactions	Nil	Nil
Balance Outstanding:		
Aditya Birla Capital Limited including Nominees		
50,000 (Previous year 50,000) equity shares of ₹10 each fully paid up	5,00,000	5,00,000

NOTE: 18 CAPITAL COMMITMENT, LONG TERM CONTRACT & PENDING LITIGATIONS

Estimated amounts of contracts remaining to be executed on capital account not provided for amounts to ₹ NIL (Previous year NIL).

The Company has a process whereby periodically review all long term contracts, if any, are assessed for material foreseeable losses. During the year, the Company did not have any long term contracts including derivative contracts.

Notes

Forming part of financial statements as on 31st March 2021

The Company's has no pending litigations with Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial results at 31st March 2021.

NOTE: 19 CURRENT TAX

Current tax for the year of ₹120,468 (Previous Year ₹9,660) out of which ₹91,517 is adjusted from MAT Credit of earlier years.

Amount in ₹

The major components of income tax expense for the years ended 31st March 2021 and 31st March 2020 are:	31 Mar 21	31 Mar 20
Statement of profit and loss:		
Current income tax:		
Current income tax charge	28,951	9,660
MAT Credit Entitlement	91,517	(2,826)
Deferred tax:	-	-
Relating to origination and reversal of temporary differences	(2,22,258)	66,658
Income tax expense reported in the statement of profit or loss	**(1,01,790)**	**73,492**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31st March 2021 and 31st March 2020 as applicable:

Amount in ₹

	31 Mar 21	31 Mar 20
Accounting Profit before Income tax	**1,30,281**	**6,643**
Enacted tax rates in India (MAT)	15.6%	15.6%
Enacted tax rates in India for Long Term Capital Gain	20.8%	-
At India's statutory income tax rate of 15.6% (31st March 2020: 15.6%)	28,951	1,036
Income Tax on Long Term Capital Gains @20.8%	1,20,468	-
Amount adjusted from MAT Credit (being difference for Normal Income Tax and MAT Credt, subject to MAT Credit availability)	91,517	-
Income Tax Expense in Profit & Loss Account		
At India's statutory income tax rate of 15.6% (31st March 2020: 15.6%)	28,951	1,036
Adjustments in respect of current income tax of previous year	-	-
Other non-deductible expenses	-	8,624
DTA/ DTL	(2,22,258)	66,658
MAT entitlement	91,517	(2,826)
At the effective income tax rate as applicable (31st March 2020: 15.6%)		
Income tax expense reported in the statement of profit and loss	**(1,01,790)**	**73,492**

Deferred tax:

Deferred tax relates to the following:

Amount in ₹

	Balance Sheet	
	31 Mar 21	31 Mar 20
Deferred tax Assets		
Deferred tax Liabilities		
Marked to Market Value of Investment @ 26% (Previous Year 26%)	1,21,681	3,43,939
Deferred tax expense/(income)		
Net deferred tax (assets)/liabilities	**1,21,681**	**3,43,939**

Notes

Forming part of financial statements as on 31st March 2021

Amount in ₹

Reflected in the balance sheet as follows:	31 Mar 21	31 Mar 20
Deferred tax assets	-	-
Deferred tax liabilities	1,21,681	3,43,939
MAT Credit Entitlement	(2,423)	(95,293)
Deferred tax (asset)/ liability, net	**1,19,338**	**2,48,647**

Reflected in the profit & loss account as follows:

Amount in ₹

	Profit & Loss Account	
	31 Mar 21	31 Mar 20
Deferred tax Assets		
Deferred tax Liabilities		
- Marked to Market Value of Investment	1,21,681	3,43,939
Deferred tax expense/(income)		
Net deferred tax assets/(liabilities)	**(2,22,259)**	**66,658**

Amount in ₹

Reconciliation of deferred tax Assets/ (liabilities) (net):	31 Mar 21	31 Mar 20
Opening balance as of 1st April	**(3,43,939)**	**(2,77,281)**
Tax (income)/expense during the period recognised in profit or loss	2,22,259	(66,658)
Tax (income)/expense during the period recognised in OCI		
Closing balance as at 31st March	**(1,21,680)**	**(3,43,939)**

NOTE: 20 FINANCIAL INSTRUMENT – ACCOUNTING CLASSIFICATION & FAIR VALUE MEASUREMENTS

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values.

	Carrying value		Fair value	
	31 Mar 21	31 Mar 20	31 Mar 21	31 Mar 20
Financial assets				
Investments	44,45,428	43,16,797	44,45,428	43,16,797

The management assessed that cash and cash equivalents, trade and other payables, other financial assets and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Notes

Forming part of financial statements as on 31st March 2021

The fair values of the Company's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's market borrowing rate and lending rate as at the end of the reporting period.

	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
As at 31 Mar 21					
Financial assets					
Investments*	31 Mar 21	44,45,428	-	44,45,428	
As at 31 Mar 20					
Financial assets					
Investments*	31 Mar 20	43,16,797	-	43,16,797	-

(*) Fair value of investment in unquoted Mutual Funds done based on NAV of Units.

NOTE: 21 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities, comprise trade and other payables and liability to employees dues. The Company principal financial assets include Investments into mutual funds and cash and cash equivalents that are derived directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company has formulated suitable Risk Control Matrix (RCM) to provide an assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All Investment activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that surplus assets are invested in low risk financial instruments with high liquidity. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk for Mutual Fund investments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As interest rates increase, the market price of the mutual fund experiences a reduction in value and a reduction in yields of underlying securities result in an increase in value of the Mutual Fund. The Company does not have any debt resulting in any direct impact of interest rates changes on profitability. The Company manages its interest rate risk by having a portfolio in short term and liquid mutual fund derivative instruments.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not have any foreign currency assets or liabilities and hence there is no need for any foreign currency hedges.

Credit risk

The Company gets its revenue in advance from the Fund that it manages. Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its investment in Mutual funds. Since these are large entities regulated by SEBI the Company does not perceive any credit risk on such investments.

Liquidity risk

Liquidity risk relates to the risk that the entity may not be able to meet its obligations from available resources. The Company

Notes

Forming part of financial statements as on 31st March 2021

does not perceive any liquidity risk as investments are made in highly liquid schemes of a Mutual Fund.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed by investing in scheme of a Mutual fund having a diversified portfolio in a particular asset class rather than a specific investment on its own.

NOTE: 22 SIGNIFICANT JUDGEMENTS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

i) **Fair value of certain financial instrument (Refer Note 20):** Fair value of Investment in Unquoted Mutual Funds done based on NAV of Units.

ii) **Taxes:** Deferred tax liability are recognised for timing difference in various head of Assets and Liabilities to the extent that this will be set off against future tax expense in subsequent years. In addition, the Company is of the opinion that Minimum Alternate Tax (MAT) Credit upto FY 2019-20 of ₹95,293/- (92,467/- for upto Financial Year 2018-19) can be available for set off against actual tax liability for the current year under normal provision of Income Tax Act and in subsequent years.

NOTE: 23 Previous year's figures have been regrouped / rearranged to confirm to the current year's presentation, wherever necessary.

As per the Company's attached Report of even date

For **S. R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.301003E/E300005

per **Shrawan Jalan**
Partner
Membership no.102102

Place: Mumbai
Date: 27th April 2021

For and on behalf of the Board of Directors
Aditya Birla Trustee Company Private Limited

Anil Chirania
Director
DIN Nos. 01082719

Shriram Jagetiya
Director
DIN Nos. 01638250

Place: Mumbai
Date: 27th April 2021

ABCAP Trustee Company
Private Limited

ADITYA BIRLA
CAPITAL

INDEPENDENT AUDITOR'S REPORT

To the Members of ABCAP Trustee Company Private Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of ABCAP Trustee Company Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and notes to the Ind AS financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "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 31st March 2021, its losses including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) 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 Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion 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, 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.

Management's Responsibility 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, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the 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, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure 1, 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, 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, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this report are in agreement with the books of account;

   d. In our opinion, the aforesaid financial statements read with Notes comply with the Accounting Standards specified under section 133 of the Act read with relevant rules issued thereunder;

   e. On the basis of the written representations received from the directors as on 31st March 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021 from being appointed as a director in terms of section 164(2) of the Act;

   f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, we give our separate report in Annexure 2 to this report;

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   (i) The Company does not have any pending litigations which would impact its financial position;

   (ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and

   (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For P. L. Kataria & Co.
Chartered Accountants
ICAI Firm Registration No. 104913W

(Nitin Kataria)
Partner
Membership
Number: 102949
UDIN: 21102949AAAACK7935

Place: Mumbai,
Date: 27th April 2021

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ABCAP TRUSTEE COMPANY PRIVATE LIMITED

Statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143 (11) of the Act

The nature of the Company's business/activities during the year is such that clauses (i), (ii), (v), (vi), (ix), (xii), (xiv) and (xvi) of the Order are not applicable.

1. According to the information and explanations given to us, the Company has not granted any loans secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause (iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

2. The Company has not given any loans, guarantees and security or made investments during the year and hence complied with the provisions of section 185 and 186 of the Companies Act, 2013.

3. (a) The Company has been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues with the appropriate authorities, to the extent applicable.

   (b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues which have remained outstanding, at the year end, for a period of more than six months from the date they became payable.

   (c) According to the information and explanations given to us, there were no dues of income-tax, sales tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute.

4. Based upon the audit procedures and as per the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, government or debenture holders.

5. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud by the Company or any fraud on the Company by its officers or employee has been noticed or reported during the year.

6. The Company has not paid or provided any managerial remuneration during the year and accordingly, has complied with section 197 of Companies Act, 2013.

7. The Company has not entered into any transaction with the related parties during the year and has complied with sections 177 and 188 of Companies Act, 2013 and the relevant details have been disclosed in the Financial Statements as required by the applicable accounting standards.

8. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. During the year, the Company has issued equity shares to its existing shareholders on right basis.

9. The Company has not entered into any non-cash transactions with directors or persons connected to its directors during the year and hence provisions of section 192 of Companies Act, 2013 are not applicable to the Company.

10. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For P. L. Kataria & Co.
Chartered Accountants
ICAI Firm Registration No. 104913W

(Nitin Kataria)
Partner
Membership
Number: 102949
UDIN: 21102949AAAACK7935

Place: Mumbai,
Date: 27th April 2021

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ABCAP TRUSTEE COMPANY PRIVATE LIMITED

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

To the Members of ABCAP Trustee Company Private Limited

We have audited the internal financial controls over financial reporting of ABCAP Trustee Company Private Limited ("the Company") as of 31st March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 system over financial reporting included obtaining an understanding of internal financial controls system 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 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.

Opinion

In our opinion, 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 31st March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For P. L. Kataria & Co.
Chartered Accountants
ICAI Firm Registration No. 104913W

(Nitin Kataria)
Partner
Membership
Number: 102949
UDIN: 21102949AAAACK7935

Place: Mumbai,
Date: 27th April 2021

BALANCE SHEET

as at 31st March 2021

In ₹

Sr. No.	Particulars	Note	As at 31 Mar 21	As at 31 Mar 20
I	**ASSETS**			
(1)	**Current Assets**			
	(a) Cash and Cash Equivalents	3	1,63,818	14,599
	Total Assets		**1,63,818**	**14,599**
II	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity Share Capital	4	5,00,000	3,00,000
	(b) Other Equity			
	(i) Retained Earnings	5	(3,66,599)	(3,31,851)
	Total Equity		**1,33,401**	**(31,851)**
	Current Liabilities			
	(a) Financial Liabilities			
	(i) Short-Term Borrowings		-	-
	(ii) Trade and Other Payables	6	30,417	46,450
	(b) Provisions		-	-
	Total Liabilities		**30,417**	**46,450**
	Total Equity and Liabilities		**1,63,818**	**14,599**

As per the Company's Report of even date attached
For P L Kataria & Co.
Chartered Accountants
ICAI Firm Registration Number: 104913W

Nitin Kataria
Partner
Membership Number: 102949

Place : Mumbai
Date : 27th April 2021

For and on behalf of the Board of Directors of
ABCAP Trustee Company Private Limited

Anil Chirania
Director
DIN : 01082719

Shriram Jagetiya
Director
DIN : 01638250

STATEMENT OF PROFIT AND LOSS
for the year ended 31st March 2021

In ₹

Sr. No.	Particulars	Note	Year Ended 31 Mar 21	Year Ended 31 Mar 20
1	**Income**			
	Revenue from Operations		-	-
	Other Income		-	-
	Total Income		**-**	**-**
2	**Expenses**			
	(a) Finance Costs		-	-
	(b) Employee Benefits Expense		-	-
	(c) Depreciation and Amortisation Expense		-	-
	(d) Other Expenses	7	34,748	57,902
	Total Expenses		**34,748**	**57,902**
3	**Profit before Tax (1- 2)**		**(34,748)**	**(57,902)**
4	**Tax Expense**			
	Current Tax			
	Deferred Tax		-	-
	Total Tax Expense		-	-
5	**Profit for the period (3-4)**		**(34,748)**	**(57,902)**
6	**Other Comprehensive Income (OCI)**			
	(i) Items that will not be reclassified to profit or loss in subsequent periods		-	-
7	**Total Comprehensive Income for the year (5+6)**		**(34,748)**	**(57,902)**
8	**Paid Up Equity Share Capital**		5,00,000	3,00,000
	(Face Value of ₹10 each)			
9	**Earnings per Equity Share of ₹10 each (not annualised)**			
	Basic - Earnings per Equity Share	8	(0.82)	(1.93)
	Diluted - Earnings per Equity Share		(0.82)	(1.93)

As per the Company's Report of even date attached

As per the Company's Report of even date attached
For P L Kataria & Co.
Chartered Accountants
ICAI Firm Registration Number: 104913W

Nitin Kataria
Partner
Membership Number: 102949

Place : Mumbai
Date : 27th April 2021

For and on behalf of the Board of Directors of
ABCAP Trustee Company Private Limited

Anil Chirania
Director
DIN : 01082719

Shriram Jagetiya
Director
DIN : 01638250

STATEMENT OF CASH FLOWS
for the year ended 31st March 2021

In ₹

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Operating Activities		
Loss from Continuing Operations	(34,748)	(57,902)
Loss Before Tax	(34,748)	(57,902)
Adjustment :		
Operating profit before working capital changes	**(34,748)**	**(57,902)**
Movements in working capital:		
Increase / (Decrease) in Current Provisions	-	-
Increase / (Decrease) in Trade Payable	(16,033)	(31,160)
Increase / (Decrease) in Other Financial Liabilities	-	-
Net Cash Flow used in Operating activities	**(50,781)**	**(89,062)**
Investing Activities		
Purchase of Tangible Assets	-	-
Purchase of Intangible Assets	-	-
(Increase)/Decrease in Capital Work in Progress	-	-
Net Cash Flow used in Investing activities	-	-
Financing Activities		
Proceeds from Issue of Equity Shares	2,00,000	-
Net Cash Flow used in Financing activities	2,00,000	-
Net increase in Cash and Cash Equivalent	1,49,219	(89,062)
Cash And Cash Equivalent at beginning of the year	14,599	1,03,661
Cash and Cash Equivalent at year end	**,163,818**	**14,599**

As per the Company's Report of even date attached
For P L Kataria & Co.
Chartered Accountants
ICAI Firm Registration Number: 104913W

Nitin Kataria
Partner
Membership Number: 102949

Place : Mumbai
Date : 27th April 2021

For and on behalf of the Board of Directors of
ABCAP Trustee Company Private Limited

Anil Chirania
Director
DIN : 01082719

Shriram Jagetiya
Director
DIN : 01638250

STATEMENT OF CHANGES IN EQUITY

for the year ended 31st March 2021

In ₹

Particulars	Equity share capital	Retained earnings	Total Equity
Statement of changes in Equity for the year ended 31st March 2021			
Current year :			
Opening balance as on 1st April 2020	3,00,000	(3,31,851)	(31,851)
Addition during the year	2,00,000		2,00,000
Loss during the year	-	(34,748)	(34,748)
Comprehensive loss during the year	-	-	-
Closing balance as on 31st March 2021	**5,00,000**	**(3,66,599)**	**1,33,401**
Statement of changes in Equity for the year ended 31st March 2020			
Previous year :			
Opening balance as on 1st April 2019	3,00,000	(2,73,949)	26,051
Addition during the year	-	-	-
Loss during the year	-	(57,902)	(57,902)
Comprehensive loss during the year	-	-	-
Closing balance as on 31st March 2020	**3,00,000**	**(3,31,851)**	**(31,851)**

As per the Company's Report of even date attached
For P L Kataria & Co.
Chartered Accountants
ICAI Firm Registration Number: 104913W

Nitin Kataria
Partner
Membership Number: 102949

Place : Mumbai
Date : 27th April 2021

For and on behalf of the Board of Directors of
ABCAP Trustee Company Private Limited

Anil Chirania
Director
DIN : 01082719

Shriram Jagetiya
Director
DIN : 01638250

Notes to financial statements

1. CORPORATE INFORMATION

ABCAP Trustee Company Private Limited (the 'Company') was incorporated on 24th April 2013. The Company is a Private Limited Company incorporated under the provisions of the Companies Act, 1956 and a wholly owned subsidiary of Aditya Birla Capital Limited (formerly known as Aditya Birla Financial Services Limited) and the ultimate holding is Grasim Industries Limited (Previously ultimate holding was Aditya Birla Nuvo Limited). The registered office of the Company is located at 18th floor, One India Bulls Centre, Tower-1, Jupiter Mills Compound,841, S. B. Marg, Prabhadevi, Mumbai, Maharashtra, India-400013. The main object of the Company is to act as trustee of assets and provide related services.

The financial statements are approved for issue by the Company's Board of Directors by resolution passed in the meeting dated 27th April 2021.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The Company's ultimate holding is Grasim Industries Limited w.e.f. 1st July 2017 (Previously ultimate holding was Aditya Birla Nuvo Limited upto 30th June 2017) which is a listed Company with networth of over ₹500 Crore and required to adopt IND AS in terms of rule of the Companies (Indian Accounting Standards) Rules, 2015. All subsidiaries of such companies are also required to adopt IND AS as prescribed under said Rules.

The Company has prepared financial statements in accordance with Indian Accounting Standards ('Ind AS') under the historic cost convention on the accrual basis except financial instrument which are measured at fair value, and the provisions of the Companies Act 2013 (to the extend notified). The Ind AS are prescribed under section 133 of the act read with Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

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

2.2 Summary of significant accounting policies

(a) Use of estimate

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

(a) Revenue recognition

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

The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

Step 1: Identify the contract(s) with a customer.

Step 2: Identify the performance obligation in contract.

Step 3: Determine the transaction price.

Step 4: Allocate the transaction price to the performance obligations in the contract.

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Notes to financial statements

Rendering of services
Revenue from rendering of services can be estimated reliably, revenue associated with the transaction shall be recognised by reference to the stage of completion of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the stage of completion of the transaction at the end of the reporting period can be measured reliably.

Effective from 1st April 2018 the Company has adopted Ind AS 115 "Revenue from Contracts with Customers". Application of this standard does not have any impact on the revenue recognition and measurement.

Interest income
For all Financial Instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

(b) Current versus non-current classification:
The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

1) Expected to be realised or intended to be sold or consumed in normal operating cycle
2) Held primarily for the purpose of trading
3) Expected to be realised within 12 months after the reporting period, or
4) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period

All other assets are classified as non-current.

A liability is current when it is:

1) Expected to be settled in normal operating cycle.
2) Held primarily for the purpose of trading.
3) Expected to be settled within 12 months after the reporting period, or
4) There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

The Company classifies all other liabilities as non-current.

(c) Taxation

Current tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income 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 makes provisions for current tax.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Notes to financial statements

Minimum Alternative Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. MAT credit is recognised as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India (ICAI), the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

Deferred taxes

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised :-

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(d) Contingent liabilities & provisions:

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

(e) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Notes to financial statements

(f) Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(g) Cash flow statement

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(h) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares 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 net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(i) Pending litigation

The Company has no pending litigations with Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial results at 31st March 2021.

(j) Recent accounting pronouncements

Standard issued but not yet effective

The standard issued, but not yet effective up to the date of issuance of the Company Financial statements is disclosed below. The Company intends to adopt this standard when it becomes effective.

Ind AS 12 Appendix C uncertainty over income tax treatments:

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following:

- The entity has to use judgment, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty
- The entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount
- The entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability.

The Company does not expect any significant impact of the amendment on its financial statements.

Notes to financial statements

NOTE 3: CASH AND CASH EQUIVALENTS

In ₹

	As at 31 Mar 21	As at 31 Mar 20
Cash in Hand	-	-
Balances with banks:		
- in Current Accounts	1,63,818	14,599
	1,63,818	**14,599**

NOTE 4: SHARE CAPITAL

In ₹

Particulars	As at 31 Mar 21	As at 31 Mar 20
Authorised		
50,000 Equity Shares of ₹10/- each	5,00,000	5,00,000
	5,00,000	**5,00,000**
Issued, subscribed and paid-up		
50,000 Equity Shares of ₹10/- each fully paid-up	5,00,000	3,00,000
	5,00,000	**3,00,000**

1. Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period

Equity shares	As at 31 Mar 21		As at 31 Mar 20	
	Number	Amount	Number	Amount
At the commencement of the reporting period	30,000	3,00,000	30,000	3,00,000
Issued during the reporting period	20,000	2,00,000	-	-
At the end of the reporting period	50,000	5,00,000	30,000	3,00,000

2. Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.

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

3. Shareholders holding more than 5% of the equity shares in the Company:

Name of the Shareholder	As at 31 Mar 21		As at 31 Mar 20	
	No. of shares held	% of Equity Shares held	No. of shares held	% of Equity Shares held
Aditya Birla Capital Limited (Formerly Known as Aditya Birla Financial Services Ltd.), the holding company and its nominee	50,000	100%	30,000	100%

Notes to financial statements

NOTE 5: OTHER EQUITY: RETAINED EARNING

In ₹

Particulars	As at 31 Mar 21	As at 31 Mar 20
Surplus in the Statement of Profit and Loss		
At the commencement of the reporting period	(3,31,851)	(2,73,949)
Loss for the year	(34,748)	(57,902)
	(3,66,599)	**(3,31,851)**

NOTE 6: TRADE PAYABLES

In ₹

	As at 31 Mar 21	As at 31 Mar 20
- Due to micro and small enterprises	-	-
- Due to others	30,417	46,450
	30,417	**46,450**
Provisions		
Employee benefits and Other provisions	-	-
	-	-

NOTE 7: OTHER EXPENSES

In ₹

Particulars	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Legal and professional fees (refer note below)	(16,500)	12,800
Rates and taxes	7,540	7,000
Auditors' remuneration	25,000	27,500
Miscellaneous	18,708	10,602
	34,748	**57,902**

Legal and professional fees is net of expenses written back ₹20,650 (Previous year ₹ Nil)

NOTE 8: EARNING PER SHARE

Disclosure as required by Indian Accounting Standard (Ind AS) 33 Earning Per Share

In ₹

Earnings per Share (EPS) is calculated as under:	Year Ended 31 Mar 21	Year Ended 31 Mar 20
Profit attributable to equity holders		
Continuing Operations	(34,748)	(57,902)
Profit attributable to equity holders for basic and diluted EPS (A)	(34,748)	(57,902)
Weighted average number of Equity Shares for calculation of basic and diluted EPS (B)	42,500	30,000
Basic and Diluted EPS (₹)		
Continuing Operations (A/B)	(0.82)	(1.93)
Nominal Value of Shares	10	10

Notes to financial statements

9. DURING THE YEAR, THE COMPANY HAS PAID FOLLOWING AMOUNT TO STATUTORY AUDITORS:

(Amount in ₹)

Particulars	For the year ended 31 Mar 21	For the year ended 31 Mar 20
31st March 2021		
Audit Fees	25,000	25,000

10. DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES AS PER MSMED ACT, 2006

Based on the information available with the Company, no amounts have fallen due for payment to suppliers who have registered under the Micro, Small and Medium Enterprise Development Act, 2006 as at 31st March 2021.

11. SEGMENT REPORTING

The Company has not commenced its business activities during the year. Since the Company intends to operate in single segment (i.e. investments and financing activities), no further disclosure is required to be given as per the notified IND AS-108 'Operating Segments'.

12. RELATED PARTY DISCLOSURE

Name and relation with parties where control exits:-

Ultimate Holding Company :Grasim Industries Limited w.e.f. 1st July 2017
(Previously it was Aditya Birla Nuvo Limited upto 30th June 2017)

Holding Company : Aditya Birla Capital Limited
(Previously known as Aditya Birla Financial Services Limited)

Directors : Shriram Jagetiya
: Anil Chirania

Particulars	As at 31 Mar 21	As at 31 Mar 20
Transactions		
Equity shares issued during the year to		
Aditya Birla Capital Limited including Nominees		
20,000 equity shares of ₹10 each fully paid up	**2,00,000**	-
Balances		
Aditya Birla Capital Limited including Nominees		
50,000 equity shares of ₹10 each fully paid up	**5,00,000**	3,00,000

13. CAPITAL COMMITMENT, LONG TERM CONTRACT AND PENDING LITIGATIONS

Estimated amounts of contracts remaining to be executed on capital account not provided for amounts to ₹NIL (Previous year NIL).

The Company has a process whereby periodically review all long term contracts, if any, are assessed for material foreseeable losses. During the year, the Company did not have any long term contracts including derivative contracts.

The Company's has no pending litigations with Tax authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are require and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial results at 31st March 2021.

Notes to financial statements

14. CURRENT TAX

Current tax for the year is ₹NIL (Previous Year ₹ NIL).

There is no income tax expense (current and deferred tax) for the current year as well as previous year. Therefore, Disclosure required under IND AS 12 is not provided.

15. PREVIOUS YEAR'S FIGURES HAVE BEEN REGROUPED / REARRANGED TO CONFIRM TO THE CURRENT YEAR'S PRESENTATION, WHEREVER NECESSARY.

As per the Company's attached report of even date

As per the Company's Report of even date attached
For P L Kataria & Co.
Chartered Accountants
ICAI Firm Registration Number: 104913W

Nitin Kataria
Partner
Membership Number: 102949

Place : Mumbai
Date : 27th April 2021

For and on behalf of the Board of Directors of
ABCAP Trustee Company Private Limited

Anil Chirania
Director
DIN : 01082719

Shriram Jagetiya
Director
DIN : 01638250

STATEMENT OF RELATED PARTY TRANSACTIONS FOR THE QUARTER AND YEAR ENDED AS ON 31ST MARCH 2021

The following inter company transactions and balance with holding company, ultimate holding company and fellow subsidiaries are included in the below figures under respective head

In ₹

Particulars	Year Ended 31 Mar 21 Audited	Year Ended 31 Mar 20 Audited
Transaction		
Investments in equity shares of the Company	2,00,000	-
Equity held by the Company		
Aditya Birla Capital Limited including Nominees		
50,000 (Previous year 30,000) equity shares of ₹10 each fully paid up)	5,00,000	3,00,000

Notes

Aditya Birla Capital Ltd.
One World Centre, Tower 1, 18th Floor, Jupiter Mill Compound,
841, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400 013
+91 22 4356 7000 | (F) +91 22 4356 7111
abc.secretarial@adityabirlacapital.com | www.adityabirlacapital.com

ADITYA BIRLA CAPITAL