

Aditya Birla Sun Life AMC Limited

Board's Report

Dear Members,

The Board of Directors of Aditya Birla Sun Life AMC Limited is pleased to present the **Twenty-Fifth** Annual Report and the Audited Financial Statements (Consolidated and Standalone) of your Company for the financial year ended March 31, 2019 ("financial year under review").

FINANCIAL SUMMARY AND HIGHLIGHTS

The highlights of the Consolidated and Standalone Financial Results are as under:

(₹ in Crore)

Particulars	Consolidated#			Standalone		
	2018-19	2017-18	Inc%	2018-19	2017-18	Inc%
Revenue from Operations	1326.77	1249.09	6.22	1305.22	1216.06	7.33
Net Gain on Fair Value & Other Income	80.48	74.58	7.91	85.77	78.41	9.39
Total Income	1407.25	1323.67	6.31	1390.99	1294.47	7.46
Total Expenditure (excl. Depreciation)	747.34	790.51	(5.46)	729.95	769.99	(5.20)
Profit/(Loss) before Depreciation and Taxation	659.91	533.15	23.78	661.04	524.48	26.04
Less: Depreciation	13.15	10.03	31.11	13.04	9.84	32.52
Profit Before Taxation	646.76	523.12	23.64	648.00	514.64	25.91
Less: Provision for Taxation (Net of deferred tax adjustment)	199.22	173.36	14.92	199.14	173.17	15
Profit After Taxation	447.54	349.76	27.96	448.86	341.47	31.45

Including

Aditya Birla Sun Life AMC (Mauritius) Ltd.

Aditya Birla Sun Life Asset Management Company Pte Ltd. (Singapore) and

Aditya Birla Sun Life Asset Management Company Ltd. (Dubai)

The above figures are extracted from the Consolidated and Standalone Financial Statements prepared in accordance with accounting principles generally accepted in India including the Accounting Standards specified under section 129 (3) of the Companies Act, 2013 ("the Act") read with the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act.

The detailed Financial Statements as stated above are available on the Company's website at <https://mutualfund.adityabirlacapital.com/financials>.

ACCOUNTING METHOD

The Company has prepared the financial statements as per Indian Accounting Standards (IND AS) notified under the Companies (Indian Accounting Standard) Rules, 2015 (as amended from time to time) for the period under review. For the period up to and including the year ending March 31, 2018, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act, read with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian Generally Accepted Accounting Principles).

KEY HIGHLIGHTS

The Company is the 4th largest Asset Management Company in the Mutual Fund industry in terms of quarterly Average Assets under Management (AAUM) as on 31 March, 2019 with quarterly AAUM of ₹ 2,46,480 crore and market share of 10.08% as on that date. The bygone year was challenging due to both global and local factors. US and China trade war kept global economy on a closer watch and closer home too, ambiguity around general elections, IL&FS debacle and other factors kept the economy on tenterhooks. While the volatility continued to remain, Mutual Fund industry acted as a strong counter force for Foreign Institutional Investors (FII's) redemption and remained to be the net buyers. The overall Mutual Fund industry continued to focus on growing the Systematic Investment Plan (SIP) book and retail AUM.

With a view to ensure fair treatment to all investors (existing & new) on happening of a credit event and to mitigate impact on residual portfolio, Securities and Exchange Board of India (SEBI) has permitted Mutual Funds to create segregated portfolio under its Schemes at issuer level subject to providing an exit option to the investors and such other compliances stated under regulation 18(15A) of the SEBI (Mutual Funds) Regulations, 1996. Further, the SEBI circular on Total Expense Ratio (TER) also brought about a paradigm shift in the calculation of Net Asset Value (NAV) of the schemes.

Following are the key highlights of Mutual Fund industry and the company in terms of mutual fund business and alternate lines of business for the financial year ended 31 March, 2019:

Aditya Birla Sun Life Mutual Fund Highlights

- Overall scheme folio has crossed a count of 70.87 lakhs and SIP including Systematic Transfer Plan (STP) book size has crossed ₹ 1000 crore.
- Two solution oriented funds, Aditya Birla Sun Life Bal Bhavishya Yojna and Aditya Birla Sun Life Retirement Fund garnered AUM of ₹ 92.15 crore and ₹ 166.25 crore respectively during the New Fund Offer (NFO) period.
- Highest Profit Before Tax (PBT) Basis points (Bps) to AUM of 29.6 bps was achieved for Q4 FY19.
- Number of AMC branches increased from 145 as on March 31, 2018 to 181 as on March 31, 2019.
- Offshore vertical won incremental mandate of US\$ 90 Million from a sovereign fund.

Mutual Fund Industry Highlights

- Industry AAUM for the quarter ended March 2019 reached ₹ 24.46 lakh crore with growth of 6.2% over last one year.
- Industry equity AAUM has grown from ₹ 9.47 lakh crore in quarter ended March 2018 to ₹ 10.18 lakh crore for quarter ended March 2019.
- Industry customer folio has grown from 7.18 crore in quarter ended March 2018 to 8.29 crore in quarter ended March 2019.
- Industry SIP book size has reached around ₹ 8217 crore as on March 31, 2019.

Alternate Business Highlights

- AUM for Portfolio Management Services (PMS) was ₹ 2281 crore as on March 31, 2019 against ₹ 3282 crore as on March 31, 2018.
- AUM of Alternate Investment Fund (AIF) was ₹ 668 crore as on March 31, 2019 against ₹ 620 crore as on March 31, 2018.
- AUM of Real Estate Fund was ₹ 865 crore as on March 31, 2019 against ₹ 973 crore as on March 31, 2018.

Outlook for FY 2019-20 in terms of incremental growth continues to be moderately positive with expectation of a normal monsoon, good flow into the capital markets and a political stability with continuation of reforms.

The Company focuses on Scale, Expand and Efficiency (SEE) strategy with the overarching principle of customer advocacy and creating a culture of customer centricity amongst employees.

MATERIAL EVENTS DURING THE YEAR

Aditya Birla Real Estate Fund ('ABREF' or 'Fund') reached its closure date on August 31, 2018. However due to market conditions and legal proceedings initiated in two investments i.e. Amrapali Smart City Developers Private Limited and L&T South City Projects Limited, the matter was subjudice and the timelines of exit from those two investments are uncertain. Significant efforts are being made to liquidate the remaining investments.

HOLDING/SUBSIDIARY/JOINT VENTURE/ ASSOCIATE COMPANY

HOLDING COMPANY

During the financial year under review, Grasim Industries Limited remained the ultimate Holding Company of your Company and Aditya Birla Capital Limited continues to be the Holding Company of your Company. Grasim Industries Limited and Aditya Birla Capital Limited are listed at Bombay Stock Exchange Limited (BSE) and National Stock Exchange Limited (NSE).

SUBSIDIARY COMPANY AND JOINT VENTURES/ASSOCIATES COMPANY

During the year under review, the Company had 7 foreign subsidiaries (as named in **Annexure VII**), including step down subsidiaries (subsidiary by virtue of holding management shares). No new subsidiary was formed during the year. During the financial year under review, there was no Joint Venture/Associate Company as per the Act, 2013.

TRANSFER TO RESERVE

During the year, the Company generated standalone Profit After Tax (PAT) of ₹ 448.86 crore and paid Dividend of ₹ 300 crore & Dividend Distribution tax of ₹ 60.57 crore thereon. An amount of ₹ 83.62 crore is proposed to be carried to reserves.

DIVIDEND

During the year under review, the Company had declared interim dividends at the rate of ₹ 83.33 per share in the months of July 2018 and January 2019, on 18,000,000 equity shares of ₹ 10/- each amounting to an aggregate of ₹ 300 crore for both months, which have been paid to the existing equity shareholders of the Company.

SHARE CAPITAL

The Company's paid up Equity Share Capital as on March 31, 2019 was ₹ 18 crore.

DEPOSITORY SYSTEM

As on March 31, 2019, out of the Company's total equity paid-up share capital comprising of 1,80,00,000 Equity Shares, 89,99,910 Equity Shares (50%) were held in dematerialised mode.

PUBLIC DEPOSITS

The Company, being an Asset Management Company, does not accept any deposits from the public during the year under review in accordance with the provisions of Section 73 of the Act read with the rules framed thereunder.

PARTICULARS OF LOANS GIVEN, INVESTMENT MADE, GUARANTEES GIVEN OR SECURITY PROVIDED

The Company has not given loans or guarantees or provided any security. Particulars of investments made during the year as required under Section 186 of the Act, 2013 are provided in the Note No. 7 of the standalone financial statement.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

The particulars with respect to the conservation of energy and technology absorption as required to be disclosed pursuant to provision of Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are attached as **Annexure I** to this report.

FOREIGN EXCHANGE EARNINGS AND EXPENDITURE

The foreign exchange earnings during the financial year under review was ₹ 11.79 crore as compared to ₹ 10.47 crore during the previous year. The foreign exchange outgo during the financial year under review was ₹ 19.29 crore as compared to ₹ 12.98 crore during the previous year.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There were no material changes and commitments, affecting the financial position of the Company from end of the financial year up to the date of this Report.

CHANGE IN NATURE OF BUSINESS

During the financial year under review, there has been no change in the nature of business of the Company.

EMPLOYEE STOCK OPTION

Employee Stock Options have been recognised as an effective instrument to attract talent and align the interest of employees with that of the Company, thereby providing an opportunity to the employees to share in the growth of the Company and to create long term wealth in the hands of employees, thereby and acting as a retention tool.

In view of the above, ABCL had formulated "**Aditya Birla Capital Limited Employee Stock Option Scheme 2017**" ("Scheme 2017") for the employees of the Company and its Subsidiaries.

The shareholders of ABCL had also extended the benefits and coverage of the Scheme 2017 to the employees of ABCL's Subsidiary Companies. Accordingly, 43,41,772 Stock Options and 9,68,851 Restricted Stock Units granted by ABCL, the Holding Company to the employees of the Company, in terms of the provisions of the Scheme 2017 were outstanding as on March 31, 2019.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report for the financial year under review is attached as **Annexure II** to this report.

CORPORATE GOVERNANCE REPORT

A separate report on Corporate Governance is attached as **Annexure III** to this report.

STATEMENT CONTAINING SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARIES

A report on the performance and financial position of each of its subsidiaries, associates as per the Section 129(3) of the Companies Act, 2013 ("Act") and the Rules made thereunder is provided in the prescribed form **AOC-1** as per **Annexure V**.

The audited financial statement of the Company and its subsidiaries along with all other documents required to be attached thereto and financial statements of each of the subsidiaries may also be accessed on the Company's website at: <https://mutualfund.adityabirlacapital.com/financials>.

A copy of the Audited Financial Statements for each of the Subsidiary Companies will be made available to the Members of the Company seeking such information.

These documents will also be available for inspection on all working days, i.e. except Saturdays, Sundays and Public Holidays at the Registered Office of the Company.

RISK MANAGEMENT FRAMEWORK

The Company has a well-established Risk Management framework designed to identify, assess, monitor and mitigate risks inherent in the business. The framework enables risk management through a structure of Committees, policies, internal controls and reporting. The key risks of the Company are broadly classified into categories such as Regulatory Risk, Investment Risk, Operational Risk, Reputation Risk etc. The Company integrates internal audit and risk management enabling pre-emptive review of control effectiveness and faster redressal of issues.

The organizational structure to address the risk consists of "Three lines of defense":

- First: Line Management (Functional Heads) to ensure that accountability and ownership is as close as possible to the activity that creates the risks;
- Second: Risk Oversight - Risk and Compliance Function, Chief Executive Officer and the Risk Management Committee (RMC);
- Third: Independent Assurance - Internal Audit, conducted by Independent Internal Auditors, Joint Venture partners and Group Auditors whose work is reviewed by the Audit Committee.

Independent committees - Risk Management Committee, Investment Committee and Audit Committee have been set-up to ensure higher standards of risk Governance. These committees are prima facie governed by their Charters.

The Company has an Enterprise Risk Management (ERM) framework and policy which includes key components such as risk identification, risk assessment, risk response and risk management strategy, Risk monitoring, communication and reporting to mitigate key risks. The Company also conducts a Risk Control Self-Assessment process to embed the risk management culture as a part of day to day operations. The Company also assesses and monitors the fraud risks to design and implement controls in required process areas.

The company also has in place an Operational Risk Management (ORM) framework that helps management in identified risks in business processes and system which enables proactive risk management.

The Company recognizes that information is a critical business asset, and accordingly, it has an information security and cyber security framework that ensures all the information assets are safeguarded by establishing comprehensive management processes throughout the organization.

The Company has a robust Business Continuity framework to ensure resumption of time sensitive activities within defined timeframes at defined levels.

Compliance and Risk Policies

The following risk policies govern and implement effective risk management practices:

Prohibition of Insider Trading Policy, Outsourcing and Vendor Management Policy, Investment Policies, Investment Code of Conduct, Dealing Room Policy, Broker Empanelment Policy, Valuation Policy, Proxy Voting Policy, Information Security Policies, Physical Access Security Policy, Business Continuity Policy, Record Management Policy, Risk Management Policy, Fraud Reporting and Investigating Policy, Outsourcing policy, Whistle Blower Policy, Policy on Prevention of Sexual Harassment, Anti Money Laundering policy and such other policies.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

During the financial year under review, all contracts / arrangements / transactions entered into by the Company with related parties were in ordinary course of business and on an arm's length basis and were not considered material as per the provision of Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules,

2014. Hence, disclosure in form AOC-2 under Section 134(3)(h) of the Act, read with the Rule 8 of Companies (Accounts of Companies) Rules, 2014, is not applicable.

All related party transactions have been approved by the Audit Committee of your Company and are reviewed on a periodic basis in accordance with the Related Party Transaction Policy.

The details of contracts and arrangements with related parties of your Company for the financial year under review, are given in notes no. 26 to the Standalone Financial Statements, which forms part of this Annual Report. The Policy on Related Party Transactions, as approved by the Board, is available on your Company's website: <https://mutualfund.adityabirlacapital.com/forms-and-downloads/policies>.

INTERNAL FINANCIAL CONTROLS

The Board of Directors confirms that the Company has laid down a set of standards, processes and structure which enables it to implement Internal Financial controls across the organization with reference to Financial Statements and that such controls are adequate and are operating effectively.

Assurance on the effectiveness of internal financial controls is obtained through management reviews, control self-assessment, continuous monitoring by functional experts as well as testing of the internal financial control systems by the internal auditors during the course of their audits. During the year under review, no material or serious observation has been received from the Auditors of the Company, citing inefficiency or inadequacy of such controls.

INTERNAL AUDIT

The Company has in place an adequate internal audit framework to monitor the efficacy of internal controls with the objective of providing to the Audit Committee and the Board of Directors, an independent and reasonable assurance on the adequacy and effectiveness of the organization's risk management, internal control and governance processes. The framework is commensurate with the nature of the business, size, scale and complexity of its operations.

The purpose, authority and responsibility of internal audit function are formally defined in the internal audit charter which is periodically reviewed and any key amendments are presented to the Board for approval. To provide for the independence of the internal audit function, the Head Internal Audit, functionally reports to the Audit Committee.

The internal audit plan is developed based on the risk profile of business activities of the organization. The audit plan covers process audits at head office and across various branches of the organization. The audits are carried out by the external auditors, in-house internal audit team and by audit team of the two promoters of the Company. The audit plan is approved by the Audit Committee, which regularly reviews the compliance to the plan.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act and to the best of their knowledge and belief and according to the information and explanations obtained from the operating management, Directors of your Company make the following state that:-

- i) in the preparation of the Annual Accounts for the financial year ended March 31, 2019, the applicable accounting standards have been followed and there were no material departures from the same;
- ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit/loss of the Company for financial year ended on that date;
- iii) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- iv) the Directors had prepared the Annual Accounts on a 'going concern basis';
- v) the Directors had laid down Internal Financial Controls and that such Internal Financial Controls were adequate and were operating effectively; and
- vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

APPOINTMENT/RESIGNATION OF DIRECTORS

As on March 31, 2019 the Board of Directors of your Company ("the Board") comprised of 12 (Twelve) Directors which included 6 (Six) Non-Executive Directors and 6 (Six) Independent Directors including 1 (One) Woman Director. Your Directors on the Board possess the requisite experience, competency and are renowned in their respective fields. All Directors are liable to retire by rotation except Independent Directors, whose term of office is 5 consecutive years.

At the 24th Annual General Meeting of the Company held on June 22, 2018, the Members of the Company appointed Mr. Claude Accum (DIN: 07882135) as a Non-Executive Director on the Board of the Company.

At the 20th Annual General Meeting of the Company held on August 25, 2014, the Members of the Company had appointed Mr. N N Jambusaria (DIN: 00055760), Mr. N C Singhal (DIN: 00004916), Prof. R Vaidyanathan (DIN: 00221577), Mr. Bharat Patel (DIN: 00060998) and Mr. Bobby Parikh (DIN: 00019437) as Independent Directors of the Company to hold the office for a term of 5 consecutive years (i.e. August 25, 2014 – August 24, 2019).

As per the provisions of the Companies Act, 2013, Mr. Bharat Patel and Mr. Bobby Parikh, being eligible, offer themselves for re-appointment at the 25th Annual General Meeting of the Company for a term of 3 years and 2 years respectively.

As per the provisions of the Companies Act 2013 and SEBI (Mutual Funds) Regulations, 1996 & SEBI Circular on Enhancing fund governance for Mutual Funds, Mr. N N Jambusaria, Mr. N C Singhal and Prof. R Vaidyanathan shall cease to be Independent Directors of the Company with effect from August 24, 2019. Mr. Harish Engineer has been appointed by the Board of Directors as Additional Non Executive Independent Director for a term of 5 years with effect from June 21, 2019 subject to approval of the Members at the Annual General Meeting.

No Director has resigned from the Board during the financial year under review.

RETIREMENT BY ROTATION

As per the provisions of the Companies Act, 2013, Mr. Ajay Srinivasan (DIN: 00121181) and Mr. Sandeep Asthana (DIN: 00401858) retire from the Board by rotation this year and being eligible, offer themselves for re-appointment at the 25th Annual General Meeting of the Company.

A detailed profile of the Directors seeking re-appointment is provided in the Notice of the 25th Annual General Meeting of the Company.

DECLARATION BY INDEPENDENT DIRECTORS

Pursuant to Section 149(7) of the Act read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, the Company had received declarations from all the Independent Directors of the Company confirming that they meet the 'criteria of Independence' as prescribed under Section 149(6) of the Act and have submitted their respective declarations as required under Section 149(7) of the Act.

KEY MANAGERIAL PERSONNEL

In terms of the provisions of Sections 2(51) and 203 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. A Balasubramanian –Chief Executive Officer (CEO), Mr. Parag Joglekar, Chief Financial Officer (CFO) and Ms. Hemanti Wadhwa, Company Secretary (CS), are the Key Managerial Personnel of your Company.

ANNUAL PERFORMANCE EVALUATION

The evaluation framework for assessing the performance of the Directors of your Company comprises of contributions at the Meeting(s) and strategic perspective or inputs regarding the growth and performance of the Company, among others.

Pursuant to the provisions of the Act and in terms of the Framework of the Board Performance Evaluation, the Nomination and Remuneration Committee and the Board of Directors had carried out an annual performance evaluation of the performance of various Committees of the Board, individual Directors and the Chairman. The manner in which the evaluation was carried out has been set out in the Corporate Governance Report, which forms part of this Annual Report.

MEETINGS OF THE BOARD AND ITS COMMITTEES

BOARD

The Board meets at regular intervals to discuss and decide on the Company's performance and strategies. During the financial year under review, the Board met 7 (Seven) times. The Meetings of the Board were held on April 10, 2018, April 27, 2018, June 19, 2018, July 26, 2018, October 25, 2018, January 22, 2019 and 11th March 2019. Further details on the Board Meetings are provided in the Corporate Governance Report, which forms part of this Annual Report.

AUDIT COMMITTEE

Your Company has constituted an Audit Committee with its composition, quorum, powers, roles and scope in line with the applicable provisions of the Act.

During the financial year under review, the Audit Committee reviewed the internal controls put in place to ensure that the accounts of your Company are properly maintained and that the accounting transactions are in accordance with prevailing laws and regulations. In conducting such reviews, the Committee found no material discrepancy or weakness in the internal control system of your Company.

During the financial year under review, all recommendations made by the Audit Committee were accepted by the Board.

Further details on the Audit Committee are provided in the Corporate Governance Report, which forms part of Annexure III of this Annual Report.

NOMINATION AND REMUNERATION COMMITTEE

Your Company has a duly constituted Nomination and Remuneration Committee, with its composition, quorum, powers, role and scope in line with the applicable provisions of the Companies Act.

Further details on the Nomination and Remuneration Committee are provided in the Corporate Governance Report, which forms part of this Annual Report.

The Nomination and Remuneration Committee has formulated a policy on remuneration under the provisions of Section 178(3) of the Act and the same is attached as **Annexure IV** of the Annual Report.

OTHER COMMITTEES

Details of all the other Committees of the Board are provided in the Corporate Governance Report, which forms part of this Annual Report.

EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, the extract of annual return for the financial year ended 31 March, 2019 in Form MGT-9 made under the provisions of section 92(3) of the Act forms part of the Annual Report as **Annexure VII**.

AUDITORS

STATUTORY AUDITORS, THEIR REPORT AND NOTES TO FINANCIAL STATEMENTS

M/s. Deloitte Haskins & Sells, LLP, Chartered Accountants (Firm Registration No.:117366W/W-100018, LLP Identification No: AAB-8737) were appointed as Statutory Auditors of the Company to hold office from the conclusion of the Twenty Third Annual General Meeting ('AGM') of the Company till the conclusion of the Twenty Eighth AGM to be held in the year 2022, subject to ratification at each intervening Annual General Meeting. However, M/s. Deloitte Haskins & Sells, LLP have expressed their inability to continue as the Statutory Auditors of the Company for the financial year 2019-20.

The Audit Committee and Board of Directors had recommended to the shareholders of the Company, for the appointment of M/s. S R Batliboi & Co, LLP, Chartered Accountants, (Firm Registration No. 301003E/E300005) in place of M/s. Deloitte Haskins & Sells, LLP, Chartered Accountants (Firm Registration No.:117366W/W-100018, LLP Identification No: AAB-8737) to hold the office from the conclusion of Twenty Fifth AGM till the conclusion of Thirtieth AGM to be held in the year 2024.

The Notes on financial statement referred to in the Auditors' Report issued by Deloitte are self-explanatory and do not call for any further comments.

The Auditor's Report does not contain any qualifications, reservations, adverse remarks or disclaimer. The Statutory Auditors have not reported any incident of fraud to the Audit Committee or the Board of Directors under Section 143(12) of the Act during the financial year under review.

Consolidated financial statement is also being presented in addition to the standalone financial statement of the Company and forms part of this Annual Report.

SECRETARIAL AUDITORS

Pursuant to the requirements of Section 204(1) of the Act read with Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. BNP & Associates, Company Secretaries (Firm Registration No.: P2014MH037400) to conduct the Secretarial Audit for the financial year under review. The Secretarial Audit Report in Form MR-3 for the financial year under review, as received from M/s. BNP & Associates, Company Secretaries, is attached as **Annexure VIII** of the Annual Report.

The Secretarial Audit Report does not contain any qualifications, reservations or adverse remarks.

COST AUDITORS

The provisions of Cost Audit as prescribed under Section 148 of the Act, are not applicable to the Company.

CORPORATE SOCIAL RESPONSIBILITY

In accordance with Section 135 of the Act, your Company has a Corporate Social Responsibility (CSR) Committee. The CSR Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy ("CSR Policy") indicating the activities to be undertaken by the Company, which has been approved by the Board.

The CSR Policy is available on the Company's website at <https://mutualfund.adityabirlacapital.com/forms-and-downloads/policies>.

As a part of its initiatives under CSR, the Company has undertaken projects in the areas of Health, Education, Livelihood and Rural Development. These projects are also in line with the statutory requirements under the Companies Act, 2013 and its CSR Policy.

The required disclosure as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules 2014 is attached as **Annexure VI** to this report.

Further details on the CSR Committee are provided in the Corporate Governance Report, which forms part of this Annual Report.

WHISTLE BLOWER POLICY

In compliance with the provisions of Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company has formulated a vigil mechanism for Directors and Employees to report concerns, details of which are covered in the Corporate Governance Report, which forms part of this Annual Report.

POLICY ON PREVENTION OF SEXUAL HARASSMENT

Your Company has in place an appropriate Policy which is in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. An internal Complaints Committee has been set up to redress complaints, if any, received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year under review, there were no cases filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

HUMAN RESOURCES

The Company believes that human resources will play a critical role in its future growth. With an unswerving focus on nurturing and retaining talent, the Company provides avenues for learning and development through functional, behavioral and leadership training programs, knowledge exchange conferences and providing communication channels for information sharing, to name a few of the initiatives.

The Company's total workforce stood at 1054 as on March 31, 2019 against 917 as on March 31, 2018.

SECRETARIAL STANDARDS OF ICSI

Your Company is in compliance with the Secretarial Standards specified by the Institute of Company Secretaries of India ("ICSI") on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2).

AWARDS AND CERTIFICATIONS

The Fund House, the Schemes of Aditya Birla Sun Life Mutual Fund and the Fund Managers of ABSLAMC have received various awards and recognition during the year. The details of these awards are disclosed in the Management Discussion and Analysis Report which forms part of Annual Report.

OTHER DISCLOSURES

In terms of applicable provisions of the Act, your Company discloses that during the financial year under review that:

1. The Company has not issued any shares (including sweat equity shares) to employees of the Company under any scheme save and except Employees' Stock Option Scheme referred to in this Report.
2. There was no Scheme for provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
3. There was no public issue, rights issue, bonus issue or preferential issue, etc. during the year.
4. There was no Issue of shares with differential rights.
5. There was no transfer of share of the Company.
6. There was no transfer of un-paid or unclaimed amount to Investor Education and Protection Fund (IEPF).

7. There were no significant or material orders passed by the Regulators or Hon'ble Courts or Tribunals which impact the going concern status and Company's operations in future.

ACKNOWLEDGEMENT

Your Board places on record its heartfelt appreciation of the dedicated efforts put in by the employees at all levels. The results of the year are testimony to their hard work and commitment.

Your Board takes this opportunity to express sincere thanks to its valued customers for their continued patronage.

Your Board would like to thank the Aditya Birla Group and Sun Life Financial Inc., for their constant support, guidance and co-operation.

Your Board would also like to express sincere appreciation for the continued support, guidance and assistance from the Trustees of Aditya Birla Sun Life Mutual Fund, Securities and Exchange Board of India, Reserve Bank of India, Financial Intelligence Unit (FIU-IND), Association of Mutual Funds in India (AMFI), Stock Exchanges, Depositories, Clearing Corporations, Depository Participants, Custodians, Bankers, Registrars & Transfer Agents, Distributors & Agents, business associates and other service providers.

For and on behalf of the Board of Directors

Aditya Birla Sun Life AMC Limited

(Formerly known as Birla Sun Life Asset Management Company Limited)

Ajay Srinivasan

Director
(DIN: 00121181)

Sandeep Asthana

Director
(DIN: 00401858)

Date : June 21, 2019

Place: Mumbai

ANNEXURE I

Particulars pursuant to the provisions of Section 134 (3) (m) of the Act, read with the Rule 8 (3) of the Companies (Accounts) Rules, 2014, are furnished hereunder:

A. CONSERVATION OF ENERGY	
(i) the steps taken or impact on conservation of energy;	None
(ii) the steps taken by the company for utilising alternate sources of energy;	None
(iii) the capital investment on energy conservation equipments;	None
B. TECHNOLOGY ABSORPTION	
(i) The efforts made towards technology absorption	<p>Customer & Distributor centricity: Artificial Intelligence (AI) & Natural Language Processing (NLP) based initiatives: ChatBot: Servicing customer queries, FAQs through bot, generation of account and capital gain statements, customer portfolio valuation, NAV and my NAV along with WhatsApp integration. Email Bot: Automation of generation and sharing of a/c statements. First in the industry. Creation of PPD (partner priority desk): Established PPD across 11 locations with plan to scale upto all locations. Decentralized Interactive Voice Response (IVR) service helpdesk for distributors. Available in regional languages PMS CRM: Establishment of Customer Relationship Management (CRM) for Alternate Asset business lending 360 degrees view of PMS customers transactions. Saarathi: Establishing employee referral program for lead generation Digital Footprint in FY 18-19: Independent Financial Advisor (IFA) portal: Portal for distributors/ IFAs to transact for their customers. Customized customer journeys, enhanced distributor experience, cross sell/up sell, enriched reporting and dashboard Enhancements done to improve customer and distributor experience of digital apps – finGo, Partner App and Active Account Application Program Interface (API) Gateway & Enterprise Service Bus (ESB): Lending sending point of connect to business partners. The Company has been a pioneer in the industry to provide open API services to digital distributors The advantage of having ESB - Service oriented architecture (SOA) across the landscape has helped the Company to add agility, flexibility and velocity to its repertoire. ESB is not yet fully implemented and would be completed over the next 2-3 months. Process Efficiency: Improving process efficiency through automation of business processes Solutions created: Campaign management to automate marketing campaigns on Adobe platform, Envision to simplify branch transaction system, Risk report, Brokerage statement and Finance report automation using Sheetkraft. Cloud based Knowledge Management & Attribution tool created for Investments team to help in their research of sectors and companies. This would facilitate analyst's and fund manager's decision making.</p>

	<p>Scalability & Robustness: Bandwidth and link upgrades to handle 2x data volumes with capability to scale upto handling 5x volumes. CAMS link upgrade to 40 Mbps.</p> <p>Citrix Virtual Desktop Infrastructure (VDI) implementation for 70 users with plan to scale upto all identified users in order to eliminate latency and network congestion.</p> <p>Core Infra upgrade – Quantis server migration resulting in front to back improvement in processing time. OceanFax mail integrator resulting in 99% accuracy of transaction reporting.</p> <p>Ensuring server availability 99.7% of time.</p> <p>Completed 53 branches over 1 year.</p> <p>Application development and technical support: Application Performance Management (APM) tools: Real time application performance monitoring tools sending alerts during abnormal behavior of applications.</p> <p>Splunk: Predictive behavior of application using trend analysis. Improvement in troubleshooting and turnaround time of production issues</p> <p>Jenkins: Tool for automating code integration and build creation.</p>
(ii) The benefits derived as a result of the above efforts (eg. Product improvements, cost reduction, product development, import substitution, etc.)	Improvement in time to market by 72%, reduction in project delays from 36 days to 10 days. Effort saving of 9,684 man hours. Process efficiency improvement by 77%. Cost saving of ₹ 1.74 Cr in one year. Generation of business worth ₹ 5.04 Cr.
(iii) Particulars of imported technology in the last three years (reckoned from beginning of the financial year)	None
a) Details of technology imported	None
b) Year of import	None
c) Has technology been fully absorbed	None
d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	None
(iv) the expenditure incurred on Research and Development.	None

ANNEXURE - II

MANAGEMENT DISCUSSION AND ANALYSIS

Micro economics

The Indian economy faced several headwinds both domestic and external like volatile oil prices, elevated trade tensions, geo-political uncertainties in some parts of the world and interest rate tightening cycle in developed countries for much of the year ended March 31, 2019. In such volatile micro economics condition Indian economy remains a high growth achiever. The various policy measures like Goods and Service Tax 2017, Insolvency and Bankruptcy Code 2016 will help improve India's macro-economic stability considerably, going forward. India faced issues related to financial health of the NBFC sector, high Non Performing Assets (NPA) levels in the banking space, slowing consumption demand and some concerns on the fiscal side. On the back of various measures to address the issue of bad loans in the banking sector, the NPA cycle is now looking to be bottoming out.

Domestic risks largely pertain to any reversal in the policy direction. Threat of fiscal slippage remains, as growth is not yet broad-based impacting government revenues. On the external side, risks include a further increase in international oil prices, tighter global financial conditions, a retreat from cross-border integration including spill over risks from a global trade conflict and rising regional geopolitical tensions.

Mutual Fund Industry Overview

The tale of Indian Mutual fund Industry too completed its 25 years of existence in 2018 in Indian capital markets. The industry has attained a big scale in the last few years especially post demonetization. During the Demonetization exercise the Mutual fund industry saw exponential uptick in the inflows.

While inflows have been strong in both equity and debt schemes reflecting a gradual shift towards mutual fund asset class, the year 2018-19 was more of a consolidation year with a marginal drop in the overall growth momentum.

Over the years, regulatory operating framework too have undergone a change in order to bring in more transparency and safeguard investor's interest.

Post the regulatory guidance on re-classification of schemes, recently the regulator has also brought in changes such as discontinuation of upfront commission, revised TER slab structure which has been revisited after a gap of more than 20 years. It was felt that; the need of the hour was to pass on the benefits of economies of scale to the investors. Over the years, the industry has also matured and grown enough to absorb these changes. However, industry as a whole continued to focus on growing the reach to increase investor base.

With all these ongoing ups and downs, Indian Mutual Fund Industry continued to focus on growing retail and SIP book.

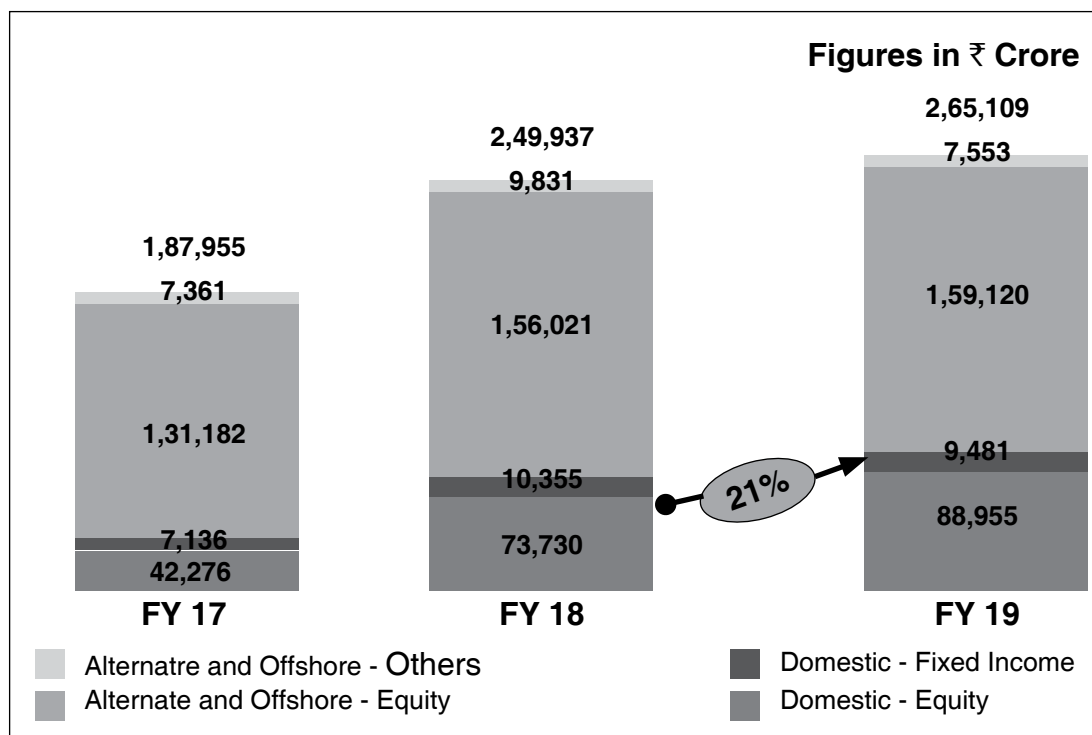
Industry at a glance

- Total Average AUM for the quarter ended March-19 reached an all-time high of ₹ 24.46 lakh crore with an absolute growth of 6.2% over previous year. Interestingly, SIP AUM now accounts for the 11% of the total Industry AUM.
- Equity Average AUM for the Quarter ended March-19 too crossed the mark of ₹ 10.18 lakh crore
- The MF industry has added 1.11 crore customer folios last fiscal taking the total folio count to 8.29 crore folios as of March 2019. Nearly 84% of these folios were in equity funds. Equity folios grew by a healthy 17% from 5.94 crore in March-18 to 6.93 crore in March-19.
- Monthly SIP book Size crossed the ₹ 8000 mark with almost 2.6 crore live SIP's.

Performance Review

During the year Aditya Birla Sun Life AMC Limited Domestic Equity Average AUM grew by 21%. 2 year Compounded Annual Growth Rate (CAGR) of Equity Average AUM is stronger than industry. Industry grew by 38% whereas Aditya Birla Sun Life AMC Limited grew by 45%

ABSLAMC Growth in Overall AAUM



(in ₹ crores)

Aditya Birla Sun Life AMC Limited	FY19	FY18
Average Assets under Management		
Equity	88,955	73,730
Debt and Liquid	1,59,120	1,56,021
Domestic#	2,48,075	2,29,750
Alternate and Offshore - Equity	9,481	10,355
Alternate and Offshore - Others	7,553	9,831
Total	2,65,110	2,49,937
Revenue	1,407	1,324
Profit before tax	647	523
Profit after tax	448	350

** Profitability numbers are IND AS

Source : Association of Mutual Funds in India ("AMFI"), www.amfiindia.com

ABSLAMC is serving its large investor base through a strong distribution network of 270 Locations, 76,500+ financial advisors, 88 Banks and 230+ National distributors.

The next big cusp of growth in the industry is going to come from digital. Leveraging technology and building business would be key for AMC's to grow to the next level. Currently, we have many digital assets such as 3 mobile apps (ABSLMF customer app, ABSLMF Partner app and Active Account App), customer website, Partner Portal and a Robo Advisory based SIPNOW Platform among many others. This year too, our assets have undergone an overhaul and revamp incorporating the latest features to provide investors and distributors a seamless digital experience.

Our Investor Education team has contributed in serving the nation by increasing financial literacy across India. In the last 6 years, we have done around 4350 events, educating more than 2.8 lakh people. Our perception rankings in the eyes of our Partners kept improving each year, which is reflected in the Wealth forum distributor survey where Aditya Birla Sun Life AMC Limited is ranked No.1 in both Investor Education & Distribution Development Trainings. In the last few years we have done around 2129 distributor training events reaching around 1 lakh distributor participants. This has largely contributed to our focused effort on customer and market expansion.

We launched two much awaited solution-based pull product. Our Childcare (Bal Bhavishya) fund and Retirement fund has become a big hit in the industry. The funds have seen an initial success not only through asset base collection but also through huge new customer acquisition coming largely from B30 cities.

Awards and Certifications

The Fund House, the schemes of Aditya Birla Sun Life Mutual Fund and the Fund Managers of the Company received various awards and recognition during the year under review of which the following are noteworthy:

- **Moneycontrol's Wealth Creator Awards 2018**
Best AMC of the Year
- **Morningstar Awards 2019**
Best Fund House - Overall
- **CNBC TV18 Mutual Fund Awards 2018**
Runner-up Equity Fund House of the Year
- **2018 Thomson Reuters Lipper Awards**
Category: Equity Sector Financials
Best Fund over 3 years, ABSL Banking & Financial Services-Growth
- **Asian Investor Asset Management Awards - Market Award – India**
- **Asia Asset Management 2019 Best of the Best Awards for Investor Education**
- **The Economic Times Best Brand 2018-19**
- **2018 Thomson Reuters Lipper Awards - MENA Markets**

Category: Bond Indian Rupee

- a. Best Fund over 3 years, ABSL Treasury Optimizer-Retail-Growth
- b. Best Fund over 5 years, ABSL Treasury Optimizer-Retail-Growth
- c. Best Fund over 10 years, ABSL Dynamic Bond-Retail-Growth

Category: Equity India

- a. Best Fund over 3 years, ABSL Small & Midcap Fund-Growth
- b. Best Fund over 5 years, ABSL Small & Midcap Fund-Growth

Category: Equity Sector Financials

- a. Best Fund over 3 years, ABSL Banking & Financial Services – Growth

CORPORATE GOVERNANCE REPORT

Philosophy of Corporate Governance

Aditya Birla Sun Life AMC Limited is committed to the adoption of best practices of Corporate Governance and its adherence in true spirit at all times. The Company's governance practices are a product of self-desire, reflecting the culture of trusteeship that is deeply ingrained in our value system and reflected in the strategic thought process. At a macro level, the governance philosophy rests on five basic tenets, viz., Board accountability to the Company and shareholders, strategic guidance and effective monitoring by the Board, protection of minority interests and rights, equitable treatment of all shareholders as well as superior transparency and timely disclosures.

The Corporate Governance framework of the Company is based on an effective and independent Board, separation of the Board's supervisory role from the Executive Management team and constitution of the Board Committees, as required under applicable laws.

The Board functions either as a full Board or through various Committees constituted to oversee specific functions. The Executive Management provides your Board detailed reports on the Company's performance periodically.

The Company continuously strives to achieve excellence in Corporate Governance through its values - Integrity, Commitment, Passion, Seamlessness and Speed.

Reporting under SEBI (Listing Obligations and Disclosure Requirements) - LODR

The Company is an unlisted company and hence the provisions of SEBI LODR are not applicable to the Company.

I. Board of Directors ("Board")

The Directors are elected by shareholders of the Company with a responsibility to set strategic objectives for the management and to ensure that the long term interests of all stakeholders are served by adhering to and enforcing the principles of sound corporate governance.

The Board members have diverse areas of knowledge and expertise, which is necessary in providing an independent and objective view on business issues and assess them from the standpoint of the stakeholders of the Company. The Board is independent of the management.

(a) Composition of the Board

The Board comprises of twelve Directors as on date, of which six are Independent Directors.

(b) Details of Directors

The composition of our Board, as on date is given in the table below:

Sr. No.	Name of Director	DIN No.	Designation
1.	Mr. Kumar Mangalam Birla	00012813	Chairman, Non – Executive/ Associate Director
2.	Mr. Ajay Srinivasan	00121181	Non - Executive/ Associate Director
3.	Mr. Pankaj Razdan	00061240	Non - Executive/ Associate Director (Resigned with effect from July 08, 2019)
4.	Mr. Sandeep Asthana	00401858	Non – Executive/ Associate Director
5.	Mr. Colm Freyne	07627357	Non – Executive/ Associate Director
6.	Mr. Claude Accum	07882135	Non – Executive/ Associate Director
7.	Mr. N N Jambusaria	00055760	Independent Director
8.	Mr. Bobby Parikh	00019437	Independent Director
9.	Prof. R Vaidyanathan	00221577	Independent Director
10.	Mr. N C Singhal	00004916	Independent Director
11.	Mr. Bharat Patel	00060998	Independent Director
12.	Ms. Alka Bharucha	00114067	Independent Director
13.	Mr. Harish Engineer	01843009	Independent Director (Appointed with effect from June 21, 2019)

(c) Non-Executive Directors' compensation and disclosures

The details of sitting fees paid to these Independent Directors during the FY 2018 - 2019 are given in the table below

(Amount in ₹)

Name of the Director	Sitting Fees for the Board Meetings	Sitting Fees for the Audit Committee Meetings	Sitting Fees for the Product Committee Meetings	Sitting Fees for the Risk Management Committee Meetings	Sitting Fees for the Corporate Social Responsibility Committee Meetings	Sitting fees for Nomination & Remuneration Committee Meetings	Sitting fees for Independent Directors Meetings	Total
Mr. N N Jambusaria	3,50,000	1,50,000	60,000	-	40,000	-	20,000	6,20,000
Mr. Bobby Parikh	3,00,000	1,25,000	-	60,000	-	-	20,000	5,05,000
Prof. R Vaidyanathan	3,50,000	1,50,000	-	80,000	-	20,000	20,000	6,20,000
Mr. N C Singhal	3,50,000	-	60,000	-	-	20,000	20,000	4,50,000
Mr. Bharat Patel	3,00,000	-	-	-	-	-	20,000	3,20,000
Ms. Alka Bharucha	2,00,000	-	-	-	-	-	20,000	2,20,000

(d) Board Meetings

Agenda and Minutes

The Company Secretary receives details on the matters which require the approval of the Board and/ or its Committees, from various departments of the Company within the stipulated timeframe, so that they can be included in the Board/ Board Committee meeting agenda. All material information is incorporated, in detail, in the agenda papers for facilitating meaningful and focused discussions at the meetings.

In compliance of the statutory requirements, the following are the typical agenda items at the Board meetings on which the Directors are furnished details / presentations:

- Minutes of meetings of previous Board and committee meetings;
- Action taken report on the implementation of decisions taken at the last Board meeting
- Quarterly/ Annual results of the Company;
- Half yearly unaudited/ annual audited scheme financials of the Schemes of Aditya Birla Sun Life Mutual Fund;
- Presentation on the financial results which generally includes the financials for the quarter and its analysis, profitability drivers, yearly plan vs. actual, investment performance of Mutual Fund & Alternate Assets.
- Annual operating plans and quarterly variance analysis;
- Compliance certificate by the functional heads;
- Any material default in financial obligations to and by the Company;
- Show cause, demand, prosecution and penalty notices which are materially important or involve possible public or product liability claims of substantial nature;
- Other statutory agenda;

The approved minutes of the proceedings of each previous Board / Committee meeting is circulated along with the agenda. The Board also takes note of Minutes of Committee meetings at every Board meeting.

Board Meetings and attendance of Directors

As a good practice a yearly calendar is prepared and circulated to all the Directors so that they can adequately plan their schedule. This ensures presence of maximum Directors at each meeting.

During the FY 2018-19, the Board of Directors met seven times on the following dates:

1. April 10, 2018
2. April 27, 2018
3. June 19, 2018
4. July 26, 2018
5. October 25, 2018
6. January 22, 2019
7. March 11, 2019

The attendance of the Directors at the above Board meetings:

Name of Directors	No. of Board meetings held during the FY 2018-19	
	Held	Attended
Mr. Kumar Mangalam Birla	07	01
Mr. Ajay Srinivasan	07	07
Mr. Pankaj Razdan	07	06
Mr. Sandeep Asthana	07	07
Mr. Colm Freyne	07	04
Mr. Claude Accum	07	04
Mr. N. N. Jambusaria	07	07
Mr. Bobby Parikh	07	06
Prof. R. Vaidyanathan	07	07
Mr. N. C. Singhal	07	07
Mr. Bharat Patel	07	06
Ms. Alka Bharucha	07	04

(e) Code of Conduct

In terms of section 149(8) and Schedule IV of the Companies Act, 2013, the Company has framed the Code of Conduct for the Board members (including Independent Directors). The salient features of the said Code of Conduct are as under:

- Directors' responsibility of observing the highest standards of ethical conduct and integrity and working to the best of their ability and judgment.
- The Duties of the Directors mentioned in Section 166 of the Companies Act, 2013.
- The 'Code for Independent Directors' as specified in Schedule IV of the Companies Act, 2013 and the rules made thereunder.

II. Audit Committee

The Audit Committee of the Company is primarily responsible for reviewing the internal control systems and financial operating systems of the Company, accounting policies and audit reports, and reporting to the Board of Directors on significant results of the foregoing activities. The Committee also serves the Board of Directors by providing qualitative inputs to financial statements and brings in a degree of financial expertise. The Audit Committee scrutinizes the quarterly / yearly unaudited / audited financial statements of the company as well as half yearly unaudited and annual audited scheme financials of Aditya Birla Sun Life Mutual Fund, PMS & AIF and satisfies itself with the accuracy and correctness of these statements.

In addition, the Audit Committee also reviews, the Internal Audit Reports and appointment, removal and terms of remuneration of the Statutory Auditors, Internal Auditors, Secretarial Auditor, Scheme(s) Auditors and other auditors as per the regulatory requirement.

(a) Composition of Audit Committee

The details of composition of the Audit Committee are as under:-

Sr. No.	Name of the Committee member	Chairman/ Members
1	Mr. N.N. Jambusaria	Chairman
2	Mr. Ajay Srinivasan	Member
3	Mr. Sandeep Asthana	Member
4	Mr. Bobby Parikh	Member
5	Prof. R Vaidyanathan	Member

All members of the Audit Committee are financially literate and have the necessary accounting and related financial management expertise.

The Chief Executive Officer, the Chief Financial Officer, the Compliance Officer/ Company Secretary, Head- Risk Management, the Internal Auditors and the Statutory Auditors of the Company are invited for each Audit Committee Meeting of the Company.

The Company Secretary acts as the Secretary to the Committee.

(b) Meetings of Audit Committee and attendance of Audit Committee members

During the FY 2018-19, the Audit Committee met six times on the following dates:

1. April 10, 2018
2. April 27, 2018
3. June 19, 2018
4. July 26, 2018
5. October 25, 2018
6. January 22, 2019

The attendance of the Audit Committee members at the Audit Committee Meetings held during the F.Y. 2018-19 is given in the table below:

Name of the Audit Committee member	No. of Audit Committee meetings held during the FY 2018-19	
	Held	Attended
Mr. N.N. Jambusaria	06	06
Mr. Ajay Srinivasan	06	06
Mr. Sandeep Asthana	06	06
Mr. Bobby Parikh	06	05
Prof. R Vaidyanathan	06	06

III. Risk Management Committee

The Board of the Company has constituted the 'Risk Management Committee' as a sub-committee of the Board, to oversee the risk management and compliance activities of the Company.

As per the documented charter, duly approved by the Board of Directors, the primary function of the Risk Management Committee is to assist the Board of Directors with its oversight role with respect of ensuring the identification, assessment, measurement and mitigation of major areas of risk faced by the Company and the development of strategies to manage those risks, to review compliance with risk management policies implemented by the Company and reports related to compliance with legal and regulatory matters. As a result of the increased financial controls reporting, the Risk Management Committee also focuses on:

- i. Internal Control Mechanism upon areas prone to operational risks. The controls around such processes are deliberated in the RMC and any process controls to be tightened are recommended. The RCSA framework and the SoP structure around this fall under the purview of RMC.
- ii. Development and implementation of risk management policy
- iii. Fraud Risk Mitigation & Fraud Management framework
- iv. Reporting Framework

(a) Composition of Risk Management Committee

The details of composition of the Risk Management Committee are as under:-

Sr. No.	Name of the Risk Management Committee member	Chairman/ Members
1	Prof. R Vaidyanathan	Chairman
2	Mr. Ajay Srinivasan	Member
3	Mr. Sandeep Asthana	Member
4	Mr. Bobby Parikh	Member

Permanent Invitees:

Sr. No.	Name of the Permanent Invitee
1	Mr. A Balasubramanian
2	Ms. Hemanti Wadhwa
3	Mr. Hari Babu

(b) Meetings of Risk Management Committee and attendance of Risk Management Committee members

During the FY 2018-19, the Risk Management Committee met four times on the following dates:

1. April 27, 2018
2. July 26, 2018
3. October 25, 2018
4. January 22, 2019

The attendance of the Risk Management Committee members at the Risk Management Committee meetings held during the F.Y. 2018-19 is given in the table below:

Name of the Committee member	No. of Risk Management Committee meetings held during the FY 2018-19	
	Held	Attended
Prof. R. Vaidyanathan	04	04
Mr. Ajay Srinivasan	04	04
Mr. Sandeep Asthana	04	04
Mr. Bobby Parikh	04	03

IV. Product Committee

Considering the market conditions and needs of clients of Aditya Birla Sun Life Mutual Fund, the Board of the Company at its Meeting held on May 24, 2008 established a "Product Committee", which is authorized to:

- Approve launch of new products, merger/consolidation of schemes, introduction of new plan with separate portfolio under existing schemes and/or modification of fundamental attributes of existing products, which will be proposed from time to time before the Committee keeping in view the market conditions and needs of clients of Aditya Birla Sun Life Mutual Fund;
- Approve launch of new products, merger/consolidation of products, modification of attributes of existing products which will be proposed from time to time before the Committee in view of the market conditions and needs of clients of Portfolio Management Services (PMS) division of the Company: and
- Approve launch of new products, merger/consolidation of products, modification of attributes of existing products which will be proposed from time to time before the Committee in view of the market conditions and needs of clients of Alternative Investment Fund (AIF) division of the Company.

(a) Composition of Product Committee

The details of composition of the Product Committee are as under:-

Sr. No.	Name of the Product Committee member	Chairman/ Members
1	Mr. N.C. Singhal	Chairman
2	Mr. Ajay Srinivasan	Member
3	Mr. Sandeep Asthana	Member
4	Mr. N.N. Jambusaria	Member

(b) Meetings of Product Committee and attendance of Product Committee members

During the FY 2018-19, the Product Committee met thrice on the following dates:

1. June 19, 2018
2. October 24, 2018
3. March 11, 2019

The attendance of the Product Committee members at the Product Committee meetings held during the F.Y. 2018-19 is given in the table below:

Name of the Committee member	No. of Product Committee meetings held during the FY 2018-19	
	Held	Attended
Mr. N.C. Singhal	03	03
Mr. Ajay Srinivasan	03	03
Mr. Sandeep Asthana	03	02
Mr. N.N. Jambusaria	03	03

V. Corporate Social Responsibility (CSR) Committee

In compliance with the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014, the Board has constituted a Corporate Social Responsibility Committee.

The broad terms and reference of CSR Committee are as follow:

- i. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
- ii. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
- iii. To monitor the CSR policy of the Company from time to time;
- iv. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

The detailed report on CSR activities/ initiatives is mentioned in **Annexure V**.

(a) Composition of Committee

The details of composition of the Corporate Social Responsibility Committee are as under:-

Sr. No.	Name of the Committee member	Chairman/ Members
1	Mr. N.N. Jambusaria	Chairman
2	Mr. Ajay Srinivasan	Member
3	Mr. Sandeep Asthana	Member

Permanent Invitees:

1. Mrs. Rajashree Birla - Chairperson, Aditya Birla Centre for Community Initiatives and Rural Development
2. Dr. (Mrs.) Pragnya Ram, Group Executive President, Corporate Communications and CSR
3. Mr. A. Balasubramanian - Chief Executive Officer

(b) Meetings of Corporate Social Responsibility Committee and attendance of Corporate Social Responsibility Committee members

During the FY 2018-19, the Corporate Social Responsibility Committee met twice on the following dates:

1. September 17, 2018
2. March 26, 2019

The attendance of the Corporate Social Responsibility Committee members at the Corporate Social Responsibility Committee meetings held during the F.Y. 2018-19 is given in the table below:

Name of the Committee member	No. of Corporate Social Responsibility Committee meetings held during the FY 2018-19	
	Held	Attended
Mr. N.N. Jambusaria	02	02
Mr. Ajay Srinivasan	02	02
Mr. Sandeep Asthana	02	01

VI. Nomination & Remuneration Committee

In terms of the provisions of Section 178 of the Companies Act, 2013, the Company has constituted Nomination and Remuneration (NRC) Committee and the Policy on Executive Remuneration, as approved by the Board, is attached and marked as **Annexure III-A**.

The NRC is responsible for identifying persons who are qualified to become Directors and who may be appointed in the senior management team in accordance with criteria laid down and recommend to the Board their appointment and removal and carry out evaluation of every Director's performance.

The broad terms and reference of NRC are as follow:

A. Executive Remuneration:

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors and Senior Managers of the quality required to run the Company successfully;
- The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- The remuneration provided to Directors and Senior Managers includes a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

B. Executive Talent:

- Formulate appropriate policies, institute processes which enable the identification of individuals who are qualified to become Directors and who may be appointed in senior management and recommend to the Board of Directors their appointment and removal from time to time
- Review and Implement succession and development plans for Managing Director, Executive Directors and Senior Managers
- Devise a policy on Board diversity
- Formulate the criteria for determining qualifications, positive attributes and independence of Directors

C. Board Performance and Rewards:

- Establish evaluation criteria and conduct the process of performance evaluation of each Director in a structured manner
- Establish evaluation criteria of Board and Board Committees
- Review and make recommendations to the Board with respect to any incentive-based compensation and equity-based plans that are subject to Board or shareholder approval (including broad-based plans)

D. Disclosures:

The Committee shall review and discuss with management the disclosures required to be included in the Directors report, as specified in the Act and the Rules thereunder

(a) Composition of Committee

The details of composition of the Nomination and Remuneration Committee are as under:-

Sr. No.	Name of the Committee member	Chairman/ Members
1	Mr. N.C. Singhal	Chairman
2	Mr. Ajay Srinivasan	Member
3	Mr. Sandeep Asthana	Member
4	Prof. R Vaidyanathan	Member

(b) Meetings of Nomination and Remuneration Committee and attendance of Nomination and Remuneration Committee members

During the FY 2018-19, the Nomination and Remuneration Committee met once on July 26, 2018.

The attendance of the Nomination and Remuneration Committee members at the Nomination and Remuneration Committee meetings held during the F.Y. 2018-19 is given in the table below:

Name of the Committee member	No. of Nomination and Remuneration Committee meetings held during the FY 2018-19	
	Held	Attended
Mr. N.C. Singhal	01	01
Mr. Ajay Srinivasan	01	01
Mr. Sandeep Asthana	01	01
Prof. R Vaidyanathan	01	01

VII. Independent Directors Meeting

In accordance with the provisions of Schedule IV of the Companies Act, 2013 a meeting of the Independent Directors of our Company was held on March 11, 2019 without the presence of the Non-Independent Directors and the management. The Independent Directors discussed the matters inter alia including, the performance of Directors, Board committees and functioning of the Company.

VIII. Disclosures

Shareholders & General information

- A.** Brief profile of following Directors who are proposed to be appointed and liable to retire by rotation & eligible to be re-appointed in the 25th Annual General Meeting of the Company are as under:

Mr. Ajay Srinivasan

Mr. Ajay Srinivasan is currently the Chief Executive Offices, Aditya Birla Capital Ltd. Prior to this, he has worked as Chief Executive, Fund Management, Asia for Prudential Corporation Asia for 7 years. Earlier he was Managing Director of ICICI Prudential Asset Management Co. Ltd. He has also worked with ITC Thread needle AMC Ltd as Deputy Chief Executive handling day to day activities. He was the Nominee Director of ICICI Prudential Asset Management Company Limited from 1998 to 2007.

Mr. Sandeep Asthana

Mr. Sandeep Asthana is the Country Head – India, at Sun Life Financial Inc. Prior to this, he led RGA Re's India business, helped build entry plans for life insurance and non-life insurance of Zurich Financial Services, and led the research and planning efforts of the Unit Trust of India.

- B.** Brief profile of Independent Directors whose term of office shall end in ensuing AGM and being eligible, are proposed to be reappointed in the 25th Annual General Meeting of the Company is as under:

Mr. Bobby Parikh

Mr. Bobby Parikh provides consultancy services in the areas of Tax, Risk and M&A advisory for businesses at the national and international levels. He has extensively advised, over the past 30 years, numerous financial services sector players and is credited with developing and implementing the first offshore fund structure to invest in India from Mauritius. Prior to founding BMR Advisors, Mr. Parikh was the Managing Partner of Arthur Andersen and the Chief Executive Officer of Ernst & Young, and led the Financial Services practices at both organizations.

Mr. Bharat Patel

Mr. Bharat Patel is the former Chairman of Procter & Gamble Hygiene and Health Care Ltd., and presently member of the Executive Committees of the Indian Society of Advertisers (ISA), World Federation of Advertisers (WFA), Advertising Standards Council of India (ASCI) and Broadcast Audience Research Council (BARC). He has over 45 years of varied experience in the field of marketing, advertising, sales, exports, manufacturing, General Management etc. He is a graduate from the University of Baroda and holds MA in Economics from the University of Notre Dame, USA and MBA in Marketing from the University of Michigan, USA. Apart from being associated with Industry Associations, he is on the Board of various companies also.

- C. Brief profile of Directors who are proposed to be appointed in the 25th Annual General Meeting of the Company is as under:

Mr. Harish Engineer

Mr Harish Engineer, has worked extensively for over 40 years in the Banking sector from 1968 till his retirement in 2013. He was employed with HDFC Bank Limited and Bank of America. At his stint at HDFC Bank Limited, he headed Wholesale Banking for All India business for Financial Institution, Corporate Banking groups and capital markets group etc. During his stint with Bank of America, he worked in India and various offshore locations in operations and corporate credit management. He represented HDFC Limited as a nominee Director on the Board of IL&FS Ltd. He also represented International Finance Corporation (IFC), Washington as nominee Director on the Board of Bhutan National Bank.

D. General Body Meetings

i. Annual General Meeting

The particulars of the last three Annual General Meetings (AGMs) of the Company are provided in the below Table:

AGM	Financial Year	Date of the AGM	Time	Venue
22 nd	2015-16	July 29, 2016	12.45 PM	A-5, Aditya Birla Centre, S. K. Ahire Marg, Worli, Mumbai – 400 030
23 rd	2016-17	June 23, 2017	3:00 PM	A-5, Aditya Birla Centre, S. K. Ahire Marg, Worli, Mumbai – 400 030
24 th	2017-18	June 22, 2018	11:00 AM	One Indiabulls Centre, Tower 1, 18th Floor, Jupiter Mills Compound, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400013

E. Shareholder Information

Date, Time and Venue of the 25th Annual General Meeting	July 15, 2019, 11.30 AM at One India Bulls, Tower 1, 17th Floor, Jupiter Mills, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400013.
Financial Year	2018-19
Registration no. of the Company as per Companies Act with the Registrar of Companies	11-080811
Corporate Identification Number (CIN)	U65991MH1994PLC080811
Permanent Account Number (PAN)	AAACB6134D
Address for correspondence	One Indiabulls Centre, Tower-1, 17th floor, Jupiter Mills Compound, 841, S. B. Marg, Elphinstone Road, Mumbai 400 013
Website	https://mutualfund.adityabirlacapital.com
Telephone No.	022-43568008

F. Distribution of Shareholding

The Shareholding pattern of the Company as on 31 March, 2019 is provided in Table below:

Sr. No.	Name of the Shareholder(s) (for each class of shares)	Percentage ownership held by the shareholder	Number of Equity shares owned by the shareholder
1.	Aditya Birla Capital Limited (ABCL)	50.9995%	9179910
2.	Sun Life (India) AMC Investments Inc.	49.0000%	8820000
3.	Mr. Kumar Mangalam Birla	0.00006%	10
4.	Ms. Neerja Birla	0.00006%	10
5.	Mr. Parag Joglekar as Nominee Shareholder of ABCL	0.00018%	32
6.	Mr. A Balasubramanian as Nominee Shareholder of ABCL	0.00014%	26
7.	Ms. Pinky Mehta as Nominee Shareholder of ABCL	0.00007%	12
	Total	100%	18000000

For and on behalf of the Board
Aditya Birla Sun Life AMC Limited
(Formerly known as Birla Sun Life Asset Management Company Limited)

Ajay Srinivasan
Director
(DIN: 00121181)

Sandeep Asthana
Director
(DIN: 00401858)

Place: Mumbai
Date : June 21, 2019

ANNEXURE – IV

Aditya Birla Sun Life AMC Limited, ("the Company"), an Aditya Birla Group Company adopts/shall adopt this Executive Remuneration Philosophy/Policy as applicable across Group Companies. This philosophy/ policy is detailed below.

Aditya Birla Group: Executive Remuneration Philosophy/Policy

At the Aditya Birla Group, we expect our executive team to foster a culture of growth and entrepreneurial risk-taking. Our Executive Remuneration Philosophy/Policy supports the design of programs that align executive rewards – including incentive programs, retirement benefit programs, promotion and advancement opportunities – with the long-term success of our stakeholders.

Our business and organizational model

Our Group is a conglomerate and organized in a manner such that there is sharing of resources and infrastructure. This results in uniformity of business processes and systems thereby promoting synergies and exemplary customer experiences.

I. Objectives of the Executive Remuneration Program

Our executive remuneration program is designed to attract, retain, and reward talented executives who will contribute to our long-term success and thereby build value for our shareholders. Our executive remuneration program is intended to:

1. Provide for monetary and non-monetary remuneration elements to our executives on a holistic basis
2. Emphasize "Pay for Performance" by aligning incentives with business strategies to reward executives who achieve or exceed Group, business and individual goals.

II. Covered Executives

Our Executive Remuneration Philosophy/Policy applies to the following:

1. Directors of the Company
2. Key Managerial Personnel: Chief Executive Officer and equivalent (eg: Deputy Managing Director), Chief Financial Officer and Company Secretary.
3. Senior Management:

III. Business and Talent Competitors

We benchmark our executive pay practices and levels against peer companies in similar industries, geographies and of similar size. In addition, we look at secondary reference (internal and external) benchmarks in order to ensure that pay policies and levels across the Group are broadly equitable and support the Group's global mobility objectives for executive talent. Secondary reference points bring to the table, the executive pay practices and pay levels in other markets and industries, to appreciate the differences in levels and medium of pay and build in as appropriate for decision making.

IV. Executive Pay Positioning

We aim to provide competitive remuneration opportunities to our executives by positioning target total remuneration (including perks and benefits, annual incentive pay-outs, long term incentive pay-outs at target performance) and target total cash compensation (including annual incentive pay-outs) at target performance directionally between median and top quartile of the primary talent market. We recognize the size and scope of the role and the market standing, skills and experience of incumbents while positioning our executives.

We use secondary market data only as a reference point for determining the types and amount of remuneration while principally believing that target total remuneration packages should reflect the typical cost of comparable executive talent available in the sector.

V. Executive Pay-Mix

Our executive pay-mix aims to strike the appropriate balance between key components:

- (i) Fixed Cash compensation (Basic Salary + Allowances) (ii) Annual Incentive Plan (iii) Long- Term Incentives (iv) Perks and Benefits

Annual Incentive Plan:

We tie annual incentive plan pay-outs of our executives to relevant financial and operational metrics achievement and their individual performance. We annually align the financial and operational metrics with priorities/ focus areas for the business.

Long-Term Incentive:

Our Long-term incentive plans incentivize stretch performance, link executive remuneration to sustained long term growth and act as a retention and reward tool.

We use stock options as the primary long-term incentive vehicles for our executives as we believe that they best align executive incentives with stockholder interests.

We grant restricted stock units as a secondary long term incentive vehicles, to motivate and retain our executives.

VI. Performance Goal Setting

We aim to ensure that for both annual incentive plans and long term incentive plans, the target performance goals shall be achievable and realistic.

Threshold performance (the point at which incentive plans are paid out at their minimum, but non-zero, level) shall reflect a base-line level of performance, reflecting an estimated 90% probability of achievement.

Target performance is the expected level of performance at the beginning of the performance cycle, taking into account all known relevant facts likely to impact measured performance.

Maximum performance (the point at which the maximum plan payout is made) shall be based on an exceptional level of achievement, reflecting no more than an estimated 10% probability of achievement.

VII. Executive Benefits and Perquisites

Our executives are eligible to participate in our broad-based retirement, health and welfare, and other employee benefit plans. In addition to these broad-based plans, they are eligible for perquisites and benefits plans commensurate with their roles. These benefits are designed to encourage long-term careers with the Group.

Other Remuneration Elements

Each of our executives is subject to an employment agreement. Each such agreement generally provides for a total remuneration package for our executives including continuity of service across the Group Companies.

We limit other remuneration elements, for e.g. Change in Control (CIC) agreements, severance agreements, to instances of compelling business need or competitive rationale and generally do not provide for any tax gross-ups for our executives.

Risk and Compliance

We aim to ensure that the Group's remuneration programs do not encourage excessive risk taking. We review our remuneration programs for factors such as, remuneration mix overly weighted towards annual incentives, uncapped pay-outs, unreasonable goals or thresholds, steep pay-out cliffs at certain performance levels that may encourage short-term decisions to meet pay-out thresholds.

Claw back Clause:

In an incident of restatement of financial statements, due to fraud or non-compliance with any requirement of the Companies Act 2013 and the rules made thereafter, we shall recover from our executives, the remuneration received in excess, of what would be payable to him / her as per restatement of financial statements, pertaining to the relevant performance year.

Implementation

The Group and Business Centre of Expertise teams will assist the Nomination & Remuneration Committee in adopting, interpreting and implementing the Executive Remuneration Philosophy/Policy. These services will be established through "arm's length", agreements entered into as needs arise in the normal course of business.

ANNEXURE - V

**Statement containing salient features of the financial statement of subsidiaries/
associate companies/ joint ventures**

Part "A": Subsidiaries

Name of the subsidiary	Aditya Birla Sun Life AMC (Mauritius) Ltd	Aditya Birla Sun Life Asset Management Co. Ltd DIFC, Dubai	Aditya Birla Sun Life Asset Management Company PTE Ltd.
1. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31-03-2019	31-03-2019	31-03-2019
2. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	USD	USD	SGD
3. Share capital	45,000	3,125,000	13,600,000
4. Reserves & surplus	878,854	(2,320,166)	(9,192,638)
5. Total assets	953,259	1,296,732	5,119,431
6. Total Liabilities	953,259	1,296,732	5,119,431
7. Investments	Nil	Nil	3
8. Turnover	548,004	1,646,752	3,418,520
9. Profit before taxation	390,955	63,322	166,048
10. Provision for taxation	11,767	Nil	Nil
11. Profit after taxation	379,188	63,322	166,048
12. Proposed Dividend	Nil	Nil	Nil
13. % of shareholding	100%	100%	100%

Part "B": Associates and Joint Ventures

Name of Associates/Joint Ventures	Aditya Birla Sun Life AMC (Mauritius) Ltd	Aditya Birla Sun Life Asset Management Co. Ltd DIFC, Dubai	Aditya Birla Sun Life Asset Management Company PTE Ltd
1. Latest audited Balance Sheet Date	31 st March, 2019	31 st March, 2019	31 st March, 2019
2. Shares of Associate/Joint Ventures held by the company on the year end No.	4,500	3,125,000	13,600,000
Amount of Investment in Associates/Joint Venture	0.0382 Crs	15.10 Crs	59.10 Crs
Extend of Holding %	100%	100%	100%
3. Description of how there is significant influence			
4. Reason why the associate/joint venture is not consolidated	Not Applicable	Not Applicable	Not Applicable
6. Networth attributable to Shareholding as per latest audited Balance Sheet	923,854	804,834	4,407,362
7. Profit / Loss for the year i. Considered in Consolidation ii. Not Considered in Consolidation	379,188	63,322	166,048

Note: As the Company holds 100% management shares of India Advantage Fund Limited (IAFL), having no beneficial interest or ownership on the Company's income or gains as the same belongs to the investors of Collective Investment Schemes offered by IAFL. Further, Aditya Birla Sun Life Asset Management Company Pte Ltd. holds 100% management shares of International Opportunities Fund – SPC, Global Clean Energy Fund SPC and New Horizon Fund SPC and by virtue of that it is a subsidiary of the Company. Hence these are not included in the Annexure above.

For and on behalf of the Board of Directors

Ajay Srinivasan
Director
(DIN: 00121181)

Sandeep Asthana
Director
(DIN: 00401858)

A Balasubramania
Chief Executive officer

Parag Joglekar
Chief Financial Officer

Hemanti Wadhwa
Company Secretary

ANNEXURE - VI

REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES/ INITIATIVES

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

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web link to the CSR policy and projects or programs

For us in the Aditya Birla Group, reaching out to underserved communities is part of our DNA. We believe in the trusteeship concept. This entails transcending business interests and grappling with the "quality of life" challenges that underserved communities face, and working towards making a meaningful difference to them.

Our vision is - "to actively contribute to the social and economic development of the communities in which we operate. In so doing build a better, sustainable way of life for the weaker and marginalized sections of society and raise the country's human development index"

- Mrs. Rajashree Birla, Chairperson, Aditya Birla Centre for Community Initiatives and Rural Development.

Implementation process:

Identification of projects - All projects are identified in consultation with the community in a participatory manner, literally sitting with them and gauging their basic needs. We recourse to the participatory rural appraisal mapping process. Subsequently, based on a consensus and in discussion with the village panchayats, and other stakeholders, projects are prioritized.

Arising from this our focus areas that have emerged are Education, Health care, Sustainable livelihood, Infrastructure development, and espousing social causes. All of our community projects/programmes are carried out under the aegis of The Aditya Birla Centre for Community Initiatives and Rural Development. Our activities are in line with Schedule VII of the companies Act, 2013.

Your Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 which is accessible from our Company's website. (www.mutualfund.adityabirlacapital.com)

2. The Composition of the CSR Committee.

- a) Mr. N N Jambusaria - Chairman of the Committee
- b) Mr. Ajay Srinivasan - Director
- c) Mr. Sandeep Asthana - Director

Permanent Invitees:

- a) Mrs. Rajashree Birla – Chairperson, Aditya Birla Centre for Community Initiatives and Rural Development;
- b) Dr. (Mrs.) Pragnya Ram – Group Executive President, Corporate Communications and CSR;
- c) Mr. A Balasubramanian – Chief Executive Officer of the Company

3. Average net profit of the company for last three financial years:

₹ 3,49,54,99,630/-

4. Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above) –

₹ 6,99,09,993/-

5. Details of CSR spent during the financial year

- a) Total amount to be spent for the financial year - ₹ 6,99,00,000 /-
b) Amount unspent, if any – Nil
c) Manner in which the amount spent during the financial year is detailed below -

CSR project or activity undertaken	Sector in which the Project is covered	Projects or Programs (1) Local area or other (Specify the State or district where the Projects or programs was undertaken)	Amount outlay (budget) Project or programs wise (Amount in ₹ crore)	Amount spent on the Project or programs Sub heads (1) Direct Expenditure on the projects or programs (2) Overheads (Amount in ₹ crore)	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing Agency
Healthcare facility for rural masses NGO - Impact India Foundation (Duration: 1 year)	Healthcare	Uttar Pradesh	0.63	0.63	0.63	Through Non Profit Organisation-Impact India Foundation
Integrated Education Programme NGO –Magic Bus (Duration: 1 year)	Educational	Mumbai	0.40	0.40	0.40	Through Non Profit Organisation-Magic Bus
Knowledge on Wheels (Mobile Science Laboratory) NGO - Seva Sahayog Foundation (Duration: 1 year)	Educational	Mumbai	0.36	0.36	0.36	Through Non Profit Organisation-Seva Sahayog Foundation
Women Empowerment & Sustainable Livelihood NGO – PRADAN (Duration: 1 year)	Women Empowerment & Sustainable Livelihood	Madhya Pradesh	1.38	1.38	1.38	Through Non Profit Organisation-PRADAN
Sanitation & Drinking water at Schools NGO – AROH	Educational	Delhi NCR	1.30	1.30	1.30	Through Non Profit Organisation-AROH
Cancer care NGO – Cankids (Duration: 1 year)	Healthcare	Uttar Pradesh	0.25	0.25	0.25	Through Non Profit Organisation-Cankids
Treatment of congenital heart disease NGO - Sri Sathya Sai Health and Education Trust	Healthcare	Shirdi	0.25	0.25	0.25	Through Non Profit Organisation-Sri Sathya Sai Health and Education Trust
Setting up vocational training centre NGO - Don Bosco Tech Society (Duration: 1 year)	Vocational training	Maharashtra & Madhya Pradesh	1.20	1.20	1.20	Through Non Profit Organisation- Don Bosco Tech Society
Setting up remedial classes for children from economically backward section NGO - Light of Life Trust	Educational	State: Maharashtra District Nandurbar	0.36	0.36	0.36	Through Non Profit Organisation- Light of Life Trust
Donation for families of battle casualties Indian Army (Battle Field Casualty)	Support to arm force veterans & their family	All over India	0.50	0.50	0.50	Through Army Battle Casualties Welfare Fund
Supports the education of children Each one Educate One	Educational	All over India	0.25	0.25	0.25	Through Non Profit Organisation- Each one Educate One
CSR Project Admin Expenses	CSR Project Admin expense	NA	0.11	0.11	0.11	Administrative expenses for CRS activities
Total			6.99	6.99	6.99	

- 6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.**

Not Applicable

A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

The implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company.

A Balasubramanian
Chief Executive Officer

N N Jambusaria
Chairman – CSR Committee
(DIN 00055760)

ANNEXURE - VII

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended 31 March, 2019
of Aditya Birla Sun Life AMC Limited
[Pursuant to Section 92(1) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1.	CIN	:	U65991MH1994PLC080811
2.	Registration Date	:	September 05, 1994
3.	Name of the Company	:	Aditya Birla Sun Life AMC Limited
4.	Category / Sub-Category of the Company	:	Company having Share Capital
5.	Address of the Registered Office	:	One Indiabulls Centre, Tower-1, 17th floor, Jupiter Mill Compound, 841, S.B. Marg, Elphinstone Road, Mumbai 400 013.
	Contact details	:	Tel. No. - 022 43568008
6.	Whether listed company	:	No
7.	Name, Address of Registrar & Transfer Agents (RTA), if any	:	Karvy Fintech Private Limited Karvy Selenium, Tower- B, Plot No. 31 & 32., Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad, 500032, India
	Contact details	:	Tel. No. 040 6716 1602

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1.	Management & Advisory Fees	66301	89.57% (excluding Other Income)

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Aditya Birla Capital Limited	L67120GJ2007PLC058890	Holding Company	50.9995%	2(46)
2.	Aditya Birla Sun Life AMC (Mauritius) Ltd.	Foreign Company	Subsidiary Company	100%	2(87)
3.	Aditya Birla Sun Life Asset Management Company Pte Ltd.	Foreign Company	Subsidiary Company	100%	2(87)
4.	Aditya Birla Sun Life Asset Management Company Ltd.	Foreign Company	Subsidiary Company	100%	2(87)
5.	India Advantage Fund Limited*	Foreign Company	Subsidiary Company	100%	2(87)
6.	International Opportunities Fund – SPC** (IOF-SPC)	Foreign Company	Subsidiary Company	-	2(87)
7.	Global Clean Energy Fund SPC** (GCEF-SPC)	Foreign Company	Subsidiary Company	-	2(87)
8.	New Horizon Fund SPC** (NHF-SPC)	Foreign Company	Subsidiary Company	-	2(87)

*The Company holds 100% management shares of IAFL, having no beneficial interest or ownership on the Company's income or gains as the same belongs to the investors of Collective Investment Schemes offered by IAFL.

** Aditya Birla Sun Life Asset Management Company Pte Ltd. holds 100% management shares of IOF-SPC, GCEF-SPC and NHF-SPC and by virtue of that it is a subsidiary of the Company.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual/HUF	-	20	20	0.0001	-	20	20	0.0001	0.00
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt(s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	8999910	180070	9179980	50.9999	8999910	180070	9179980	50.9999	0.00
(e) Banks / FI	-	-	-	-	-	-	-	-	-
(f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1):-	8999910	180090	9180000	51	8999910	180090	9180000	51	0.00
(2) Foreign									
(a) NRIs -	-	-	-	-	-	-	-	-	-
Individuals	-	-	-	-	-	-	-	-	-
(b) Other – Individuals									
(c) Bodies Corp.	-	8820000	8820000	49	-	8820000	8820000	49	0.00
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):-	-	8820000	8820000	49	-	8820000	8820000	49	0.00
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	8999910	9000090	18000000	100	8999910	9000090	18000000	100	0.00
B. PublicShareholding	-	-	-	-	-	-	-	-	-
1. Institutions									
(a) Mutual Funds	-	-	-	-	-	-	-	-	-
(b) Banks / FI	-	-	-	-	-	-	-	-	-
(c) Central Govt	-	-	-	-	-	-	-	-	-
(d) State Govt(s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FIs	-	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
(a) Bodies Corp.	-	-	-	-	-	-	-	-	-
(i) Indian	-	-	-	-	-	-	-	-	-
(ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals	-	-	-	-	-	-	-	-	-
(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
(c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B) (2)									
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	8999910	9000090	18000000	100	8999910	9000090	18000000	100	0.00

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Aditya Birla Capital Limited	9179980	50.9999%	-	9179980	50.9999%	-	0.00
2.	Sun Life (India) AMC Investments Inc.	8820000	49%	-	8820000	49%	-	0.00
3.	Mr. Kumar Mangalam Birla	10	0.00006%	-	10	0.00006%	-	0.00
4.	Ms. Neerja Birla	10	0.00006%	-	10	0.00006%	-	0.00

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.		Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
		No change during the year			
	Date wise Increase /Decrease in Promoters Shareholding during the Year specifying the reasons for increase / decrease (e.g.allotment / transfer / bonus/ sweat equity etc):	No change during the year			
	At the end of the year	No change during the year			

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Aditya Birla Capital Limited (ABCL)	9179910	50.9995%	9179910	50.9995%
2.	Sun Life (India) AMC Investment Inc.	8820000	49.0000%	8820000	49.0000%
3.	*Mr. Parag Joglekar as Nominee shareholder of ABCL	32	0.00018%	32	0.00018%
4.	*Mr. A Balasubramanian as Nominee shareholder of ABCL	26	0.00014%	26	0.00014%
5.	*Ms. Pinky Mehta as Nominee shareholder of ABCL	12	0.00007%	12	0.00007%
6.	Mr. Kumar Mangalam Birla	10	0.00006%	10	0.00006%
7.	Ms. Neerja Birla	10	0.00006%	10	0.00006%

*As indicated, during the year, there was a change in the nominee shareholders of Aditya Birla Capital Limited.

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Kumar Mangalam Birla (Chairman, Non - Executive Director)	10	0.00006%	10	0.00006%

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year				
• Addition				
• Reduction				
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	NIL	NIL	NIL	NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1.	Gross salary(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961(b) Value of perquisites u/s 17(2) Income-tax Act, 1961(c) Profits in lieu of salary under	Nil	Nil
2.	Stock Option	Nil	Nil
3.	Sweat Equity	Nil	Nil
4.	Commission- as % of profit- others, specify...	Nil	Nil
5.	Others, please specify	Nil	Nil
	Total (A)	Nil	Nil
	Ceiling as per the Act	Nil	Nil

B. Remuneration to other Directors:

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of Directors						Total Amount
1.	Independent Director	Mr. N. N. Jambusaria	Mr. N. C. Singhal	Prof. R. Vaidyanathan	Mr. Bobby Parikh	Mr. Bharat Patel	Ms. Alka Bharucha	
	• Fee for attending board / committee meetings	6,20,000	4,50,000	6,20,000	5,05,000	3,20,000	2,20,000	27,35,000
	• Commission	-	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-	-
	Total (1)	6,20,000	4,50,000	6,20,000	5,05,000	3,20,000	2,20,000	27,35,000
2.	Other Non-Executive Directors	Mr. Kumar Mangalam Birla	Mr. Ajay Srinivasan	Mr. Pankaj Razdan	Mr. Sandeep Asthana	Mr. Colm Freyne	Mr. Claude Accum	
	• Fee for attending board committee meetings	-	-	-	-	-	-	-
	• Commission	-	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-	-	-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER/WTD
(Amount in ₹)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		Mr. A Balasubramanian (Chief Executive Officer) (From 01.04. 2018 to 31.03. 2019)	Ms. Hemanti Wadhwa (Company Secretary) (From 01.04. 2018 to 31.03. 2019)	Mr. Parag Joglekar (Chief Financial Officer) (From 01.04. 2018 to 31.03. 2019)	Total
1.					
2	Gross salary(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961(b) Value of perquisites u/s 17(2) Income-tax Act, 1961(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	5,83,41,732	69,38,221	1,01,87,845	7,54,67,798
3	Stock Option	-	-	-	-
4	Sweat Equity	-	-	-	-
5	Commission- as % of profit- Others, specify...	-	-	-	-
6	Others,(One time payment)	13,07,99,780	-	1,85,50,079	14,93,49,859
	Total	18,91,41,512	69,38,221	2,87,37,924	22,48,17,657

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There are NIL penalties/punishments/compounding of offences

ANNEXURE - VIII

**FORM NO. MR-3
SECRETARIAL AUDIT REPORT
For the financial year ended 31 March 2019**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Aditya Birla Sun Life AMC Limited,
(formerly known as Birla Sun Life Asset Management Company Limited)
One India Bulls, Tower 1,
17th Floor, Jupiter Mills,
Senapati Bapat Marg,
Elphinstone Road,
Mumbai - 400013.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Aditya Birla Sun Life AMC Limited having CIN No. U65991MH1994PLC080811** (hereinafter called 'the Company') for the audit period covering the financial year ended on **31st March 2019** ('the audit period'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit; We hereby report that in our opinion, the Company has, during the audit period complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2019** according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the Rules made thereunder;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iii) The Securities Contracts (Regulation) Act, 1956 and the Rules made thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - b) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - d) The Securities and Exchange Board of India (Alternative Investment Funds) Regulation, 2012;
 - e) The Securities and Exchange Board of India (Mutual Fund) Regulation, 1996;
 - f) The Securities and Exchange Board of India (Portfolio Managers) Regulation, 1993; and
 - g) The Securities and Exchange Board of India (Venture Capital fund) Regulations 1996.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India related to Board meetings and General meetings.

During the audit period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

During the audit period, provisions of the following regulations were not applicable to the Company:

- i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- iii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- iv) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

- v) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- vi) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
- vii) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

We further report that -

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and in case where the Meetings were held at a shorter notice (i.e., notice was given less than 7 (Seven) days), proper consent thereof were obtained. There exists a system for seeking and obtaining further information and clarifications on the Agenda items before the Meeting and for meaningful participation at the Meeting.

Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the year under review.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there was no specific event / action having a major bearing on the Company's affairs pursuant to the laws, rules, regulations, guidelines, standards, etc. as referred above.

**For BNP & Associates
Company Secretaries
[Firm Regn. No. P2014MH037400]**

**Avinash Bagul
Partner
FCS No. 5578
COP No. 19862**

Date : 26.04.2019
Place: Mumbai

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure A

To,
The Members,
Aditya Birla Sun Life AMC Limited,
(formerly known as Birla Sun Life Asset Management Company Limited)

Our Secretarial Audit Report of even date is to be read along with this letter.

1. The compliance of provisions of all laws, rules, regulations, standards applicable to **Aditya Birla Sun Life AMC Limited** (the 'Company') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. The verification was done on test check basis to ensure that correct facts as reflected in secretarial and other records produced to us. We believe that the processes and practices we followed, provides a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For BNP & Associates
Company Secretaries
[Firm Regn. No. P2014MH037400]

Avinash Bagul
Partner
FCS No. 5578
COP No. 19862

Date: 26.04.2019
Place: Mumbai

Aditya Birla Sun Life AMC Limited
(Formerly known as Birla Sun Life Asset
Management Company Limited)

Independent Auditor's Report

To the Members of Aditya Birla Sun Life AMC Limited
(Formerly known as Birla Sun Life Asset Management Company Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Aditya Birla Sun Life AMC Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement 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 standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the 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 March 2019, 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 standalone 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 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'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 standalone 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 Director's report, but does not include the consolidated financial statements, standalone financial statements and our auditors' report thereon.
- Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information 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.
- When we read the reports, if 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'.

Management's Responsibility 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 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 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.

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

Auditors' Responsibility 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 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 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 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 standalone 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 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.

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.

Other Matters

The comparative financial information of the Company for the year ended 31st March 2018 and the related transition date opening balance sheet as at 1st April 2017 included in these standalone financial statements, have been prepared after adjusting previously issued the standalone financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS. The previously issued standalone financial statements were audited by the predecessor auditor whose report for the year ended 31st March 2017 dated April 28, 2017 expressed an unmodified opinion on those standalone financial statements. Adjustments made to the previously issued standalone financial statements to comply with Ind AS have been audited by us.

Our opinion on the standalone financial statements is not modified in respect of this 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 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 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 Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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.
 - h) 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, as at the year-end, in its standalone financial statements

- ii. The Company did not have any long-term contracts including derivative contracts, as at the year-end 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 Registration No. 117366W/W-100018)

G. K. Subramaniam

Partner
(Membership No. 109839)

Place: Mumbai
Date: 26th April, 2019

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 Sun Life AMC Limited ("the Company") as of March 31, 2019 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 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 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 March 31, 2019 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 LLPChartered Accountants
(Firm Registration No. 117366W/W-100018)**G. K. Subramaniam**Partner
(Membership No. 109839)Place: Mumbai
Date: 26th April, 2019

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)

- (i) (a) According to the information and explanations given to us, 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 Order is not applicable.
- (ii) The Company does not have any inventory and hence reporting under clause (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 Companies Act, 2013.
- (iv) To the best of our knowledge and according to the information and explanations given to us, the Company has not granted any loans, made investments or provided guarantees under the provisions of Sections 185 and 186 of the Act and hence reporting under clause (iv) of the Order is not applicable.
- (v) To the best of our knowledge and according to the information and explanations given to us, the Company has not accepted any deposit during the year. Therefore, the provisions of Clause (v) of paragraph 3 of the CARO 2016 are not applicable to the Company.
- (vi) To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, in respect of the services rendered by 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, Income-tax, Service Tax, Goods and Service Tax, cess and other material statutory dues applicable to it to the appropriate authorities. There were no amounts payable in respect of Sales Tax, Value Added Tax, Customs Duty, Employees' State Insurance, Work Contract Tax, and Excise Duty.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Goods and Service Tax, Customs Duty, Excise Duty, Work Contract Tax, Value Added Tax, cess and other material statutory dues in arrears as at 31st March, 2019 for a period of more than six months from the date they became payable.
 - (c) Details of dues of Value Added Tax which have not been deposited as at 31st March, 2019 on account of disputes by the aforesaid entities are given below:

Name of Statute	Nature of Dues	Forum where Dispute is pending	Period to which the Amount Relates	Amount Involved
Maharashtra Value Added Tax Act, 2002	Value Added Tax	Deputy Commissioner of Sales Tax (Appeals), Mumbai Division	AY 2012-13	14,477,060

- (viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or issued any debentures in the current year. Hence reporting under clause (viii) of the Order is not applicable to the Company.
- (ix) To the best of our knowledge and according to the information and explanations given to us, 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 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) To the best of our knowledge 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) To the best of our knowledge 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 the Order is not applicable to the Company.
- (xv) To the best of our knowledge 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-IA of the Reserve Bank of India Act, 1934.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants
(Firm Registration No. 117366W/W-100018)

G. K. Subramaniam

Partner
(Membership No. 109839)

Place: Mumbai
Date: 26th April, 2019

Standalone Ind AS Balance Sheet

as at 31st March, 2019

(₹ in lakhs)

Particulars	Note	As at 31st March, 2019	As at 31st March, 2018	As at 1st April, 2017
I ASSETS				
(1) Financial Assets				
(a) Cash and cash equivalents	3	492.08	1,101.91	1,418.81
(b) Bank balances other than (a) above	4	27.29	25.00	-
(c) Receivables				
(i) Trade receivables	5	2,190.38	3,979.02	4,026.79
(d) Loans and Advances	6	1,229.97	1,056.33	756.28
(e) Investments				
(i) Other Investments	7	121,231.60	121,497.10	108,785.64
(f) Other Financial Assets	8	1,586.50	663.90	903.27
Total Financial Assets		126,757.82	128,323.26	115,890.79
(2) Non-Financial Assets				
(a) Current tax assets (net)		1,596.53	1,257.26	825.91
(b) Property, Plant and Equipment	9.1	2,035.54	1,715.93	1,118.76
(c) Capital work-in-progress		118.28	15.13	54.37
(d) Intangible assets under development		111.05	25.78	189.02
(e) Other Intangible Assets	9.2	949.84	784.92	508.71
(f) Other non-Financial Assets	10	15,278.69	19,750.96	15,736.34
Total Non-Financial Assets		20,089.93	23,549.98	18,433.11
Total Assets		146,847.75	151,873.24	134,323.90
II LIABILITIES AND EQUITY				
(1) Financial Liabilities				
(a) Payables				
(i) Trade Payables		-	-	-
(ii) total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	11	7,564.88	14,424.94	13,527.62
(b) Other Financial Liabilities	12	4,921.26	5,539.44	4,405.33
Total Financial Liabilities		12,486.14	19,964.38	17,932.95
(2) Non Financial Liabilities				
(a) Provisions	13	4,957.94	8,804.61	8,091.17
(b) Deferred tax liabilities (net)	14	794.92	3,382.66	242.64
(c) Other non-financial liabilities	15	2,291.60	1,767.22	565.50
Total Non-Financial Liabilities		8,044.46	13,954.49	8,899.31
(3) Equity				
(a) Equity Share capital	16	1,800.00	1,800.00	1,800.00
(b) Other Equity	17	124,517.15	116,154.37	105,691.64
Total Equity		126,317.15	117,954.37	107,491.64
Total Liabilities and Equity		146,847.75	151,873.24	134,323.90
Contingent Liabilities & Commitments	25			
Corporate Information and Significant Accounting Policies	1 & 2			
The accompanying Notes are an integral part of the Financial Statements.	25 - 39			

As per our attached Report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm Reg. No. 117366W/W-100018)

G. K. Subramaniam
Partner
(Membership No. 109839)

Place: Mumbai
Date: 26th April, 2019

For and on behalf of the Board of Directors of
Aditya Birla Sun Life AMC Limited
(Formerly known as Birla Sun Life Asset Management Company Limited)

Ajay Srinivasan
Director
(DIN No: 00121181)

Sandeep Asthana
Director
(DIN No: 00401858)

A. Balasubramanian
Chief Executive Officer
Place: Mumbai
Date: 26th April, 2019

Parag Joglekar
Chief Financial Officer

Hemanti Wadhwa
Company Secretary

Standalone Ind AS Statement of Profit and Loss

for the year ended 31st March, 2019

(₹ in lakhs)

Particulars	Note	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Income			
Revenue from operations	18	130,522.57	121,606.76
Net gain on Fair Value changes	19	7,929.28	7,397.15
Other Income	20	647.28	443.80
Total Income (A)		139,099.13	129,447.71
Expenses			
Employee Benefits Expense	21	26,147.86	22,190.05
Administrative and Other Expense	22	15,119.36	14,849.97
Fund and Marketing Expense	23	31,727.89	39,959.34
Depreciation and Amortisation Expense	24	1,303.50	983.94
Total Expenses (B)		74,298.61	77,983.30
Profit Before Tax (C = A - B)		64,800.52	51,464.41
Income Tax Expense			
Current tax		22,436.20	14,222.58
Deferred tax		(2,587.74)	3,140.02
(Excess)/Short Provision for Tax of earlier years		65.12	(45.92)
Income Tax Expense (D)	14	19,913.58	17,316.68
Profit for the year (E = C - D)		44,886.94	34,147.73
Other Comprehensive Income Statement			
A Items that will not be reclassified to profit or loss			
i) Actuarial Gain/ (Loss) on retirement benefits		(54.93)	(121.87)
ii) Income tax relating to the items that will not be reclassified to the Profit and Loss		19.20	42.58
Other Comprehensive Income for the Year (F)		(35.73)	(79.29)
Total Comprehensive Income for the Year (G = E + F)		44,851.21	34,068.44
Earnings per share	30		
- basic profit for the year attributable to ordinary equity shareholders		249.37	189.71
- diluted profit for the year attributable to ordinary equity shareholders		249.37	189.71
Corporate Information & Significant Accounting Policies	1 & 2		
The accompanying Notes are an integral part of the Financial Statements.	26 - 39		

As per our attached Report of even date
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A. Balasubramanian
Chief Executive Officer
Place: Mumbai
Date: 26th April, 2019

Parag Joglekar
Chief Financial Officer

Hemanti Wadhwa
Company Secretary

Standalone Ind AS Cash Flow Statement

for the year ended 31st March, 2019

(₹ in lakhs)

Particulars	For the year ended 31-Mar-2019		For the year ended 31-Mar-2018	
Cash Flow from Operating activities				
Profit Before Tax	64,800.52		51,464.41	
Adjustments for:				
Depreciation	1,303.50		983.94	
Profit on Sale of Investments	(2,793.85)		(4,060.66)	
Dividend from Subsidiary	(531.22)		(391.64)	
Loss or (Profit) on Sale of Fixed Assets	4.87		5.91	
Fair valuation of investments	(5,135.43)		(3,336.49)	
Actuarial Gains on Gratuity	(54.93)		(121.87)	
Actuarial Expense on ESOP charges	(431.02)		441.77	
Interest on Tax Refund	(4.75)		-	
Provision for employee benefits - leave encashment	78.98		44.08	
Interest expenses on deferred lease expenses/(income)	-		(13.93)	
Interest on Fixed Deposits and Investments	(104.89)		(30.44)	
Operating Profit before working capital changes	57,131.77		44,985.09	
(Increase)/Decrease in Receivables	1,788.64		47.77	
(Increase)/Decrease in Loans	(173.64)		(429.57)	
(Increase)/Decrease in Other Financial Assets	(873.82)		(616.91)	
(Increase)/Decrease in Other Non-Financial Assets	4,483.64		(2,744.77)	
Increase/(Decrease) in Payables	(6,860.07)		15,150.06	
Increase/(Decrease) in Financial Liabilities	(618.18)		(6,592.34)	
Increase/(Decrease) in Non-Financial Liabilities	(3,401.26)		(4,973.00)	
Cash generated from Operations	51,477.08		44,826.35	
Income Tax paid (net)	(22,816.63)		(14,565.45)	
Net cash generated from Operating activities		28,660.45		30,260.90
Cash Flow from Investing activities				
Purchase of Fixed Assets	(2,030.23)		(1,649.88)	
Sale proceeds from Fixed Assets	37.53		11.82	
Interest on Fixed Deposits and Investments	53.82		30.40	
Dividend from Subsidiary	531.22		391.64	
Purchase of Investments	(188,535.71)		(298,168.94)	
Sale of Investments	196,730.49		292,854.62	
Net cash generated/(used) in investing activities		6,787.12		(6,530.34)
Cash Flow from Financing activities				
Interim Dividend Paid during the year (including tax thereon)	(36,057.40)		(24,047.46)	
Net cash used in financing activities		(36,057.40)		(24,047.46)
Net Increase in Cash and Cash Equivalents		(609.83)		(316.90)
Cash and Cash Equivalents at beginning of the year		1,101.91		1,418.81
Cash and Cash Equivalents at end of the year (Refer Note No. 3)		492.08		1,101.91
<p>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.</p> <p>2) Purchase of fixed assets represents addition to property, plant and equipment, investment property and other intangible assets adjusted for movement of capital work in progress for property, plant and equipment, investment property and other intangible assets under development during the year.</p> <p>3) Cash and cash equivalents include in the Statement of cash flows comprise the following :</p> <p>Cash and cash equivalents disclosed under Financial Assets 492.08 1,101.91</p>				

As per our attached Report of even date
For Deloitte Haskins & Sells LLP
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G. K. Subramaniam
Partner
(Membership No. 109839)

Place: Mumbai
Date: 26th April, 2019

For and on behalf of the Board of Directors of
Aditya Birla Sun Life AMC Limited
(Formerly known as Birla Sun Life Asset Management Company Limited)

Ajay Srinivasan
Director
(DIN No: 00121181)

Sandeep Asthana
Director
(DIN No: 00401858)

A. Balasubramanian
Chief Executive Officer
Place: Mumbai
Date: 26th April, 2019

Parag Joglekar
Chief Financial Officer

Hemanti Wadhwa
Company Secretary

Statement of changes in Equity

Notes to Standalone IND AS financial statements for the year ended 31st March, 2019

(A) EQUITY SHARE CAPITAL

(₹ in lakhs)

Equity shares of Rs. 10 each issued, subscribed and fully paid	No of shares	Amount
As 1st April, 2017	18,000,000	1,800.00
Issue of Shares	-	-
As 31st March, 2018	18,000,000	1,800.00
Issue of Shares	-	-
At 31st March, 2019	18,000,000	1,800.00

(B) OTHER EQUITY

For the year ended 31st March, 2019

Particulars	Reserve and Surplus			Total Equity
	Retained Earnings	General Reserve	Share premium	
Balance as of April 1, 2018	115,203.48	686.66	264.23	116,154.37
Profit for the year	44,886.94	-	-	44,886.94
Other Comprehensive Income	(35.74)	-	-	(35.74)
Total Comprehensive Income	160,054.68	686.66	264.23	161,005.57
Interim Dividend paid to Equity shareholders	(30,000.00)	-	-	(30,000.00)
Dividend Distribution Tax (Refer note 1)	(6,057.40)	-	-	(6,057.40)
ESOP Charges	(431.02)	-	-	(431.02)
Balance as at 31st March, 2019	123,566.26	686.66	264.23	124,517.15

For the year ended 31st March, 2018

Particulars	Reserve and Surplus			Total Equity
	Retained Earnings	General Reserve	Share premium	
Balance as at 1st April, 2017	104,740.75	686.66	264.23	105,691.64
Profit for the year	34,147.71	-	-	34,147.71
Other Comprehensive Income	(79.29)	-	-	(79.29)
Total Comprehensive Income	138,809.17	686.66	264.23	139,760.06
Interim Dividend paid to Equity shareholders	(19,980.00)	-	-	(19,980.00)
Dividend Distribution Tax (Refer note 1)	(4,067.46)	-	-	(4,067.46)
ESOP Charges	441.77	-	-	441.77
Balance as at 31st March, 2018	115,203.48	686.66	264.23	116,154.37

Note 1: Dividend Distribution Tax paid is net off the tax paid on dividend received from the foreign subsidiary.

As per our attached Report of even date
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G. K. Subramaniam
Partner
(Membership No. 109839)

Place: Mumbai
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A. Balasubramanian
Chief Executive Officer
Place: Mumbai
Date: 26th April, 2019

Parag Joglekar
Chief Financial Officer

Hemanti Wadhwa
Company Secretary

Summary of Significant Accounting Policies

and other explanatory information (notes) forming part of the standalone IND AS financial statements for the year ended 31st March, 2019

Note: 1

Aditya Birla Sun Life AMC Limited (the "Company" Formerly known as Birla Sun Life Asset Management Company Limited) was incorporated on September 5, 1994. The Company is a joint venture between the Aditya Birla Company and Sun Life Financial, Inc. The share capital of the Company is owned by Aditya Birla Capital Limited (Formerly known as Aditya Birla Financial Services 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, India Advantage Fund Ltd, Mauritius, India Excel (Mauritius) Fund and Aditya Birla Real Estate Fund. The Company is also registered under the SEBI (Portfolio Managers) Regulations, 1993 and provides portfolio management services 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 Standalone Financial Statements comprises of the financial statements of Aditya Birla Sun Life AMC Limited (the "Company"). The Standalone 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).

For all periods up to and including the year ended 31 March 2018, the Company 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 or previous GAAP). These financial statements for the year ended 31 March 2019 are the first the Company has prepared in accordance with Ind AS. Refer to note 38 for information on how the Company adopted Ind AS.

The financial statements have been prepared on a historical cost basis except for financial assets which have been measured at fair value or amortized amount.

The Company maintains accounts on accrual basis following the historical cost convention, except for certain financial instruments that are measured at fair value in accordance with Ind AS at the end of each reporting period and certain items of property, plant and equipment that were revalued in earlier years in accordance with the I-GAAP principles. The carrying value of all the items of property, plant and equipment as on date of transition is considered as the deemed cost. Fair value measurements under Ind AS are categorised as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at measurement date;
- Level 2 inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the valuation of assets/liabilities

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

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 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.

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 and the currency of the primary economic environment in which the Company operates and all values are rounded to the nearest lakhs, except when otherwise indicated.

v. Cash and Cash Equivalents (for purposes of Cash Flow Statement)

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 Standalone 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.

vi. Property, Plant and Equipment

Under the previous GAAP (Indian GAAP) 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, duties, freight and other incidental expenses related to acquisition and installation of the assets. As on April 1, 2017, i.e. its date of transition to IND AS, the Company has used Indian GAAP carrying value as deemed costs.

The capital advances includes cost of fixed assets that are not ready for their intended use and also includes advances paid to acquire fixed 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 income statement when the asset is derecognised.

vii. 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 April 1, 2017, i.e. its date of transition to IND AS, the Company has used Indian GAAP carrying value as deemed costs.

The intangible assets under development includes cost of intangible fixed assets that are not ready for their intended use and also includes advances paid to acquire intangible fixed assets.

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 or loss when the asset is derecognised.

viii. Capital Work in Progress and Intangible assets under development

Projects under which property plant and equipment or intangible assets are not ready for their intended use are carried at cost, comprising direct cost, inclusive of taxes, duties, freight and other incidental expenses.

ix. Depreciation on Property, Plant and Equipment and amortisation of intangible Assets

Depreciation on Fixed Assets is provided on a straight line basis at the rates and in the manner prescribed in schedule II of the companies Act, 2013 except assets individually costing less than rupees five thousand which are fully depreciated in the year of purchase / acquisition. Depreciation commences when assets are ready for its intended use. 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 Year)	
A	Depreciation on tangible assets	Estimated Useful Life	Useful Life as Prescribed by Schedule II of the Companies Act, 2013
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 equipments)	2 Years	Not specified
6	Lease Hold Improvements	3 Years	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 recognized on a pro-rata basis to the Statement of Profit and Loss till the date of sale.

x. Impairment of Tangible and Intangible fixed 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 impaired when the carrying cost of an asset exceeds its recoverable value. 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. Reversal of impairment loss recognised in prior years is recorded when there is an indication that the impairment losses recognised for the assets no longer exists or have decreased.

xi. Financial Instruments**Financial instruments:**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

All financial instruments are recognised initially at fair value. 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. 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 trade) 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, financial assets (debt instruments) at fair value through other comprehensive income (FVTOCI), equity instruments at FVTOCI and fair value through profit and loss account (FVTPL), financial liabilities at amortised cost or FVTPL. 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. The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

Classification of Financial assets:**a) Financial assets (debt instrument) 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).

Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.

Amortised cost are represented by investment in interest bearing debt instruments, trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.

Cash and cash equivalents comprise cash on hand and in banks and demand deposits with banks with original maturity less than 3 months which can be withdrawn at any time without prior notice or penalty on the principal.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft and are considered part of the Company's cash management system.

b) Financial asset (debt instrument) 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 flow 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 has not classified any interest bearing debt instrument under this category.

c) Equity instruments at FVTOCI and FVTPL

All equity instruments are measured at fair value. Equity instruments held for trading is classified as FVTPL. 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 is not subsequently recycled to Profit or Loss. Currently the Company has not classified any equity instrument at FVTOCI. If the Company decides to classify an equity instrument as at FVTPL, then all fair value changes on the instrument and dividend are recognised in Profit or Loss.

d) Financial assets at FVTPL

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization 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.

Earmarked Funds: Earmarked Funds represent deposits, margins, etc. held for specific purposes. These amounts are invested and the same are earmarked in the Balance Sheet. The Gain/ (Loss) on Fair Value of the investments from these earmarked funds are shown as liabilities/asset and are not routed through the Profit or Loss.

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 amortized cost using the effective interest method.

b) Financial liabilities at FVTPL

Financial liabilities at FVTPL represented by contingent consideration that are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Equity Instruments (Share capital)

Ordinary shares:- Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are recognised as a deduction from equity, net of any tax effect (if any).

xii. Investments

- a) Investments in Equity & Real Estate Fund are stated at cost. In case of diminution, other than temporary, in the value there of, a provision is made for the same.
- b) Investments in bonds are valued at amortised cost.
- c) Investments in Mutual Funds and Alternate Investment Funds are valued at Fair Value through profit and loss account.
- d) Income from sale of Investments is determined on weighted average basis and recognized on the trade date basis.

xiii. 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 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.

The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to credit risks.

- a) Management fees are recognized 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 are recognized on an accrual basis as per the terms of the contract with the customers.
- c) Management fees from other services are recognized on an accrual basis as per the terms of the contract with the customers at specific rates applied on net assets.
- d) Dividend income is recognised when the right to receive dividend is established.
- e) Interest income from financial assets, is recognised on a time proportion basis, taking into account the amount outstanding and the rate applicable.

xiv. Foreign currency transactions and balances

The Company's Standalone financial statements are presented in INR, which is also the Company's 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 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/ Intangible Assets, investments in equity shares 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". The Subsidiaries are considered Non Integral thus all assets and liabilities are converted at the closing rate at the end of the year and items of income and expenditure have been translated at the average rate for the year. Exchange gain/ (loss) arising on conversion are recognised under Foreign Currency Translation Reserve.

xv. 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 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.
- c) **Superannuation:** Superannuation benefit for the eligible employees is covered by the Superannuation Scheme with Aditya Birla Sun Life Insurance Company Limited the contribution is accounted on accrual basis.
- d) **Leave Encashment:** Provision for leave encashment is made on the basis of actuarial valuation of the expected liability.
- e) **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.

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.

xvi. Operating Lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership over the lease term are classified as operating leases.

Lease rental payments for operating leases are recognized as an expense on a straight-line basis over the lease term and paid/provided for as per the terms of the agreement on an accrual basis. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

xvii. Earnings per share ("EPS")

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.

xviii. Fund and Marketing Expenses

- a) **Fund expenses:** Expenses incurred up to 21st October, 2018 related to schemes of Aditya Birla Sun Life Mutual Fund in excess of the stipulated limits as per SEBI (Mutual Fund) Regulations, 1996 are charged to the statement of Profit and Loss.
- b) **Brokerage/Commission:** Commission paid for future period for the Mutual Fund schemes (including ELSS) until 21st October, 2018 is treated as prepaid expenses and is amortized on the contractual period and charged to Statement of Profit and Loss account unless considered recoverable from schemes.

Brokerage 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 loans and advances considering the normal operating cycle of the Company.

xix. 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.
- 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.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

Goods and services tax /value added taxes paid on acquisition of assets or on incurring expenses.

Expenses and assets are recognised net of the goods and services tax/value added taxes paid, except:

- i. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- ii. When receivables and payables 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.

xx. Provisions and Contingencies

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 recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best 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 best estimates.

Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

xxi. Employee Stock Options

A separate Employee stock options scheme ("the scheme") has been established by Parent Company (i.e Aditya Birla Capital Limited). The scheme provides that employees are granted an option to subscribe to equity shares of the Holding Company 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 SEBI (Employee stock option scheme and Employee stock purchase scheme) Guidelines, 1999 and the guidance note on Accounting for Employee share based payments, issued by the ICAI. The Holding Company follows the intrinsic value method to account for its stock based employee compensation plans. The cost incurred by the Holding Company, 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 the Parent Company.

NOTE: 3 : Cash and Cash equivalents

(₹ in lakhs)

	31-Mar-2019	31-Mar-2018	1-Apr-2017
Balances with Bank			
- Current Accounts	431.77	1,011.67	1,373.71
- Deposit Accounts (with original maturity less than 3 months)	60.28	90.05	45.01
Cash on Hand	0.03	0.19	0.09
Total Cash and Cash equivalents	492.08	1,101.91	1,418.81

Note:- Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

NOTE: 4 : Bank Balances other than cash and cash equivalents

(₹ in lakhs)

	31-Mar-2019	31-Mar-2018	1-Apr-2017
Fixed Deposit with bank	-	-	-
Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments	27.29	25.00	-
Total Bank Balances other than cash and cash equivalents	27.29	25.00	-

NOTE: 5 : Trade Receivables

(₹ in lakhs)

	31-Mar-2019	31-Mar-2018	1-Apr-2017
Unsecured, considered good, less than 6 months			
Asset Management & Advisory Fees receivable	747.34	2,050.23	1,867.50
Portfolio Management Fees receivable	717.73	1,245.90	1,237.33
Management Fees receivable from Other Services	139.72	144.37	-
Real Estate Management Fees receivable	585.59	538.52	921.96
Total Trade Receivables	2,190.38	3,979.02	4,026.79

NOTE: 6 : Loans and Advances (held at Amortised cost)

(₹ in lakhs)

	31-Mar-2019	31-Mar-2018	1-Apr-2017
Deposits to Related Parties (Refer note 29)	96.52	61.83	-
Security Deposits	1,133.45	994.50	756.28
Less: Impairment Loss Allowance			
Total	1,229.97	1,056.33	756.28
a) Secured by tangible assets (property, plant and equipment including land and building)	-	-	-
b) Secured by book debts, inventories, fixed deposit and other working capital items	-	-	-
c) covered by bank and government guarantee	-	-	-
d) Unsecured	1,229.97	1,056.33	756.28
Less: Impairment loss allowance	-	-	-
Total	1,229.97	1,056.33	756.28
Loans In India			
i) Public Sector	-	-	-
ii) Others:			
Deposit to Related Parties (Refer Note 29)	96.52	61.83	-
Security Deposits	1,133.45	994.50	756.28
Less: Impairment Loss Allowance	-	-	-
Total (I)	1,229.97	1,056.33	756.28
Loans outside India			
i) Public Sector	-	-	-
ii) Others:	-	-	-
Less: Impairment loss allowance	-	-	-
Total (II)	-	-	-
Total (I + II)	1,229.97	1,056.33	756.28

NOTE: 7 : Other Investments

	31-Mar-2019		31-Mar-2018		1-Apr-2017	
	No of units/ shares	₹ in lakhs	No of units/ shares	₹ in lakhs	No of units/ shares	₹ in lakhs
Investments in Equity Shares Subsidiary Companies (Unquoted, At cost)						
Class A in India Advantage Fund Limited, Mauritius	90	0.38	90	0.38	90	0.38
Class B in India Advantage Fund Limited, Mauritius	40	0.01	40	0.01	40	0.01
Aditya Birla Sun Life AMC (Mauritius) Limited, Mauritius	4,500	3.82	4,500	3.82	4,500	3.82
Aditya Birla Sun Life AMC Pte. Ltd., Singapore	13,600,000	5,910.26	13,600,000	5,910.26	13,600,000	5,910.26
Aditya Birla Sun Life AMC Ltd., Dubai	3,125,000	1,510.90	3,125,000	1,510.90	3,125,000	1,510.90
Investment in Fund (Unquoted, At FVTPL)						
Class B Units of Aditya Birla Real Estate Fund	1	5.91	1	5.91	1	5.91
Aditya Birla Real Estate Fund - Other Investments	226	152.09	-	-	-	-
Investments in Alternate Investment Fund (Unquoted, At FVTPL)						
Class A2 Units of India Small and Mid Cap Gems Fund (Category III)	1,000,000	918.00	1,000,000	1,000.00	-	-
Class B Units of Aditya Birla Real Estate Fund (Category II)	500	500.00	250	250.00	-	-
Class B Units of India Income Opportunities Fund (Category II)	814,424	749.58	-	-	-	-
Class A1 Units of India Income Opportunities Fund (Category II)	95,789	87.24	-	-	-	-
Investment in Bonds (Quoted, at amortized cost)						
Investment in NHAI Bonds	11,126	115.81	11,126	115.81	11,126	115.81
Investment in Equity Shares (Unquoted, At FVTPL)						
Investment in MF Utilities India Pvt. Ltd.	500,000	5.00	500,000	5.00	500,000	5.00
Investments in schemes of Mutual Funds (Quoted, At FVTPL)						
ABSL Fixed Term Plan Series - NH - Growth - Direct	20,000,000	2,561.80	20,000,000	2,385.28	20,000,000	2,227.44
ABSL Fixed Term Plan Series - NI - Growth - Direct	10,000,000	1,281.83	10,000,000	1,193.73	10,000,000	1,114.96
ABSL Fixed Term Plan Series - NK - Growth - Direct	10,000,000	1,280.84	10,000,000	1,192.86	10,000,000	1,113.45
ABSL Fixed Term Plan Series - NP - Growth - Direct	2,200,000	275.58	2,200,000	256.83	2,200,000	240.01
ABSL Fixed Term Plan Series - NT - Growth - Direct	8,000,000	967.15	8,000,000	898.86	8,000,000	840.84
ABSL Fixed Term Plan Series - NR - Growth - Direct	10,000,000	1,213.72	10,000,000	1,128.60	10,000,000	1,053.94
ABSL Fixed Term Plan Series - OD - Growth - Direct	20,000,000	2,313.62	20,000,000	2,148.30	20,000,000	2,011.74
ABSL Fixed Term Plan Series - OE - Growth - Direct	5,000,000	578.29	5,000,000	536.85	5,000,000	502.79
ABSL Fixed Term Plan Series - OG - Growth - Direct	18,000,000	2,078.91	18,000,000	1,930.79	18,000,000	1,808.75
ABSL Fixed Term Plan Series - OH - Growth - Direct	6,000,000	695.74	6,000,000	646.15	6,000,000	605.23
ABSL Fixed Term Plan Series - OK - Growth - Direct	15,000,000	1,729.76	15,000,000	1,606.86	15,000,000	1,504.49
ABSL Fixed Term Plan Series - OT - Growth - Direct	14,000,000	1,558.12	14,000,000	1,448.58	-	-
ABSL Fixed Term Plan Series - OZ - Growth - Direct	8,000,000	873.08	8,000,000	812.53	-	-
ABSL Fixed Term Plan Series - PB - Growth - Direct	60,000,000	6,541.68	60,000,000	6,089.16	-	-
ABSL Fixed Term Plan Series - PG - Growth - Direct	12,000,000	1,302.71	12,000,000	1,212.82	-	-
ABSL Fixed Term Plan Series - PD - Growth - Direct	1,400,110	152.50	100,000,000	10,139.00	-	-
ABSL Fixed Term Plan Series - PT - Growth - Direct	18,000,000	1,950.98	-	-	-	-
ABSL Fixed Term Plan Series - RU - Growth - Direct	550,000	57.05	-	-	-	-
ABSL Fixed Term Plan Series - SF - Growth - Direct	1,000,000	101.92	-	-	-	-
ABSL Gold ETF	2,000	58.70	2,000	57.25	2,000	54.85
ABSL Nifty ETF	50,000	62.69	50,000	54.09	50,000	48.47
ABSL Sensex ETF	320,807	1,149.39	320,807	1,049.19	730,807	2,172.94

	31-Mar-2019		31-Mar-2018		1-Apr-2017	
	No of units/ shares	₹ in lakhs	No of units/ shares	₹ in lakhs	No of units/ shares	₹ in lakhs
ABSL Capital Protection Oriented Fund Series 30-Growth-Direct	5,000,000	613.57	5,000,000	582.71	5,000,000	551.51
ABSL Capital Protection Oriented Fund Series 22-Growth-Regular	50,000	6.51	50,000	6.28	-	-
ABSL MNC Fund-Growth-Direct	10,001	81.64	10,001	76.67	77	65.60
ABSL Tax Relief 96 Fund-Growth-Direct	260,281	87.53	260,281	83.11	83	69.57
ABSL Equity Advantage Fund-Growth-Direct	36,428	155.19	36,428	154.07	36,427	138.60
ABSL Small Cap Fund-Growth-Direct	226,573	86.00	226,573	95.34	226,573	81.76
ABSL Tax Plan-Growth-(ELSS) - Growth - Direct	194,477	81.87	194,477	78.18	194,477	65.67
ABSL Banking & Financial Services Fund-Growth-Direct	318,674	98.92	318,674	87.48	318,674	76.96
ABSL Equity Hybrid '95 Fund-Growth-Direct	9,393	76.18	9,393	73.08	9,393	66.82
ABSL Midcap Fund-Plan-Growth-Direct	24,926	77.01	24,926	79.47	24,926	71.34
ABSL India Genext Fund-Growth-Direct	200,055	175.27	200,055	161.34	200,055	141.24
ABSL Digital Fund-Growth-Direct	309,610	173.75	149,120	72.16	149,120	54.49
ABSL Income Fund-Growth-Direct	1,571,050	1,334.34	1,571,050	1,239.15	1,571,050	1,186.77
ABSL Index Fund-Growth-Direct	63,734	72.83	63,734	63.24	63,734	57.26
ABSL Equity Fund-Growth-Direct	46,569	360.54	10,651	76.89	10,651	69.12
ABSL Medium Term Plan-Growth-Direct	38,231,973	9,075.58	38,231,973	8,686.00	15,763,848	3,300.27
ABSL Equity Saving Fund-Growth-Direct	500,000	69.85	500,000	67.15	500,000	63.10
ABSL Financial Planing FOF Aggressive Growth-Direct	570,187	134.57	570,187	126.88	570,187	115.41
ABSL International Equity-Plan-A-Growth-Direct	301,688	63.95	301,688	57.34	301,688	49.53
ABSL Infrastructure Fund-Plan-Growth-Direct	1,359,465	460.18	191,205	70.11	191,205	62.03
ABSL Banking & PSU Debt Fund-Growth-Direct	58,529	141.64	4,431,881	9,950.58	5,835,481	12,274.53
ABSL Frontline Equity Fund-Growth-Direct	30,878	74.17	30,878	67.84	30,878	61.92
ABSL Short Term Opportunities Fund-Growth-Direct	13,116,031	4,205.48	13,116,031	3,898.06	13,116,031	3,642.52
ABSL Low Duration Fund-Growth-Direct	1,116,386	5,282.52	15,022	65.50	15,022	60.99
ABSL Regular Savings - Growth - Direct	653,378	268.80	172,726	69.20	172,726	64.48
ABSL Arbitrage Fund-Growth-Direct	340,245	66.55	340,245	62.51	340,245	58.68
ABSL Money Manager Plan -Growth-Direct	2,236,920	5,630.33	127,675	296.19	5,611,151	12,167.99
ABSL Liquid-Growth-Direct	22,775	68.42	22,775	63.61	22,775	59.51
ABSL Active Debt Multi Manager FOF-Growth-Direct	707,392	181.55	707,392	168.48	707,392	162.26
ABSL International Equity-Plan-B-Growth-Direct	354,080	67.70	354,080	65.03	354,080	58.98
ABSL Corporate Bond Fund-Growth-Direct	14,654,486	10,575.47	18,189,329	12,154.20	18,189,329	11,376.19
ABSL Floating Rate Fund-Long Term-Growth-Direct	15,104,137	35,196.90	3,627,528	7,811.02	4,811,508	9,654.16
ABSL Manufacturing Equity Fund-Growth-Direct	2,241,016	302.09	2,241,016	319.12	500,000	64.05
ABSL Focused Equity Fund-Growth-Direct	115,520	72.95	115,520	66.70	115,520	61.34
ABSL Pure Value Fund-Growth-Direct	129,760	71.96	129,760	81.92	129,760	69.08
ABSL Dividend Yield Fund-Growth-Direct	34,722	58.52	34,722	60.73	34,722	58.05
ABSL Gold Fund Growth-Direct	551,572	56.93	551,572	55.25	551,572	52.69
ABSL Government Secutities-Growth-Direct	268,285	144.17	92,739	45.98	92,739	43.70
ABSL FPOF Prudent Growth-Direct	133,555	27.51	133,555	26.02	133,555	24.02
ABSL Financial Planing FOF Conservative Growth-Direct	70,356	13.30	70,356	12.61	70,356	11.73
ABSL Global Commodities Growth-Direct	43,878	5.56	43,878	5.47	43,878	5.29
ABSL Balanced Advantage Fund - Growth - Direct	13,355	7.47	13,355	6.93	13,355	6.56
ABSL Credit Risk Fund-Growth-Direct	39,052,879	5,547.66	39,052,879	5,195.95	500,000	60.79
ABSL Savings Fund - Growth - Direct	37,638	139.92	2,797,895	9,622.65	3,454,448	11,058.06
ABSL Asset Allocator MM - FOF - Growth - Direct	125,956	18.22	125,956	17.61	125,956	16.06

	31-Mar-2019		31-Mar-2018		1-Apr-2017	
	No of units/ shares	₹ in lakhs	No of units/ shares	₹ in lakhs	No of units/ shares	₹ in lakhs
ABSL Global Real Estate - Growth - Direct	185,989	37.64	185,989	32.82	185,989	32.01
ABSL CEF-Global Agri Plan - Growth - Direct	287,484	66.70	287,484	66.10	287,484	61.79
ABSL Dynamic Bond Fund-Retail- Growth - Direct	215,339	70.42	15,330,613	4,729.60	15,330,613	4,555.89
ABSL Overnite Fund - Growth - Direct	5,000	51.31	-	-	-	-
ABSL Nifty Next 50 ETF	17,749	50.09	-	-	-	-
ABSL Retirement Fund - 30s Plan - Growth - Direct	499,780	51.06	-	-	-	-
ABSL Retirement Fund - 40s Plan - Growth - Direct	409,769	41.69	-	-	-	-
ABSL Retirement Fund - 50s Plan - Growth - Direct	5,009,984	504.08	-	-	-	-
ABSL Retirement Fund - 50s Plus - Growth - Direct	489,745	49.20	-	-	-	-
ABSL Bal Bhavishya Yojna Wealth Plan - Growth Direct	500,000	53.28	-	-	-	-
ABSL Fixed Term Plan Series - KA - Growth - Direct	-	-	-	-	10,000,000	1,298.78
ABSL Fixed Term Plan Series - LX - Growth - Direct	-	-	-	-	5,000,000	626.71
ABSL Fixed Term Plan Series - MA - Growth - Direct	-	-	-	-	15,000,000	1,863.62
ABSL Fixed Term Plan Series - KE - Growth - Direct	-	-	10,000,000	1,403.41	10,000,000	1,308.66
ABSL Fixed Term Plan Series - KH - Growth - Direct	-	-	10,000,000	1,401.19	10,000,000	1,307.38
ABSL Fixed Term Plan Series - JX - Growth - Direct	-	-	10,000,000	1,406.98	10,000,000	1,314.27
ABSL Fixed Term Plan Series - MR - Growth - Direct	-	-	10,000,000	1,254.24	10,000,000	1,170.21
ABSL Fixed Term Plan Series - MQ - Growth - Direct	-	-	6,000,000	754.78	6,000,000	703.38
ABSL Fixed Term Plan Series - MU - Growth - Direct	-	-	10,000,000	1,241.64	10,000,000	1,158.96
ABSL Fixed Term Plan Series - ND - Growth - Direct	-	-	10,000,000	1,198.39	10,000,000	1,119.49
ABSL Fixed Term Plan Series - NE - Growth - Direct	-	-	10,000,000	1,195.51	10,000,000	1,116.59
ABSL Special Situations Fund-Growth-Direct	-	-	1,006,387	255.02	31,573	70.24
ABSL India Opportunities Fund-Growth-Direct	-	-	49,242	79.89	49,242	63.55
ABSL India Reforms Fund-Growth-Direct	-	-	2,057,303	415.78	2,057,303	371.96
ABSL MIP-Growth-Direct	-	-	133,155	63.16	133,155	59.66
ABSL MIP II-Savings 5-Growth-Direct	-	-	189,586	65.48	189,586	60.53
ABSL Monthly Income-Growth-Direct	-	-	94,230	65.52	94,230	60.12
ABSL CM 10 YR Gilt Fund - Growth - Direct	-	-	175,673	87.74	175,673	87.99
ABSL Banking & PSU Debt Fund-Growth-Direct (Merged with ABSL Savings Fund)	-	-	122,558	64.24	122,558	61.17
Total Investments		121,231.60		121,497.10		108,785.64
Investments						
In India		113,806.23		114,071.73		101,360.27
Outside India		7,425.37		7,425.37		7,425.37
Total Investments		121,231.60		121,497.10		108,785.64
Investmentes at cost		7,425.37		7,425.37		7,425.37
Investmentes at Amortised cost		115.81		115.81		115.81
Investmentes at Fair value through Profit and Loss		113,690.42		113,955.92		101,244.46
NOTE: 8 - Other Financial Assets						(₹ in lakhs)
Total Investments		121,231.60		121,497.10		108,785.64
			31-Mar-2019	31-Mar-2018	1-Apr-2017	
At Amortised Cost:						
Application money towards Investments			65.00	-	-	
Recoverable From Schemes			1,465.09	663.90	892.88	
Receivable from related party (Refer note 29)			0.73	-	10.39	
Interest Accrued			55.68	-	-	
			1,586.50	663.90	903.27	

NOTE: 9.1 : Property, Plant and Equipment

(₹ in lakhs)

Particulars	Computers	Furniture and Fixtures	Vehicles	Office Equipment	Leasehold Improvements	Total
Gross Block						
As at 1 April 2017	415.63	51.88	159.16	252.23	239.84	1,118.76
Additions	323.68	45.12	469.37	189.60	313.19	1,340.97
Disposals	-	0.42	13.65	1.19	0.01	15.27
As at 31 March 2018	739.31	96.59	614.88	440.65	553.03	2,444.46
Additions	444.12	72.22	230.98	267.60	306.33	1,321.25
Disposals	2.00	0.09	58.53	3.11	0.20	63.93
As at 31 March 2019	1,181.43	168.72	787.33	705.14	859.16	3,701.78
Accumulated Depreciation						
As at 1 April 2017	-	-	-	-	-	-
Charge for the year	288.26	38.09	105.03	109.13	190.80	731.32
Disposals	-	0.24	2.12	0.42	0.01	2.79
As at 31 March 2018	288.26	37.85	102.91	108.71	190.80	728.53
Charge for the year	342.58	64.05	152.37	141.93	258.31	959.24
Disposals	1.38	0.09	17.75	2.10	0.20	21.53
As at 31 March 2019	629.46	101.81	237.53	248.54	448.91	1,666.24
Net block amount as at 31 March 2018	451.05	58.74	511.97	331.94	362.23	1,715.93
Net block amount as at 31 March 2019	551.97	66.90	549.80	456.60	410.26	2,035.54

NOTE: 9.2 : Other Intangible Assets (other than internally generated)

(₹ in lakhs)

Particulars	Software	Investment Management Right	Total
Gross Block			
As at 1 April 2017	223.81	284.90	508.71
Additions	534.09	-	534.09
Disposals	13.54	-	13.54
As at 31 March 2018	744.36	284.90	1,029.26
Additions	509.18	-	509.18
Disposals	-	-	-
As at 31 March 2019	1,253.54	284.90	1,538.44
Accumulated Amortization			
As at 1 April 2017	-	-	-
Charge for the year	214.78	37.85	252.63
Disposal	8.29	-	8.29
As at 31 March 2018	206.49	37.85	244.34
Charge for the year	306.41	37.85	344.26
Disposals	-	-	-
As at 31 March 2019	512.90	75.70	588.60
Net block amount as at 31 March 2018	537.87	247.05	784.92
Net block amount as at 31 March 2019	740.64	209.20	949.84

NOTE: 10 : Other Non-Financial Assets

(₹ in lakhs)

	31-Mar-2019	31-Mar-2018	1-Apr-2017
Prepaid expenses	12,613.83	17,359.40	13,886.95
Input Tax Credit	-	-	207.67
Tax Appeal Pre Deposit	6.52	6.97	0.44
Capital advance for Tangible Assets	37.49	26.12	48.80
Advance for materials & Services	589.76	716.42	262.39
Gratuity - Plan Funded Asset (Refer note 28)	2,031.09	1,642.05	1,330.09
Total Other Non-Financial Assets	15,278.69	19,750.96	15,736.34

NOTE: 11 : Trade Payables

(₹ in lakhs)

	31-Mar-2019	31-Mar-2018	1-Apr-2017
Trade Payables			
Related Parties (Refer note 29)	570.26	573.59	1,247.46
Others			
- Total outstanding dues to micro enterprises and small enterprises*	-	-	-
- Total outstanding dues to creditors other than micro enterprises and small enterprises	6,994.62	13,851.35	12,280.16
Total Trade Payables	7,564.88	14,424.94	13,527.62

* Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars			(₹ in lakhs)
	31-Mar-2019	31-Mar-2018	1-Apr-2017
a) Principal amount and interest thereon remaining unpaid at the end of year	-	-	-
Interest paid including payment made beyond appointed day during the year			
b) Interest due and payable for delay during the year	-	-	-
c) Amount of interest accrued and unpaid as at year end	-	-	-
d) The amount of further interest due and payable even in the succeeding year	-	-	-

NOTE: 12 : Other Financial Liabilities (measured at amortised cost)

(₹ in lakhs)

	31-Mar-2019	31-Mar-2018	1-Apr-2017
Other Payable - Employee dues	4,896.76	5,425.62	4,343.60
Payables for Capital Expenditure	24.50	113.82	61.73
Total	4,921.26	5,539.44	4,405.33

NOTE: 13 : Provisions

(₹ in lakhs)

	31-Mar-2019	31-Mar-2018	1-Apr-2017
Provision for Employee Benefits			
Leave Encashment	312.97	271.31	244.47
Gratuity (Refer Note No. 28)	2,033.68	1,738.63	1,438.50
Provision for Long Term Incentive Plan	2,611.29	6,794.67	6,408.20
Total	4,957.94	8,804.61	8,091.17

NOTE: 14 : Deferred Tax Liabilities

(₹ in lakhs)

	31-Mar-2019	31-Mar-2018	1-Apr-2017
Deferred Tax			
Deferred tax relates to the following:			
Depreciation	612.08	462.70	494.88
Provision for Expenses	927.08	87.90	2,153.13
Fair Valuation of Investments	(2,334.08)	(4,086.15)	(2,890.64)
Fair Valuation of ESOP charges	-	152.89	-
Deferred Tax Liabilities	(794.92)	(3,382.66)	(242.64)
(A) Income tax expenses			
(i) Profit or loss section:			
Current tax expense	22,436.20	14,222.58	11,415.58
Current tax expenses of earlier years (Short provision of earlier years)	65.12	(45.92)	412.79
Deferred tax	(2,587.74)	3,140.02	634.48
Total income tax expense recognised in profit or loss	19,913.58	17,316.68	12,462.85
(B) Reconciliation of effective tax rate:			
(a) Income before tax	64,800.52	51,464.41	38,193.34
(b) Expected tax rate in India	34.944%	34.608%	34.608%
(c) Expected tax rate (A*B)	22,643.89	17,810.80	13,217.95
(d) Tax impact on :			
Incomes chargeable at different tax rates			
Dividend income from foreign subsidiary	92.81	67.77	68.94
Long term Capital Gains (Debt)	898.18	291.61	118.72
Short term Capital Gains (Equity)	1.52	-	40.07
Short term Capital Gains (Debt)	699.96	571.47	518.16
Long term Capital Gains (Equity)	5.20	-	-
Expenses disallowed/(allowed) as per income tax computation	(1,905.36)	(4,519.08)	(2,548.26)
	-	-	-
(e) Deferred tax	(2,587.74)	3,140.02	634.48
(f) Net adjustments (c+d+e+f)	19,848.46	17,362.60	12,050.06
(g) Current tax expenses of earlier years	65.12	(45.92)	412.79
(h) Tax expenses recognised in Profit & loss account (g+h)	19,913.58	17,316.68	12,462.85

NOTE: 15 : Other Non Financial Liabilities

(₹ in lakhs)

	31-Mar-2019	31-Mar-2018	1-Apr-2017
Future lease rent liability	354.23	253.98	163.76
Payable on account of Statutory Dues :			
- Withholding Tax payable	178.60	187.66	321.38
- GST payable	1,581.96	1,230.52	-
- Service-Tax payable	-	-	1.79
- Professional Tax payable	0.88	0.36	0.81
- Employee provident fund & Other dues payable	108.75	94.70	77.76
Fees Received in Advance	67.18	-	-
Total Other Non-Financial Liabilities	2,291.60	1,767.22	565.50

NOTE: 16 : Equity Share Capital

(₹ in lakhs)

	31-Mar-2019	31-Mar-2018	1-Apr-2017
Authorised:			
Equity Shares of Rs. 10 each	2,000.00	2,000.00	2,000.00
20,000,000 (1 April, 2017 : 20,000,000; 31 March, 2018 : 20,000,000) Equity shares fully paid up			
Issued, Subscribed and Paid up			
Equity Shares of Rs. 10 each	1,800.00	1,800.00	1,800.00
18,000,000 (1 April, 2017 : 18,000,000; 31 March, 2018 : 18,000,000) Equity shares fully paid up			
Total Issued, Subscribed and Paid up	1,800.00	1,800.00	1,800.00

Term/right attached to equity shares

The Company has only one class of equity shares having a par value of Rs 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.

Reconciliation of the shares outstanding at the beginning and at the end of the year.

Description	No. of Equity shares	Amount (in lakhs)
As at 1st April, 2017	18,000,000	1,800
Issued during the year	-	-
As at 31st March, 2018	18,000,000	1,800
Issued during the year	-	-
As at 31st March, 2019	18,000,000	1,800

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.

Shares in the Company held by each shareholder holding more than 5 percent shares specifying the number of shares held.

Name of the Shareholder	31-Mar-2019		31-Mar-2018		1-Apr-2017	
	No. of Equity shares held	% of Share-holding	No. of Equity shares held	% of Share-holding	No. of Equity shares held	% of Share-holding
Aditya Birla Capital Limited (formerly known as Aditya Birla Financial Services Ltd) and its Nominees	9,179,980	51.00%	9,179,980	51.00%	9,179,980	51.00%
Sun Life (India) AMC Investment Inc. Canada	8,820,000	49.00%	8,820,000	49.00%	8,820,000	49.00%

Shares held by holding/ ultimate holding company and or their subsidiaries/associates

Name of the Shareholder	31-Mar-2019	31-Mar-2018	1-Apr-2017
Aditya Birla Capital Limited (formerly known as Aditya Birla Financial Services Ltd), the holding company	9,179,980	9,179,980	9,179,980

Note 17 - OTHER EQUITY

1	Securities Premium Account	(₹ in lakhs)
	At 1st April, 2017	264.23
	Arising during the year	-
	Utilised during the year	-
	At 31st March, 2018	264.23
	Arising during the year	-
	Utilised during the year	-
	At 31st March 2019	264.23
2	General Reserve	
	At 1st April, 2017	686.66
	Arising during the year	-
	Utilised during the year	-
	At 31st March, 2018	686.66
	Arising during the year	-
	Utilised during the year	-
	At 31st March 2019	686.66
3	Surplus as per Profit & Loss Account	
	At 1st April, 2017	105,386.88
	Profit for the year	34,147.71
	Opening Adjustments	-
	ESOP Charges	441.77
	Dividend for the year	(19,980.00)
	Dividend Distribution Tax	(4,067.46)
	At 31st March 2018	115,928.91
	Profit for the year	44,886.94
	ESOP Charges	(431.02)
	Dividend for the year	(30,000.00)
	Dividend Distribution Tax	(6,057.40)
	At 31st March 2019	124,327.42
4	Other Comprehensive Income	
	At 1st April, 2017	(646.14)
	Arising during the year	(121.87)
	Utilised during the year	42.58
	At 31st March 2018	(725.42)
	Arising during the year	(54.93)
	Income tax relating to OCI	19.20
	At 31st March, 2019	(761.15)
	Total Other Equity	
	As at 1st April, 2017	105,691.64
	As at 31st March, 2018	116,154.37
	As at 31st March, 2019	124,517.15

NOTE: 18 : Revenue From Operations

(₹ in lakhs)

	31-Mar-2019	31-Mar-2018
Management and Advisory Fees	120,764.56	108,928.58
Portfolio Management Fees	7,668.47	10,372.13
Management Fees from Other Services	2,089.54	2,306.05
	130,522.57	121,606.76

NOTE: 19 : Net Gain on Fair Value Changes

(₹ in lakhs)

	31-Mar-2019	31-Mar-2018
Net gain on financial instruments at fair value through profit or loss		
On financial instruments designated at fair value through profit or loss	7,929.28	7,397.15
Total Net gain/(loss) on fair value changes	7,929.28	7,397.15
Fair Value Changes		
Realised	2,793.85	4,060.66
Unrealised	5,135.43	3,336.49
	7,929.28	7,397.15

NOTE: 20 : Other Income

(₹ in lakhs)

	31-Mar-2019	31-Mar-2018
Interest Income on amortized cost	109.64	44.37
Dividend Income on investments	531.22	391.64
Other non-operating income :		
- Miscellaneous income	6.42	7.79
	647.28	443.80

NOTE: 21 : Employee Benefit Expense

(₹ in lakhs)

	31-Mar-2019	31-Mar-2018
Salaries and allowances	21,836.45	19,099.41
Contribution to provident and other funds	660.94	577.28
Gratuity expenses (Refer Note 28)	242.00	220.76
Staff welfare expenses	1,483.23	1,288.51
Employee Stock Option Plan (ESOP) expenses	1,925.24	1,004.09
	26,147.86	22,190.05

NOTE: 22 : Administrative and Other Expense**(₹ in lakhs)**

	31-Mar-2019	31-Mar-2018
Rent	2,593.80	2,220.80
Repairs and Maintenance	1,234.68	1,169.04
Insurance	313.39	235.04
Rates and Taxes	400.58	342.17
Electricity	345.51	322.13
Software and Technology Expenses	1,705.55	1,834.46
Database Research Expenses	560.35	529.53
Travelling and Conveyance	1,366.31	1,334.61
Communication Expenses	534.03	499.02
Outsourced Fund Accounting Expenses	741.08	1,341.66
Legal and Professional Charges	1,170.66	1,263.93
Auditor's Remuneration :		
- Audit Fees	18.00	18.00
- Tax Audit Fees	6.00	6.00
- Other Services	11.90	11.90
- Reimbursement of expenses	0.33	0.66
Services Charges	2,098.76	1,945.11
Directors Sitting Fees	27.35	25.19
Printing and Stationery	365.43	359.27
Loss on Sale of Fixed Assets (net)	4.87	5.91
Asset Utilisation Charges	326.30	257.39
Bank Charges	9.79	5.60
Miscellaneous Expenses	574.98	585.65
Foreign Exchange Loss (net)	4.16	10.72
Donation	6.55	18.25
Corporate Social Responsibility Expenses (Refer note 32)	699.00	507.93
	15,119.36	14,849.97

NOTE: 23 : Fund and Marketing Expenses**(₹ in lakhs)**

	31-Mar-2019	31-Mar-2018
Fund Expenses	18,368.49	28,115.28
Business Promotion Expenses	8,393.94	6,919.95
PMS Related Expenses	4,965.46	4,924.10
	31,727.89	39,959.34

NOTE: 24 : Depreciation and Amortisation Expenses**(₹ in lakhs)**

	31-Mar-2019	31-Mar-2018
Depreciation on Property Plant and Equipment	959.24	731.32
Amortisation of Intangible Assets	344.26	252.63
	1,303.50	983.94

Equity Reconciliation as on 1st April, 2017

(₹ in lakhs)

	Particulars	Foot-note	IGAAP As at 1st April, 2017	Adjustments	INDAS As at 1st April, 2017
I	ASSETS				
(1)	Financial Assets				
	(a) Cash and cash equivalents	1	1,418.81	-	1,418.81
	(b) Bank balances other than (a) above		-	-	-
	(c) Receivables				
	(I) Trade receivables		4,026.79	-	4,026.79
	(d) Loans	2	770.20	(13.92)	756.28
	(e) Investments				
	- Other Investments	3	97,492.32	11,293.32	108,785.64
	(f) Other Financial Assets	1	907.82	(4.54)	903.27
	Total Financial assets		104,615.94		115,890.79
(2)	Non-Financial Assets				
	(a) Current tax assets (net)		825.91	-	825.91
	(b) Deferred tax assets (net)	4	2,648.34	(2,648.34)	-
	(c) Property, Plant and Equipment		1,118.76	-	1,118.76
	(d) Capital work-in-progress		54.37	-	54.37
	(e) Intangible assets under development		189.02	-	189.02
	(f) Other Intangible assets		508.71	-	508.71
	(g) Other non-Financial assets	5	14,406.25	1,330.09	15,736.34
	Total Non-Financial assets		19,751.36		18,433.11
	Total assets		124,367.30		134,323.90
II	LIABILITIES AND EQUITY				
	LIABILITIES				
(1)	Financial Liabilities				
	(a) Payables				
	(I) Other Payables				
	(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		13,527.62	-	13,527.62
	(b) Other Financial Liabilities		4,405.33	-	4,405.33
	Total Financial liabilities		17,932.95		17,932.95
(2)	Non Financial Liabilities				
	(a) Current tax liabilities (net)		-	-	-
	(b) Provisions	5	6,761.08	1,330.09	8,091.17
	(c) Deferred tax liabilities (net)		-	-	242.64
	(d) Other non-financial liabilities		565.50	-	565.50
	Total Non-Financial liabilities		7,326.58		8,899.31
(3)	Equity				
	(a) Equity Share capital		1,800.00	-	1,800.00
	(b) Other Equity	6	97,307.77	8,383.87	105,691.64
	Total equity		99,107.77		107,491.64
	Total Liabilities and Equity		124,367.30		134,323.90

Footnotes to the Equity reconciliation as on 1st April, 2017

1 Cash and cash equivalents/Other Financial Assets

Under Indian GAAP (IGAAP), the interest accrued on NHAI bonds and fixed deposits were shown separately under the other current assets. Under Indian Accounting Standards (Ind AS) the interest accrued is to be clubbed with the investment as per the amortized cost basis.

2 Deposits

Under IGAAP, the Deposits are valued at cost but under Ind AS they have to be valued at present value which leads to creation of a new asset i.e. Deferred Lease Expenses.

3 Investments

Under IGAAP, the Group accounted for long term investments as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the Group has designated such investments as FVTPL investments. Ind AS requires FVTPL investments to be measured at fair value. The equity in subsidiary shares are valued at cost, investments in bonds is valued at amortised cost and investments in mutual funds are valued at fair value.

4 Deferred Tax Assets/Liabilities

Indian GAAP requires tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for 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. The fair valuation of investments has led to creation of deferred tax liability as the liability of taxation would be deferred on sale of investments. The application of Ind AS 12 approach has resulted in recognition of tax on new temporary differences which was not required under Indian GAAP.

5 Gratuity - Defined Benefits Obligations and Funded Assets

Under IGAAP, Actuarial Liability net off funded assets is required to be shown under Provisions. However, under INDAS, Present Value of Defined Benefits Obligations and Funded Assets are need to be shown separately under Provisions and Other non-financials assets.

6 Reserves

The impact on reserves is due to the fair valuation of investments and the present value of deposits. Also, under IGAAP the actuarial valuation impact on gratuity was considered in profit and loss account whereas under IND AS it is separately shown under the Other Comprehensive Income.

Equity Reconciliation as on 31st March, 2018

(₹ in lakhs)

	Particulars	Foot-note	IGAAP	Adjustments	INDAS
			As at 31st March, 2018		As at 31st March, 2018
I	ASSETS				
(1)	Financial Assets				
	(a) Cash and cash equivalents	1	1,101.85	0.06	1,101.91
	(b) Bank balances other than (a) above		25.00	-	25.00
	(c) Receivables				
	(I) Trade receivables		3,979.02	-	3,979.02
	(II) Other receivables				
	(d) Loans		1,056.33	-	1,056.33
	(e) Investments				
	- Other Investments	2	106,865.30	14,631.80	121,497.10
	(f) Other Financial Assets	1	668.50	(4.60)	663.90
	Total Financial assets		113,696.00		128,323.26
(2)	Non-Financial Assets				
	(a) Current tax assets (net)		1,257.28	(0.02)	1,257.26
	(b) Deferred tax assets (net)	3	550.60	(550.60)	-
	(c) Property, Plant and Equipment		1,715.93	-	1,715.93
	(d) Capital work-in-progress		15.13	-	15.13
	(e) Intangible assets under development		25.78	-	25.78
	(f) Other Intangible assets		784.92	-	784.92
	(g) Other non-Financial assets	4	18,108.90	1,642.06	19,750.96
	Total current assets		22,458.54		23,549.98
	Total assets		136,154.54		151,873.24
II	LIABILITIES AND EQUITY				
	LIABILITIES				
(1)	Financial Liabilities				
	(a) Payables				
	(I) 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		14,424.94	-	14,424.94
	(b) Other Financial Liabilities		5,539.44		5,539.44
	Total Financial liabilities		19,964.38		19,964.38
(2)	Non Financial Liabilities				
	(a) Provisions	4	7,162.55	1,642.06	8,804.61
	(b) Deferred tax liabilities (net)	3	-	3,382.66	3,382.66
	(c) Other non-financial liabilities		1,767.22	-	1,767.22
	Total Non-Financial liabilities		8,929.77		13,954.49
(3)	Equity				
	(a) Equity Share capital		1,800.00	-	1,800.00
	(b) Other Equity	5	105,460.39	10,693.98	116,154.37
	Total equity		107,260.39		117,954.37
	Total Liabilities and Equity		136,154.54		151,873.24

Footnotes to the Equity reconciliation as on 31st March, 2018

1 Cash and cash equivalents/Other Financial Assets

Under Indian GAAP (IGAAP), the interest accrued on NHAI bonds and fixed deposits were shown separately under the other current assets. Under Indian Accounting Standards (Ind AS) the interest accrued is to be clubbed with the investment as per the amortized cost basis.

2 Investments

Under IGAAP, the Group accounted for long term investments as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the Group has designated such investments as FVTPL investments. Ind AS requires FVTPL investments to be measured at fair value. The equity in subsidiary shares are valued at cost, investments in bonds is valued at amortised cost and investments in mutual funds are valued at fair value.

3 Deferred Tax Assets/Liabilities

Indian GAAP requires tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for 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. The fair valuation of investments has led to creation of deferred tax liability as the liability of taxation would be deferred on sale of investments. The application of Ind AS 12 approach has resulted in recognition of tax on new temporary differences which was not required under Indian GAAP.

4 Gratuity - Defined Benefits Obligations and Funded Assets

Under IGAAP, Actuarial Liability net off funded assets is required to be shown under Provisions. However, under INDAS, Present Value of Defined Benefits Obligations and Funded Assets are need to be shown separately under Provisions and Other non-financials assets.

5 Reserves

The impact on reserves is due to the fair valuation of investments. Also, under IGAAP the actuarial valuation impact on gratuity was considered in profit and loss account whereas under IND AS it is separately shown under the Other Comprehensive Income.

Profit Reconciliation for the year ended 31st March, 2018

(₹ in lakhs)

Particulars	Foot-note	IGAAP	Adjustments	INDAS
		As at 31st March, 2018		As at 31st March, 2018
Income				
Revenue from operations				
i) Revenue from sale of services		121,606.76	-	121,606.76
ii) Net Gain on MTM/ Fair Value Changes	1	4,060.66	3,336.49	7,397.15
Other Income	2	429.87	13.93	443.80
Total Income		126,097.27		129,447.71
Expenses				
Employee Benefits Expense	3	21,870.15	319.90	22,190.05
Administrative and Other Expense	4	14,851.96	(2.00)	14,849.97
Fund and Marketing Expense		39,959.34	-	39,959.34
Depreciation and Amortisation Expense		983.94	-	983.94
Total Expenses		77,665.39		77,983.30
Profit Before Tax		48,431.88		51,464.41
Income Tax Expense				
Current tax	5	14,180.00	42.58	14,222.58
Deferred tax	6	2,097.74	1,042.29	3,140.02
(Excess)/Short Provision for Tax of earlier years		(45.92)	-	(45.92)
Income Tax Expense		16,231.82		17,316.69
Profit for the year from Continuing operations		32,200.06		34,147.72
Other Comprehensive Income Statement				
A Items that will not be reclassified to profit or loss				
i) Actuarial Gain/ (Loss) on retirement benefits	5	-	(121.87)	(121.87)
ii) Income tax relating to the items that will not be reclassified to the Profit and Loss	5	-	42.58	42.58
Other Comprehensive Income for the Year		-		(79.28)
Total Comprehensive Income for the Year		32,200.06		34,068.44

Footnotes to the Profit reconciliation for the year ended 31st March, 2018

1 Net Gain on MTM/ Fair Value Changes

Under Indian GAAP (IGAAP), the Group accounted for long term investments as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the Group has designated such investments as FVTPL investments. Ind AS requires FVTPL investments to be measured at fair value. At the date of transition to Ind AS, difference between the instruments fair value and IGAAP carrying amount has been recognised as other income.

2 Other Income

The Deposit under IGAAP are valued at cost but under Ind AS they have to be valued at present value. The interest income on present value of deposit has been recognised as other income

3 Employee Benefits

Under IGAAP, ESOP charges are calculated using Intrinsic value whereas under INDAS, the ESOP charges are calculated using Black Scholes Model.

4 Administrative and other expenses

Under IGAAP, the diminution in the carrying value of investment was provided. Whereas under IndAS, Investments are required to be valued at Fair Value and its impact can be seen in Other Income.

5 Current Tax/Other Comprehensive income

As per IndAS 19 "Employee benefits", the part of the Gratuity expenses is routed through Other Comprehensive Income due to actuarial assumptions. Thus, it increases the tax liability arising on the same in IndAS to that extent.

6 Deferred Tax Expense

IGAAP requires tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for 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. The application of Ind AS 12 approach has resulted in recognition of tax on new temporary differences which was not required under IGAAP.

Other Notes to Accounts:**25. Contingent Liabilities and Commitments****(i) Contingent Liabilities:****(₹ in lakhs)**

No	Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
	Claims against the Company not acknowledged as debts in respect of;			
i)	Income tax matters	401.97	401.97	401.97
ii)	Sales tax matters (including interest and penalty)	151.29	151.29	-
iii)	Other matters	83.05	11.22	55.86

(ii) Commitments - Unexecuted Contracts:**(₹ in lakhs)**

No	Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
	Commitments for the acquisition of property, plant and equipment	432.85	545.99	226.80
	Commitments for investment activities	95.00	250.00	-

26. Management Rights

During financial year ended March 31, 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 Rs.378.51 lakhs has been treated as Investment Management Right. The Investment Management Right will be amortized over a period of 120 months. For the year ended March 31, 2019, an amount of Rs. 37.85 lakhs (Previous year Rs. 37.85 lakhs) has been amortised. Balance life of Investment Management Right is 66 months.

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:

Defined Contribution Plan

Defined Contribution Plan – The Company has recognized the following amounts in the Statement of Profit and Loss Account which are included under contribution to Provident Fund and other fund.

(₹ in lakhs)

No	Particulars	As at March 31, 2019	As at March 31, 2018
i)	Employers Contribution to Provident Fund (PF)	428.86	376.73
ii)	Employers Contribution to Employees Pension Fund	127.75	107.13
iii)	Employers Contribution to Labour Welfare Fund	0.38	0.14

Above figures are excluding Contribution to PF and Other Funds of Rs. 103.95 lakhs (Previous year Rs. Rs.93.27 lakhs) reimbursed to related parties-ABFSL & ABCL

Pursuant to ESOP Plan being established by the Parent company (i.e. Aditya Birla Capital Limited), additional stock options were granted to the employees of the Company during the current financial year. Total cost incurred by the Parent company till date is being recovered from the Company over the period of vesting. Accordingly, a sum of Rs. 2,358.45 lakhs (Previous year 562.43 lakhs) has been recovered from the Company during the year, of which Rs.1,927.43 lakhs has been charged to the Statement of Profit and Loss. The balance sum of Rs. 1927.91 lakhs will be recovered in future periods.

28. Gratuity

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.

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Amounts recognised in the Balance Sheet in respect of Gratuity			
Present Value of the funded Defined Benefit Obligations at the end of the year	2,033.68	1,738.63	1,438.50
Fair Value of Plan Assets	(2,031.09)	(1,642.06)	(1,330.09)
Net (Asset) / Liability	2.59	96.57	108.41
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	242.00	220.76	184.58
In Other Comprehensive Income	38.16	70.37	242.47
Total Expenses Recognised during the period	280.16	291.13	427.05
Actual Return on Plan Assets:			
Expected Return on Plan Assets	124.71	91.71	62.47
Actuarial Gain/(Loss) on Plan Assets	23.65	(36.21)	18.10
Actual Return on Plan Assets:	148.36	55.50	80.57
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	1,738.63	1,438.50	1,037.31
Current Service Cost	234.67	213.29	167.24
Interest Cost	132.04	99.19	79.82
Actuarial (Gain)/Loss arising from:			
- changes in demographic assumptions	-	-	-
- changes in financial assumptions	39.43	(50.39)	111.43
- experience variance (i.e. actual experience vs assumption)	22.37	84.54	149.14
Liabilities Settled on Divestment	-	-	-
Benefits Paid	(133.46)	(46.50)	(106.44)
Closing Defined Benefit Obligations	2,033.68	1,738.63	1,438.50
Change in Fair Value of the Plan Assets:			
Opening Fair Value of the Plan Assets	1,642.06	1,330.09	811.93
Expected Return on the Plan Assets	124.71	91.71	62.47
Actuarial (Gain)/Loss	23.65	(36.21)	18.10
Contributions by the Employer	374.13	302.97	544.04
Asset Distributed on Divestment	-	-	-
Benefits Paid	(133.46)	(46.50)	(106.45)
Closing Fair Value of the Plan Assets	2,031.09	1,642.06	1,330.09
Expense Recognised in Income Statement			
Current Service Cost	234.67	213.29	167.24
Net Interest cost / (income) on the defined Benefit Liability / (Asset)	7.33	7.47	17.34
Expense Recognised in Income Statement	242.00	220.76	184.58
Other Comprehensive Income			
Actuarial (Gain)/Loss arising from:			
- changes in demographic assumptions	-	-	-
- changes in financial assumptions	39.43	(50.39)	111.43
- experience variance (i.e. actual experience vs assumption)	22.37	84.55	149.14
Return on plan asset, excluding amount recognised in net interest expense	(23.65)	36.21	(18.10)
Components of defined benefit costs recognised in other comprehensive income	38.15	70.37	242.47
Investment details of Plan Assets			
Plan assets are invested with :			
Life Insurance Corporation of India	-	-	36.10
Aditya Birla Sun Life Insurance Company Limited	2,031.09	1,642.06	1,293.99

Composition of the plan assets are as follows :	Allocation %	Allocation %	Allocation %
Government Bonds	29.33%	2.28%	33.38%
Corporate Bonds	63.00%	60.35%	54.55%
Others	7.68%	37.38%	12.08%
Assumptions			
Discount rate	7.55%	7.60%	6.90%
Return on Plan Assets	7.55%	7.60%	6.90%
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	7.00%
Average Age	33.32	33.42	33.46
Mortality Basis	Indian Assured Lives mortality (2006-2008) ultimate	Indian Assured Lives mortality (2006-2008) ultimate	Indian Assured Lives mortality (2006-2008) ultimate
Withdrawal/Attrition rate (based on age)	20% upto 30 years, 10% - 31-44 years, 5% above 44 years	20% upto 30 years, 10% - 31-44 years, 5% above 44 years	20% upto 30 years, 10% - 31-44 years, 5% above 44 years

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 is given below:

(₹ in lakhs)

No	Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
1	Defined Benefit Obligation (Base)	2,033.68	1,738.63	1,438.50

(₹ in lakhs)

No.	Particulars	As at March 31, 2019		As at March 31, 2018		As at April 1, 2017	
		Decrease	Increase	Decrease	Increase	Decrease	Increase
1	Discount Rate (- / + 0.50 %)(% change compared to base due to sensitivity)	2,132.81 4.9%	1,941.42 -4.5%	1,824.55 4.9%	1,658.71 -4.6%	1,515.70 5.4%	1,367.08 -5.0%
2	Salary Growth Rate (- / + 0.50 %)(% change compared to base due to sensitivity)	1,940.78 -4.6%	2,132.61 4.9%	1,658.12 -4.6%	1,824.43 4.9%	1,366.72 -5.0%	1,515.37 5.3%
3	Attrition Rate (- / + 50%)(% change compared to base due to sensitivity)	2,230.95 9.7%	1,908.06 -6.2%	1,905.24 9.6%	1,633.79 -6.0%	1,639.95 14.0%	1,323.54 -8.0%
4	Mortality Rate (- / + 10%)(% change compared to base due to sensitivity)	2,030.89 -0.1%	2,036.46 0.1%	1,736.19 -0.1%	1,741.06 0.1%	1,436.98 -0.1%	1,440.00 0.1%

There is no change in the method of valuation for the prior period. For change in assumptions refer assumptions table above.

Asset Liability Matching Strategies: The scheme is managed on funded basis.

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 lakhs)

The Company's best estimate of Contribution during the next year	262.89
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iii) Maturity Profile of Defined Benefit Obligation

Weighted average duration (based on discounted cash flows)	10 years
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Expected cash flows over the next (valued on undiscounted basis)

(₹ in lakhs)

1 year	138.09
2 to 5 years	575.08
6 to 10 years	1,170.55
More than 10 years	2,924.46

Estimated amount of contribution expected to be paid to the fund during the annual period being after the Balance Sheet date is Rs. 262.89 lakhs (Previous year Rs. 327.55 lakhs)

No.	Experience Adjustment	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
1	Defined Benefit Obligation	(2,033.68)	(1,738.63)	(1,438.50)	(1,037.31)	(698.16)
2	Plan Assets	2,031.09	1,642.06	1,330.09	811.93	640.52
3	Surplus/(Deficit)	(2.59)	(96.57)	(108.41)	(225.38)	(57.64)
4	Experience Adjustment on Plan Liabilities	22.37	84.55	149.14	456.02	(5.69)

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.

29. Disclosure in respect of Related Party pursuant to Indian Accounting Standard (Ind AS) 24:

a. List of Related Parties

A Ultimate Parent Company

Grasim Industries Limited (w.e.f. 1st July, 2017)

B Parent Company

Aditya Birla Capital Limited (ABCL)

C Other Related Party

Sun Life (India) AMC Investments Inc., Canada
Sun Life Global Investments (Canada) Inc
Aditya Birla Management Corporation Private Limited
Idea Cellular Limited (Upto 30th August, 2018)

D Fellow Subsidiaries of Parent Company

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 (ABFSL)
Aditya Birla Insurance Brokers Limited
Aditya Birla Money Insurance Advisory Services Limited
Aditya Birla Commodities Broking Limited
Aditya Birla My Universe 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
ABC SL-Employee Welfare Trust
Aditya Birla wellness Private Limited
ABNL Investment Limited

E The entities in respect of which Funds are managed by the Company

India Advantage Fund Limited
International Opportunities Fund SPC
Global Green Energy Fund
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 AMC Limited, Dubai

G Directors and Key Management Personnel

Kumar Mangalam Birla (Chairman and Associate Director)

A. Balasubramanian (Chief Executive Officer)

Ajay Srinivasan (Associate Director)

Pankaj Razdan (Associate Director)

Sandeep Asthana (Associate Director)

Colm Freyne (Associate Director)

Claude Accum (Associate Director)

N.N. Jambusaria (Independent Director)

Bharat Patel (Independent Director)

N. C. Singhal (Independent Director)

R. Vaidyanathan (Independent Director)

Bobby Parikh (Independent Director)

Alka Bharucha (Independent Director)

b. Related Parties with whom the Company has entered into transactions during the Year:

(₹ in lakhs)

Sr. No.	Particulars	Category	For the year ended	
			March 31, 2019	March 31, 2018
1	Income			
	Dividend Income			
	Aditya Birla Sun Life AMC (Mauritius) Limited	F	531.22	391.64
2	Expenses			
	Brokerage			
	Aditya Birla Money Limited	D	-	2.63
	Aditya Birla Finance Limited (Note 1)	D	122.96	518.16
	Aditya Birla MyUniverse Services Limited	D	4.72	-
	Contribution to Term Insurance / Gratuity			
	Aditya Birla Sun Life Insurance Company Limited	D	389.70	350.90
	Aditya Birla Health Insurance Company Limited	D	70.28	7.08
	Professional Charges - Marketing			
	Aditya Birla Sun Life AMC Limited, Dubai	F	1,104.07	479.05
	Aditya Birla Sun Life AMC Pte Limited, Singapore	F	35.88	305.87
	Business Promotion Expenses			
	Aditya Birla Sun Life Insurance Company Limited (Insurance Premium) (Note 2)	D	716.43	573.37
	Aditya Birla Health Insurance Company Limited (Note 3)	D	268.49	212.66
	Rent			
	Aditya Birla Capital Limited (Rent)	B	15.09	-
	Grasim Industries Limited (Rent)	A	91.98	60.82
	Telephone and Internet			
	Idea Cellular Limited	C	7.18	8.79
3	Reimbursements of Costs Paid			
	Aditya Birla Financial Shared Services Limited (Employee benefit expense)	D	885.77	589.23
	Aditya Birla Financial Shared Services Limited (Administrative and other expense)	D	1,536.03	1,151.53
	Aditya Birla Finance Limited (Employee benefit expenses)	D	8.70	0.46
	Aditya Birla Finance Limited (Rent)	D	87.02	81.52
	Aditya Birla Finance Limited (Administrative & other expenses)	D	1.92	-
	Aditya Birla Sun Life Insurance Company Limited (Rent)	D	1.80	6.58
	Aditya Birla Sun Life Insurance Company Limited (Administrative and other expense)	D	5.35	202.84

Sr. No.	Particulars	Category	For the year ended	
			March 31, 2019	March 31, 2018
	Aditya Birla Sun Life Insurance Company Limited (Employee benefit expense)	D	9.22	22.58
	Aditya Birla Capital Limited (Employee benefit expense)	B	4,622.93	2,594.71
	Aditya Birla Capital Limited (Administrative and other expense)	B	666.88	753.96
	Grasim Industries Limited (Employee benefit expense)	A	-	2.35
	Aditya Birla Health Insurance Co Limited (Employee benefit expense)	D	14.99	1.48
	Aditya Birla Health Insurance Co Limited (Administrative and other expense)	D	-	2.30
	Aditya Birla Insurance Brokers Limited (Employee benefit expense)	D	-	0.18
	Aditya Birla Housing Finance Limited (Employee benefit expense)	D	-	1.21
	Aditya Birla Money Limited (Employee benefit expense)	D	0.22	-
	Aditya Birla Management Corporation Pvt Ltd (Employee benefit expenses)	D	22.29	-
	Sun Life Global Investments (Canada) Inc (Employee Benefit expenses)	C	77.52	-
4	Reimbursements of Costs Received			
	Aditya Birla Finance Limited (Employee benefit expense)	D	4.80	-
	Aditya Birla Financial Shared Services Limited (Employee benefit expense)	D	0.41	31.90
	Aditya Birla Sun Life Insurance Company Limited (Employee benefit expense)	D	0.82	10.62
	Aditya Birla Sun Life Insurance Company Limited (Administrative and other expense)	D	0.23	0.25
	Grasim Industries Limited (Employee benefit expense)	A	-	0.66
	Aditya Birla Health Insurance Co Limited (Employee benefit expenses)	D	0.63	-
	Aditya Birla Health Insurance Co Limited (Administrative and other expense)	D	85.19	3.19
	Aditya Birla Housing Finance Ltd (Employee benefit expenses)	D	0.27	-
	Aditya Birla Capital Ltd (Administrative & other expenses)	B	141.39	-
	Aditya Birla Money Limited (Employee benefit expense)	D	2.87	-
	Idea Cellular Limited	C	0.75	-
5	Managerial Remuneration			
	Chief Executive Officer (note 4)	F	1,891.42	694.97
6	Interim Dividend Paid			
	Aditya Birla Capital Limited	B	15,299.97	10,189.78
	Sun Life (India) AMC Investments Inc	C	14,700.00	9,790.20
	Kumar Mangalam Birla	F	0.02	0.01
7	Purchase of Fixed Assets			
	Aditya Birla Financial Shared Services Ltd	D	10.27	-
	Aditya Birla Finance Ltd	D	11.38	-
8	Sale of Fixed Assets			
	Aditya Birla Financial Shared Services Limited	D	-	0.17
9	Deposit Paid			
	Grasim Industries Ltd	A	9.48	-
	Aditya Birla Capital Ltd	B	25.20	-

c. Outstanding Balances:

(₹ in lakhs)

Sr. No.	Particulars	Category	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
1	Payable				
	Aditya Birla Finance Limited - (Trade Payable)	D	11.89	21.36	11.75
	Aditya Birla Money Mart Limited (Trade Payable)	D	-	-	2.54
	Aditya Birla Financial Shared Services Limited (Trade Payable)	D	250.26	11.55	-
	Aditya Birla Sun Life Insurance Company Limited (Trade Payable)	D	-	4.93	-
	Aditya Birla Capital Limited (Formerly known as Aditya Birla Financial Services Limited)	B	103.43	331.70	983.63
	Aditya Birla Health Insurance Company Limited (Trade Payable)	D	-	-	4.15
	Aditya Birla My Universe Limited (Trade Payable)	D	-	21.00	21.00
	Aditya Birla Nuvo Limited (Trade Payable)	A	-	-	1.14
	Aditya Birla Sun Life AMC Pte Ltd, Singapore (Trade Payable)	F	11.56	59.99	128.46
	Aditya Birla Sun Life AMC Ltd, Dubai (Trade Payable)	F	192.07	119.86	95.92
	Grasim Industries Limited (Trade Payable)	A	0.83	2.39	-
	Aditya Birla Money Ltd (Trade Payable)	D	0.22	-	-
	Aditya Birla Housing Finance Limited (Trade payable)	D	-	1.21	-
2	Receivable				
	Aditya Birla Sun Life Insurance Company Limited (Loans and Advances)	D	-	-	0.33
	Aditya Birla Financial Shared Services Limited (Loans and Advances)	D	-	-	10.04
	Aditya Birla Financial Shared Services Limited (Prepaid Expenses)	D	33.01	39.06	22.96
	Grasim Industries Limited (Deposit)	A	71.32	61.83	-
	Aditya Birla Sun Life Insurance Company Limited (Loans and Advances)	D	0.23	-	-
	Aditya Birla Capital Ltd (Deposit)	B	25.20	-	-
	Aditya Birla Health Insurance Co Ltd (Loans & Advances)	D	0.50	-	-

Related parties are as identified by the Company and relied upon by the Auditors

All the above figures are inclusive of service tax/GST where ever applicable.

Note 1 - Total Amount paid Rs.122.96 lakhs, out of which Rs.103.04 lakhs debited to profit and loss during the period and balance amortised.

Note 2 - Total Amount paid Rs.716.43 lakhs, out of which Rs.545.34 lakhs debited to profit and loss during the period and balance amortised.

Note 3 - Total Amount paid Rs.268.49 lakhs out of which Rs.170.85 lakhs debited to profit and loss during the period and balance amortised.

Note 4 - Managerial Remuneration includes one time payment of Long Term Incentive Plan.

30 Earnings Per Share (₹ in lakhs)

Earnings per Share (EPS) is calculated as under:		As at March 31, 2019	As at March 31, 2018
Net Profit After Tax before Other Comprehensive Income as per Standalone Statement of Profit and Loss		44,886.94	34,147.73
Less: Preference Dividend and tax thereon			
Net Profit for EPS -	A	44,886.94	34,147.73
Weighted average number of Equity Shares for calculation of Basic EPS	B	1,80,00,000	1,80,00,000
Basic and Diluted Earning Per Share (Rs)	A/B	249.37	189.71
Nominal Value of Shares (Rs.)		10	10

31. Segment information for the year ended 31st March, 2019

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 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 Company's business is restricted to single Operating Segment i.e. Asset Management Services.

No revenue from transactions with a single external customer or counterparty amounted to 10% or more of the Company's total revenue in year ended 31 March 2019 or 31 March 2018.

32. Corporate Social Responsibility

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 Rs. 699 lakhs (previous Year Rs. 507.93 lakhs).

(₹ in lakhs)

No.	Amount spent during the year on;	As at March 31, 2019	As at March 31, 2018
1	Construction/acquisition of assets	1.66	69.98
2	On purpose other than (i) above	697.34	437.95

33. Assets taken under Operating Lease

a) The Details of future rental payable on non-cancellable operating lease are given below

(₹ in lakh)

No	Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
1	Not later than one year	673.17	1,013.68	3,451.54
2	Later than one year and not later than five years	3,706.21	6,094.42	2,131.13
3	Later than five years	5,025.66	4,882.20	3,386.08

b) Lease payment recognized in the statement of profit and loss for the year is 2,593.80 lakhs (Previous Year Rs 2,220.90 lakhs)

34. 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.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March, 2019 and 31 March, 2018

35. Fair Values of Financial Instruments

Valuation Model

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.
- 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.

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
	Level 1	Level 1	Level 1
FVTPL Assets :			
- Mutual Funds	1,11,273	1,12,695.01	1,01,233.55
- Others	1,754.81	1,000	-
Amortised Cost Assets :			
- Equity	-	-	-
- Corporate bonds (Cost 11,126,000)	115.81	115.81	115.81
	Level 2	Level 2	Level 2
FVTPL Assets :			
- Equity	5.38	5.38	5.38
- Others	658.01	255.91	5.91
Total	1,13,806.62	1,14,072.11	1,01,360.65

36. Financial Assets and Financial Liabilities

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

- 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:

- 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.

Financial asset at FVTOCI

A financial asset is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- 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 categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

37. Financial Risk Management Objectives And Policies

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 the Managing Board of Risk management committee and the auditors have relied on the same.

A. Market Risk

The Company manages market risk through finance department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

(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 Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt investments.

Sensitivity

The following table demonstrates the sensitivity to:

- Interest Rate Risk is basis impact on debt portfolios for 1% rise in interest rates. Hybrid funds considered at 100% as a conservative basis for assessing interest rate impact on portfolio. (which form approx 1% of the entire portfolio of schemes)
- Value at Risk (VaR) is the 1 day % loss with 95% confidence level. VaR is calculated only for equity/ETF funds. (excluding FTP, Debt and Hybrid funds)
- Market Risk (Beta) is the change in Portfolio Value for 1% change in the market (Respective scheme benchmark). Beta has been calculated for Equity/ETF funds only. (excluding FTP, Debt and Hybrid funds)

Risk	As at March 31, 2019	As at March 31, 2018	As at April 1, 2017
Interest Rate Risk	-1.35%	-1.88%	-2.40%
Value at Risk (VaR)	-0.84%	-0.87%	-0.87%
Market Risk (Beta)	0.67%	0.83%	-0.83%

Source: MFI Explorer

(ii) Foreign Currency Risk

The Company has branch presence internationally and portion of the business is transacted in foreign currencies, however the Company is not exposed to foreign exchange risk through its sales and services in overseas in various foreign currencies through branches and Company doesn't have any receivable / payable in foreign currencies.

B. Credit Risk

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

(₹ in lakhs)

Trade Receivables	Neither past due nor impaired	Past dues but not impaired					Total
		<30days	30 to 60 days	61 to 90days	91 to 120 days	> 120 days	
31st March, 2019	1,604.79	-	-	-	-	585.59	2190.38
31st March, 2018	3,530.21	212.31	-	137.81	-	98.69	3,979.02
1st April, 2017	3,236.53	-	390.80	-	-	399.46	4026.79

No significant changes in estimation techniques or assumptions were made during the reporting period.

(i) 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.

As at 31st March, 2019	Within 12 Months	After 12 Months	Total
Trade Payables	7544.75	20.13	7564.88
Other Payables	4,644.96	251.80	4,896.76
Payable for Capital Expenditure	24.50	-	24.50
	12,214.22	271.93	12,486.14

As at 31st March, 2018	Within 12 Months	After 12 Months	Total
Trade Payables	3,700.32	10,724.62	14,424.94
Other Payables	5,140.33	285.29	5,425.62
Payable for Capital Expenditure	113.82	-	113.82
	8,954.47	11,009.91	19,964.38

As at 1st April, 2017	Within 12 Months	After 12 Months	Total
Trade Payables	4643.84	8883.78	13527.62
Other Payables	4108.32	235.28	4343.60
Payable for Capital Expenditure	61.73	-	61.73
	8,813.89	9,119.06	17,932.95

(ii) 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's may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

38. First-time adoption of Ind AS

These financial statements, for the year ended 31 March 2019, are the first financial statements the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2018, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2019, together with the comparative period data as at and for the year ended 31 March 2018, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2017, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2017 and the financial statements as at and for the year ended 31 March 2018.

Exemptions applied:

Property plant and Equipment, were carried in the balance sheet prepared in accordance with Indian GAAP on the basis of valuations performed on 31 March 2017. 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. The Company has also determined that revaluation as at 1 April 2017 does not differ materially from fair valuation as at 31st March 2017. Accordingly, the Company has not revalued the property at 1 April 2017 again.

39. Events after the reporting period

There are no significant events after the reporting date which requires disclosures or amendments to the financial statements for the period ended 31st March, 2019.

For and on behalf of the Board of Directors of
Aditya Birla Sun Life AMC Limited
(Formerly known as Birla Sun Life Asset Management Company Limited)

Ajay Srinivasan
Director
(DIN No: 00121181)

Sandeep Asthana
Director
(DIN No: 00401858)

A. Balasubramanian
Chief Executive Officer
Place: Mumbai
Date: 26th April, 2019

Parag Joglekar
Chief Financial Officer

Hemanti Wadhwa
Company Secretary